

**Forest Carbon Partnership Facility (FCPF) Readiness Mechanism
Readiness Preparation Proposal (R-PP) External Review Template**
(interim, September 10, 2009, from Program Document FMT 2009-1, Rev. 3)

Review of R-PP of Lao PDR

Country Reviewers: Argentina, Australia (lead) and Norway

Date of review: 30 September 2010

Standards to be Met by R-PP Components

(from Program Document FMT 2009-1, Rev. 3:)

General comments

Overall, the R-PP displays a good level of understanding of the drivers of both deforestation and forest degradation in Lao PDR, and how these fit in the context of competing priorities between national policy objectives for reducing emissions from the forest sector and other land use needs.

Strengths:

- The proposed institutional governance arrangements will eventually include all relevant government agencies and the strategic cross-sectoral coordination and oversight of the REDD+ process is being elevated higher up in the government, to the National Environment Committee at minister/vice-minister level, chaired by the Deputy Prime Minister and with participation from all relevant ministries.
- Contains an impressive summary of land-use issues, forest policy and forest governance.
- Includes a high level of detail in the consideration of strategies to address identified drivers of both deforestation and forest degradation. The outlined REDD+ strategy options are comprehensive and the presentation is well structured in a manner that identifies activities, costs and benefits.
- The R-PP provides a comprehensive design for a monitoring system. It has addressed Lao PDR's approach and any issues they may encounter either at the sub-national or national level when developing and implementing the MRV system.

Areas for improvement:

- Requires further discussion of the forthcoming Investment Strategy to be financed through the Forest Investment Program. Lao PDR was selected as a FIP pilot country in March 2010, and the reviewers would have expected this to be a central feature of the proposal.
 - The R-PP proposes an implementation strategy that relies heavily on small pilot projects. The R-PP would benefit from a more holistic approach, including in relation to SESA, and should more fully encompass the activities being planned under the FIP that will be aimed at transformational change.
- Consider including a more detailed forward program of work for each of the components, potentially including Terms of Reference where appropriate.

- Several areas for further study could be expanded upon, to more clearly identify what approach may be taken to these investigations.
- Good to include more detailed information on all budgeted activities. Some activities are included in the budget but not explained in any detail in the R-PP.
- The R-PP was at times difficult to read due to having to go back and forward between the text under the different components and the acronyms list. It would be useful to spell out acronyms in full in the first instance that they are used.

Component 1. Organize and Consult

Standard 1a: National Readiness Management Arrangements

The cross-cutting nature of the design and workings of the national readiness management arrangements on REDD, in terms of including relevant stakeholders and key government agencies beyond the forestry department, commitment of other sectors in planning and implementation of REDD readiness;

Reviewer’s assessment of how well R-PP meets this standard, and recommendations:

The R-PP proposes a strong governance structure that will include all relevant government agencies at the national level and is likely to enhance political commitment to REDD+. It is positive that the strategic cross-sectoral coordination and oversight of the REDD+ process is being elevated higher up in the government, to the National Environment Committee at minister/vice-minister level, chaired by the Deputy Prime Minister and with participation from all relevant ministries. (The identity of the chair could usefully be elaborated, given that Lao PDR has four deputy prime ministers.) The responsibility for REDD+ implementation and engagement with the FCPF is clearly articulated through an official directive.

It is also positive that the REDD+ Task Force in charge of the readiness process will be strengthened by additional members from other ministries than Agriculture and Forestry, and that a REDD+ Office will be established. However, the division of responsibilities between the Taskforce and the REDD+ office appear to include some overlap. For example, some of the tasks for the taskforce, as described in component 1a (second paragraph, page 14) include (i) maintaining a register of all projects, including voluntary markets. and (v) prepare proposal for how different forms of REDD relating funding will managed and distributed. These functions are more relevant to the issues addressed as part of component 2c. Component 2c refers to the proposal for the REDD office (which is also mentioned in the component 1a) to carry out tasks under the implementation framework. More clarity on the roles and interactions between the Task Force and the REDD+ Office, noting the different tasks that will be required between the readiness and the implementation phase, as well as a timeline for the transition would be helpful.

A number of Technical Working Groups will be established under the REDD+ Office, which sounds reasonable. However, care should be taken in not creating too many groups, but to try to create a network of stakeholders with a holistic awareness of the REDD+ process. Care should also be taken in copying this entire structural arrangement to the provincial level, given capacity constraints, this seems unrealistic. The provincial government role in readiness could be potentially different that national government.

