



WORLD BANK GROUP
Climate Change

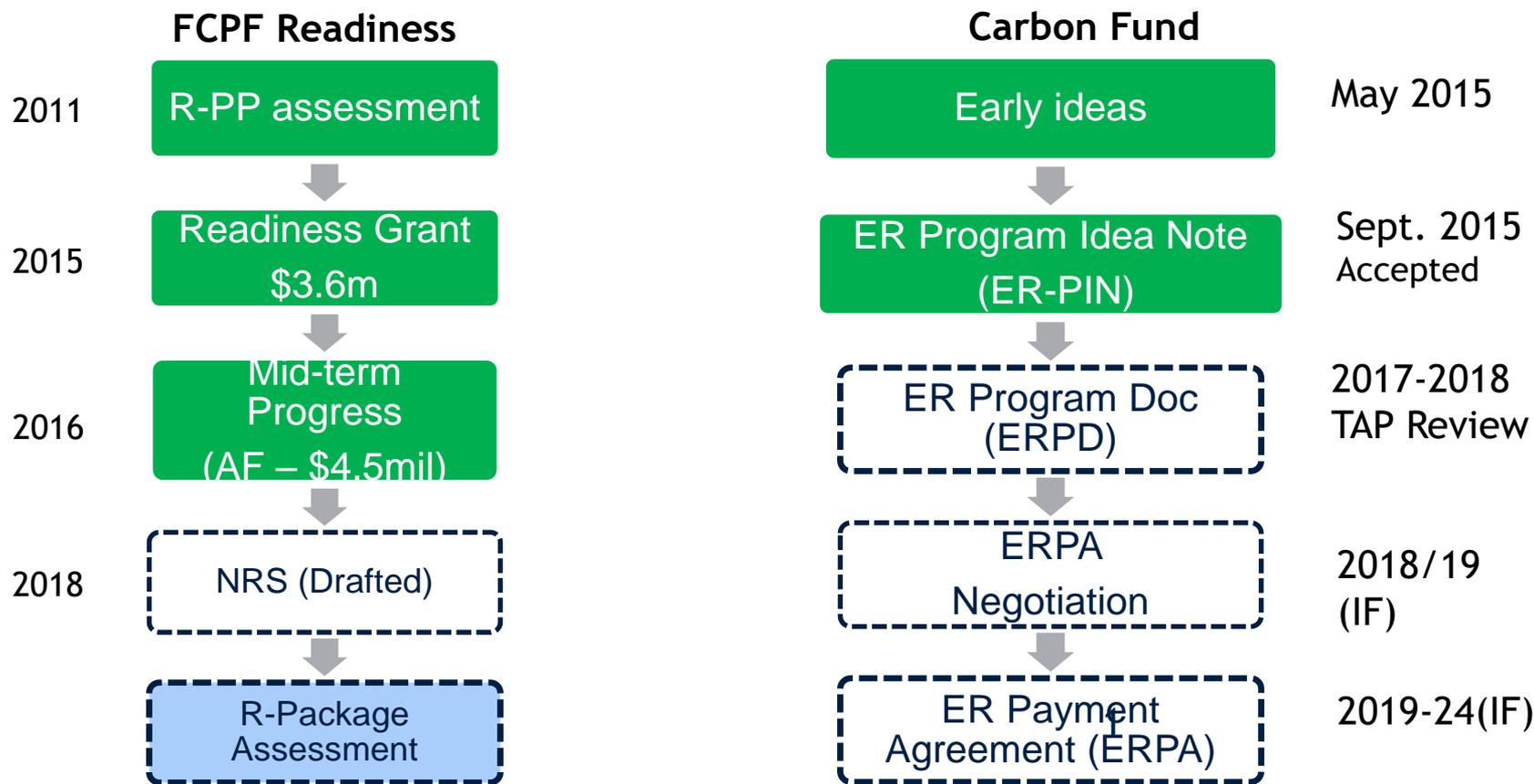
LAO PDR GRM

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Background



Overall Assessment (1 of 2)

Grant Objective:

To contribute to Lao PDR's efforts to design and implement a sound national REDD+ strategy.



Overall Assessment (2 of 2)

Key results include:

- A. Strengthened **technical and institutional capacities** for effective management, implementation and coordination of REDD+ Programs, projects and policies with Dept of Forest and Dept of Forest Resource Mgt. and also across relevant sector institutions.
- B. Improved understanding and awareness of **drivers** of deforestation and degradation, and **strategies** to address them;
- C. An efficient, effective and equitable **REDD+ management framework** designed and validated nationally, including an **Environmental and Social Management Framework**;
- D. Appropriate **social inclusion in REDD+ through consultations** at the national, provincial, district and community levels; and
- E. **Sub-national dialogue** on REDD+ implementation.