There seems to be a process in which civil society is invited to some of the meetings of the REDD+ Task Force. A more institutionalized arrangement for civil society to participate in the national REDD+ management is encouraged.

Standard is met. Additional recommendations:

- Consider providing further details of the roles and responsibilities of different ministries and

the role of provincial governments, the non-government and civil society sectors.

– The institutional arrangements for each component could be further clarified, distinguishing between those structures that perform functions for readiness management and those that will be created to function as part of Implementation framework.

- Useful to include a timeline for the establishment of processes, institutions and functions, including indicating what has already been established.
- Useful to provide further details about the roles and functions of the National REDD task force and the REDD office. Having a clear division of responsibilities will help to ensure the organisations are not duplicative.

Standard 1b: Stakeholder Consultation and Participation

Ownership, transparency, and dissemination of the R-PP by the government and relevant stakeholders: Inclusiveness of effective and informed consultation and participation by relevant stakeholders, assessed in the following ways:

- i. the consultation and participation process for R-PP development thus far, the extent of ownership within government and REDD coordinating body, as well as in the broader national stakeholder community; and

the Consultation and Participation Plan included in the R-PP (which looks forward in time); and the inclusion of elements in the R-PP that adequately document the expressed concerns and recommendations of relevant stakeholders and propose a process for their consideration, and/or expressions of their support for the R-PP.

Reviewer’s assessment of how well R-PP meets this standard, and recommendations:

This section needs further work to meet the standard. Stakeholder consultation and participation has been initiated during the drafting of the R-PP. However, very few of the stakeholders listed in Annex 1 represent local civil society organizations. The majority are government stakeholders, representatives of official donor agencies or from international NGOs active in Lao P.D.R. The R-PP states that due to budget constraints and in order not to raise expectations it was decided “that stakeholder consultation and participation during the R-PP preparation phase should focus on the national level representatives”.

The issues identified in meetings with stakeholders are appropriate, especially the importance of promoting multiple benefits, including to local communities for protecting the forest, and the recognition that capacity building among all stakeholder groups, also outside government, is necessary.

It is positive to note that the R-PP identifies land classification, land forest rights, land tenure systems, forest governance and benefit sharing systems as key areas for consultations. The R-PP recognises the need to build capacity so that communities can participate in free, prior informed consent processes in the future. The R-PP states that it will be an immense challenge to conduct free, prior and informed consultations with forest-dependent indigenous communities and ethnic minorities. Regrettably, the document does not offer any clear recommendations on how to overcome these challenges. The R-PP notes that Technical Service Centers have been established in villages where REDD+ activities will occur. It would be useful to consider how these centers could be expanded to enable broader community level consultation in all phases of REDD+ planning and implementation.

The R-PP states that the Stakeholder Participation and Consultation Plan (SPCP) will include a Social and Economic Impact Assessment (SEIA) and the application of WB Safeguards. However,

the R-PP makes no mention of the *Strategic* Environmental and Social Assessment (SESA) required by the FCPF (see section 2.d). Once Terms of Reference for a holistic SESA is in place, the stakeholder participation and consultation plan should link to this.

The document provides a comprehensive analysis of the stakeholder system and institutional arrangements for future consultations. However, the identification of the stakeholders makes no mention of the Lao People's Revolutionary Party (LPRP), the Lao Front for National Reconstruction (LFNR) or the National Assembly (Parliament). The analysis of existing knowledge (p.23) could have been more explicit in terms of also including non-carbon and non-forest knowledge issues.

The section on consultation and participation makes little reference to gender issues. Gender equality must be taken into account in the design of future consultations in terms of enhancing female participation in the process. Disaggregating data by gender should also be considered in the analysis of existing knowledge.

It is unclear what is meant by the reference to pilot projects in the subcomponent and why it of central importance to the consultation plan. More detail on this could be necessary if pilot projects are considered part of this plan. It is also unclear what the difference is between pilot and demonstration activities. Consultations appear to be focused around pilot projects rather than gathering the different views of the stakeholders and sectors for the readiness process.

Standard is partially met. Further work on the following is recommended:

- Important to undertake consultations on a work program arising from the R-PP with provincial level stakeholders, including local communities, prior to progressing further significant work during the planning and implementation phase. The engagement and participation of local communities and other relevant stakeholders would assist to guide the further work in the implementation phase.
- Recommend developing strategies to actively engage the private sector constructively in REDD discussion.
- The planned consultation appears to be focused on pilots. Consider expanding consultation processes to consult on REDD more holistically. More wide-ranging consultations could also support the development of a FIP Investment Strategy.
- Further clarify the role of pilot projects in the context of stakeholder consultation and participation focusing on how stakeholder views from different sectors can be captured and fed in to the readiness process.
- Consider the linkages between the SESA and the stakeholder participation and consultation plan, once work in undertaken to develop Terms of Reference for a SESA (refer to comments under section 2.d). Consider providing a clearer link between consultation and the management arrangements in section 1a. Decision making on REDD+ planning and implementation should be informed by the consultation process.

Component 2. Prepare the REDD Strategy

Standard 2.a: Assessment of Land Use, Forest Policy, and Governance: A completed assessment is presented that identifies major land use trends, direct and indirect deforestation and degradation drivers in the most relevant sectors in the context of REDD, and major land tenure and natural resource rights and relevant governance issues. It documents past successes and failures in implementing policies or measures for addressing drivers of deforestation and forest degradation, and identifies significant gaps, challenges, and opportunities to address REDD. The assessment sets the stage for development of the

country's REDD strategy to directly address key land use change drivers.

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

The R-PP does a good job at articulating factors relevant to both deforestation and forest degradation, therefore maximising the opportunities available for REDD+. The R-PP contains an impressive summary of land-use issues, forest policy and forest governance. However, the discussion could have benefitted from a more explicit identification of how these issues have been reflected in the new NSEDP (National Socio-Economic Development Plan) approved by the National Assembly in June 2010. The R-PP also provides a good summary of competing policy objectives for the use of forest resources in Lao, such as mining and hydro power development, and is pragmatic about the need to factor these activities into an overall strategy that seeks to reduce emissions from the forest sector.

The discussion of immediate drivers of deforestation and forest degradation is also comprehensive. In particular, the challenges of enforcement, lack of capacity at local levels, the high pressure on forest lands from food production and exports, challenges of shifting cultivation, and, most importantly, of illegal logging, are well explained. Degradation from logging is estimated in the R-PP to make up half of the predicted future emissions. The R-PP acknowledges the issue of regional leakage through illegal wood extraction and export. It is excellent that Lao PDR and the EC are discussing whether to begin negotiations of a FLEGT Voluntary Partnership Agreement. This could help address the issue of illegal logging and regional leakage.

The R-PP identifies a lack of robust data on historical and current land-use trends; however no further action is proposed to address this data gap. While some of the further work to be undertaken is discussed as part of component 3, it would be useful to cross-reference this in component 2. Alternatively, this may also be encompassed within the aim of one of the proposed activities for funding (update model data) however this is not described. Acquiring an in-depth understanding of land use trends will be critical to gaining a detailed understanding of drivers as they shift over time in response, directly or indirectly, to actions or general environmental circumstances.

On a similar note, it is unclear what further action the R-PP proposes to gain greater clarity on land tenure. There is a reference to the "PLUP" process, to be addressed in the Stakeholder Participation and Consultation Plan however there are no further details provided on work that will need to be undertaken further than consultations, such as a thorough analysis of legal provisions.

The R-PP identifies some of the sources of failure in previous attempts to address the drivers of deforestation, such as poor law enforcement, but does not consider how these could be improved in the future or why it is likely that action on this occasion will be successful. It is important to consult with all relevant stakeholders that might have a direct or indirect effect on drivers of deforestation, such as the military and other law enforcement agencies in the context of deterring illegal logging.

Standard is met. Additional recommendations:

- Consider how national issues related to land-use, forest policy and forest governance has been reflected in the new National Socio-Economic Development Plan.
- Could include, as part of an overall work program for the Implementation Phase:
 - a program to gather further data on land use trends during the Implementation phase

- a program for further work to clarify land tenure rights
- Could provide further details in table 2a.2 of how “baseline emissions” were calculated from each driver and consider prioritisation of drivers.
- Could further explore efforts made in the past in addressing drivers of deforestation and forest degradation, what went wrong and what are the prospects for promoting success in the future.
 - In putting this work together, should consult with all relevant stakeholders that may impact upon drivers of deforestation. Also consider expanding discussion on all difficulties that have been experienced in enforcing and implementing forest laws, including how this might be addressed going forward.
- It would be useful to examine drivers and forest policy at the local level, not just the national scale, including considering any regional differences.