Alignment with WBG Country Partnership Framework

3 Focus Areas of WBG CPF: **inclusive growth**, **investing in people**, and **environment**.

REDD+ readiness work is well aligned to the CPF and government priorities in the National Socio-Economic Development Policies (NSEPD).

The WB/IDA, IFC and ADB are currently supporting a number of complementary programs including, among others:

- Scaling-up Participatory Sustainable Forest (SUFORD-SU, IDA/FIP)
- Smallholder Agroforestry (IFC)
- Laos Environmental and Social Project II (Protected Areas, IDA/GEF)
- Protecting Forests for Ecosystems Services, and
- Green Growth Development Policy Financing (IDA) and associated analytics and TA

Selected Achievements

2008 - 2012	<ul style="list-style-type: none">• Establishment of a National REDD+ Task Force, and REDD+ Offices which are now a Division• Establishment of Ministry of Natural Resources and Env't (MONRE)
2012 - 2016	<ul style="list-style-type: none">• 6 Thematic REDD+ Technical Working Groups established• Cabinet reorganization resulting in re-assigning the mandate for management of all forests to MAF followed by a Prime Ministerial Order 57 to implement the institutional arrangements• MONRE handed over responsibilities for management of protection and conservation forests,
2016 - 2018	<ul style="list-style-type: none">• Provincial REDD+ Task Forces established initially in the 6 ER-Program provinces• Prime Minister's Order (PMO) No. 15 was issued, restricting international trade in logs and unfinished timber, and providing increasing support for control of illegal logging. Since PMO No. 15 was issued, prosecutions for forest crime and corruption have increased, and exports of logs and timber to neighboring countries have dramatically decreased.

Thematic Level Assessment – Since MTR in 2016

Component	Status
Readiness organization and consultation	Well advanced as illustrated by the evolution of the institutional setting in the last 5 years. Stakeholder consultation has been comprehensive as outlined in the R-Package. More consultation is expected for finalizing the national strategy
REDD+ Strategy preparation	REDD+ Strategy drafted and in the final stage of endorsement by the relevant ministries SESA and ESMF drafted, undergoing review
Reference Emission Level/Reference Level	FREL Submitted to the UNFCCC for technical assessment and also used for the preparation of the draft ERPD
Monitoring systems for forests and safeguards/risk mgt	Progressing well and expected to be completed by 2020; a framework for NMFS and MRV is in now place.

Grant Management, Coordination and Collaboration (1 of 2)

- **An additional funding grant was approved** by the PC and signed by the Bank in March 2018. The grant will continue and enhance activities under the original FCPF grant.
- **Restructuring of grant:** The Bank has harmonized the original grant and the additional funding to avoid a break in activities and reduce the administrative burdens. This is important as the review of the R Package is already taking place, and ER-PD is advanced.

Grant Management, Coordination and Collaboration (2 of 2)

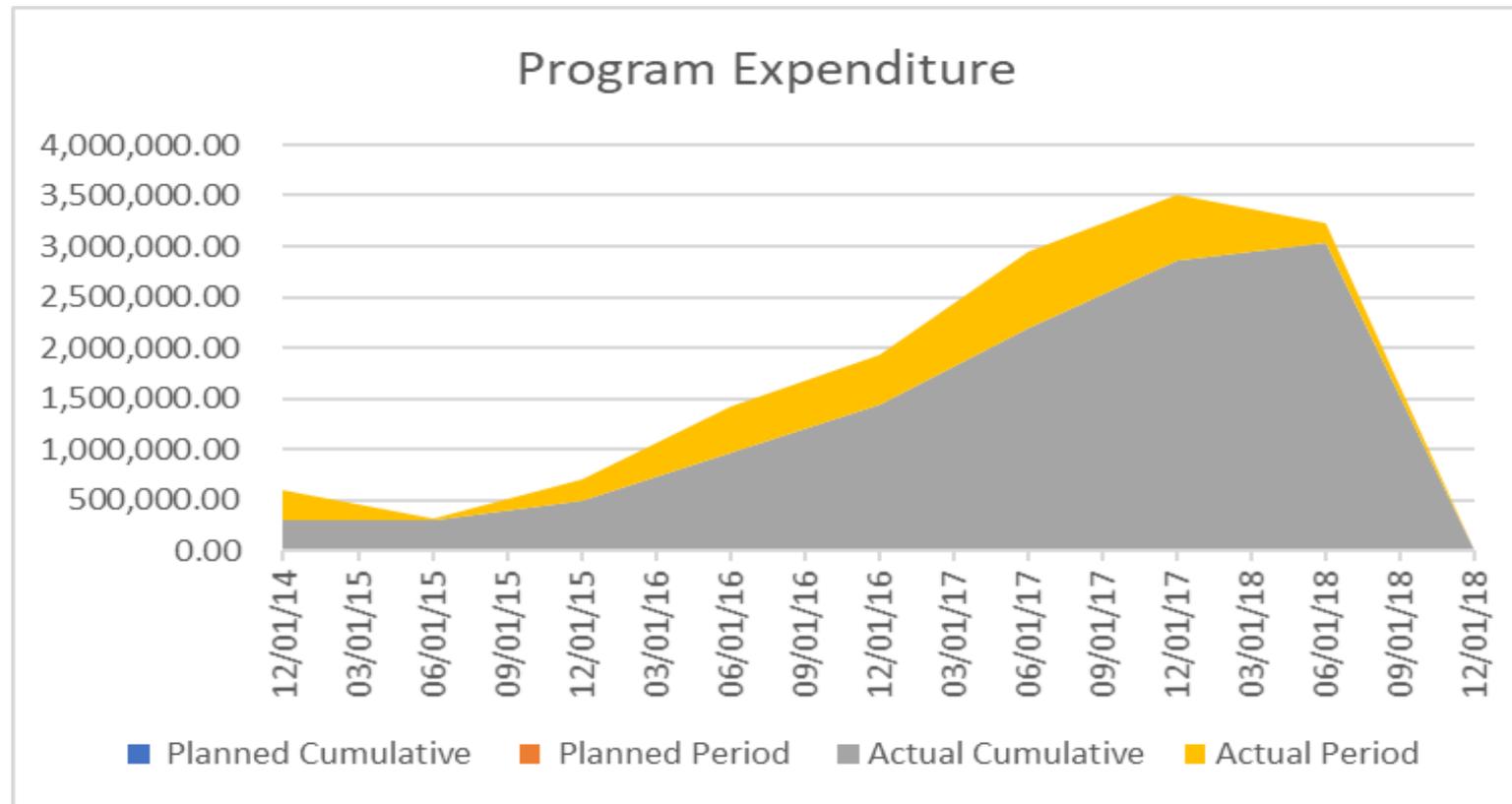
- **Development partners:** The GoL has prepared a detailed outline of activities to be implemented over the next 2 years with support from several development partners. Specifically, the GoL has worked with JICA, GIZ, KfW), the Government of Finland, the World Bank, and the ADB. Each of these partners has supported specific thematic areas.
- **Capacity development:** Following the identification of REDD+ Strategy options, the government is preparing to undertake a comprehensive capacity needs assessment to be followed by preparation of a capacity development plan which will support the implementation of the ER Program in the 6 northern provinces.

Addressing Social and Environmental Safeguards

- **SESA/ESMF:** The safeguards framework is being addressed through the development of the SESA and ESMF. The WB has already provided feedback and suggestions for improvement.
- **Procurement:** The main constraint is fiduciary issues including procurement. The national team benefitted from a strong TA contract that paired international experts with them.
- The government continues to seek international support because the starting point for REDD+ and broader climate change response capacity is characterized by significant financial, human, and technical constraints.
- **Funding:** Development partners have contributed roughly USD 65 million in the last ten years including the ongoing Forest Investment Program. The GoL is now preparing to mobilize funds for implementing the ER-Program and will be making applications to the GCF, and seeking support from other development partners in addition to it's own fiscal and indirect contribution.

Expenditure

Cumulative Expenditure to date



Looking forward (1 of 2)

Focus through 2020: Establishing, enhancing and implementing key systems for ER Program implementation:

1. Institutionalizing an enhanced **safeguards system** to support risk management and sustainability of the ER Program
2. Continue developing and institutionalizing the **benefit sharing mechanism**.
3. Continue development of and institutionalize the **national monitoring system** (NFMS, MRV, Safeguards Information System)

Looking forward (2 of 2)

To support these systems, continued capacity, communication, and consultations are needed:

- ✓ **Capacity** must continue to be built through a capacity needs assessment and capacity development plan for national stakeholders responsible for implementing the National REDD+ Strategy and intervention options (across all relevant sectors as identified in the drivers analysis)
- ✓ **Communications** and **consultations** take place across sectors, stakeholders, and sources of financing

The transition from REDD+ readiness to implementation and results-based payments will require substantive investment in technical, managerial and operational capacity at both national and sub-national level. The WB is already supporting some of these requirements including through the Additional Funding.

Thank you