Standard 2.b: REDD strategy Options: Alignment of the proposed REDD strategy with the identified drivers of deforestation and forest degradation, and with existing national and sectoral strategies: the R-PP includes a summary of the emerging REDD strategy to the extent known presently, and of proposed analytic work (and, optionally, ToR) for assessment of the various REDD strategy options. This summary states:

- i. how the country proposes to address deforestation and degradation drivers in the design of its REDD strategy;
- ii. early estimates of cost and benefits of the emerging REDD strategy, including benefits in terms of rural livelihoods, biodiversity conservation and other developmental benefits;
- iii. socioeconomic, political and institutional feasibility of the emerging REDD strategy;
- iv. major potential synergies or inconsistencies of country sector strategies in the forest, agriculture, transport, or other sectors with the envisioned REDD strategy; and
- v. risk of domestic leakage of greenhouse benefits. The assessments included in the R-PP eventually should result in an elaboration of a fuller, more complete and adequately vetted REDD strategy over time.

Reviewer’s assessment of how well R-PP meets this standard, and recommendations:

A key strength of this subcomponent is the level of detail in the consideration of strategies to address identified drivers of both deforestation and forest degradation. The outlined REDD+ strategy options are comprehensive and the presentation is well structured in a manner that identifies activities, costs and benefits. The estimates of costs and benefits are particularly useful.

The R-PP raises a very important discussion about whether Lao PDR should focus on a few key drivers rather than all of them, owing to capacity constraints. There may be a need for more documentation of the drivers of deforestation and forest degradation (including opportunity cost estimates), and to identify potential measures to address them (including feasibility of options). With such data the government is better positioned to decide whether to address some or all drivers. This trade-off may remain valid even taking into account the prospect of a large FIP investment program, but at least this should allow Lao PDR to think strategically on how to address one or more drivers thoroughly.

Provided there is cross-sectoral ownership of the REDD+ strategy (as explained in section 1.a),

then it should be possible to target both degradation (within the scope of the forest authorities and law enforcement) and deforestation (stemming from other sectors' land use decisions, and in particular FDI). In any case, the future emission reductions will be calculated relative to a national or sub-national reference level irrespective of which drivers are being addressed.

The R-PP also does a good job of acknowledging where efforts to reduce emissions are likely to have linkages or conflict with other policy objectives. In response, it proposes practical strategies to address broader land use needs with reducing emissions within the forest sector. These are a very good starting point to achieve the REDD strategy. Despite this, some important considerations are lacking (see recommendations below).

One major shortcoming of the R-PP is that it does not include a discussion of the forthcoming Investment Strategy to be financed through the Forest Investment Program. Lao PDR was selected as a FIP pilot country in March 2010, and this should be a central feature of the proposal. Instead, the R-PP largely outlines small pilot project activities to be tested. The FIP aims to contribute towards “transformational change”. The R-PP should lay the grounds for much larger investments on a systemic scale.

Another gap in the R-PP is the lack of details on proposed analytical work for assessment of the various strategies identified or where it is indicated that further assessment is required to understand needs. This is also the case where details for further work are not specified on issues where previous challenges have already been identified, such as institutional capacity and ensuring adequate funding distribution among beneficiaries.

Also, the R-PP did not provide a detailed consideration of the risk of domestic leakage of greenhouse benefits and how this could be further explored to form part of a strategy during the implementation phase.

Standard is partially met. Further work on the following is recommended:

- Ensure that the activities to be developed under the FIP Investment Strategy are well aligned and consistent with the strategic options included in the R-PP.
- Consider the socioeconomic, political and institutional feasibility of the different options presented.
 - Useful to further elaborate on synergies or inconsistencies of national strategies in the agriculture, transport, or other sectors.
- The section in the R-PP on REDD+ Strategy options should include a discussion on the relationship between the REDD+ Strategy and the NESDP for 2011-2015 approved in June 2010.
- Consider prioritisation of the proposed general approaches and drivers.
- Develop a program of analytical work on areas where needs are not yet fully understood, such as institutional capacity and funding distribution. Such a program of work could also consider how the proposed strategy should be assessed, elaborated and finalized.
- Consider the risk of domestic leakage in Lao as a result of the strategic options. This section could also include a discussion of cross-border REDD issues, including illegal logging and timber trade with other countries in the region.
- Once the REDD+ Strategy is finalised, suggest it may be useful to seek high level political endorsement, potentially from the National Assembly.

Standard 2.c: REDD implementation framework: Describes activities (and optionally

provides ToR in an annex) to further elaborate institutional arrangements and issues relevant to REDD in the country setting that identifies key issues, explores potential arrangements to address them, and offers a work plan that seems likely to allow their full evaluation and adequate incorporation into the eventual Readiness Package.

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

The R-PP proposes sound institutional arrangements that build significant improvements into existing structures, providing for flexibility as their effectiveness is monitored over time. Previous sections of the R-PP are focused on the forest stakeholder system, and government stakeholders such as ministries with planning responsibilities and the Ministry of Finance are not always included. In this section, it is appropriate that the role of the Ministry of Finance in the design of financial management arrangements is duly recognized.

The R-PP would benefit from a description (ideally through a series of ToR) of the roles and responsibilities of each of the agencies or forums that comprise the overall institutional framework.

Important principles for REDD implementation like credibility, transparency, accountability, inclusiveness and efficiency are included in the discussion. However, there is no explicit mention of the risk of corruption. The regulatory framework for REDD implementation should include institutional mechanisms to address corruption in the forestry sector.

The R-PP identifies the instruments that the government will require to implement a REDD+ strategy, as well as the key issues that will need to be further explored within each of these instruments. However, the R-PP does not explore options to address the issues identified or propose a work program to gain an understanding of potential options to address these issues.

The main approach presented by the R-PP is the pilot /demonstration project initiatives. It is not clear from this how a pilot project would lead to the creation of the implementation framework, which should address mainly political and institutional factors.

Standard is partially met. Further work on the following is recommended:

- Elaborate on the roles and responsibilities of agencies or forums that comprise the overall institutional framework.
- Identify options to address the key issues identified for each of the instruments required for the implementation a REDD+ strategy, or a work program/implementation framework to establish these options and analyse their likely effectiveness. A key focus of this should ideally be on mechanisms to prevent corruption in the forestry sector.
 - In developing this framework, consider how sub-national activities or pilots will be linked to the national framework.
 - A further key consideration will be how this framework could support activities to be developed and implemented under a FIP Investment Strategy.

Standard 2.d: Assessment of social and environmental impacts: The proposal includes a program of work for due diligence for strategic environmental and social impact assessment in compliance with the Bank's safeguard policies, including methods to evaluate how to address those impacts via studies, consultations, and specific mitigation measures aimed at preventing or minimizing adverse effects.

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

The section focuses on SEIA (Social and Environmental Impact Assessment) rather than SESA - *Strategic* Environmental and Social Assessment. It talks more about how to apply specific WB safeguards to specific investments/projects than about a holistic approach to identify risks early on in a strategic planning process. The R-PP provides an indication of a very basic work program for due diligence for environmental and social impact assessment through an initial diagnostic analysis and pilots. However, the R-PP would benefit from considering the methodology for how the information required for this assessment will be sourced and analysed. Acquiring information relevant to social and environmental impacts can be one of the most difficult aspects of undertaking a Social and Environmental Impact Assessment.

All relevant stakeholders should be included in the SESA process, including the military and other law enforcement agencies, which are likely to have a significant role to play in deterring illegal logging.

The section on SEIA outlines well how World Bank Safeguards will be applied in the process of formulating the SEIA. The R-PP also identifies some potential risks from the implementation of a REDD+ national strategy on forest-dependent indigenous communities and ethnic minorities, referring to competing sectorial interests and conflicts between different government jurisdictions. It is recognized that special consideration should be given to forest-dependent indigenous communities and ethnic minorities. Local communities' livelihoods, rights, governance and gender issues are mentioned, but without any details provided on how these concerns are to be included in the SEIA.

The R-PP suggests that donors will be responsible for social and environmental safeguards for pilot REDD+ projects. While donors may have specific safeguards that may need to be addressed, the Lao PDR will have a role in developing a national policy on safeguards and overseeing the implementation of these safeguards. This should be addressed in the SESA.

Standard is partially met, and will be met pending the following further actions:

- Development of Terms of Reference for a SESA with support from the FCPF and/or consultants that includes scope for consultation with all relevant stakeholders.
- Development of a methodology for gathering and analysing the relevant information that will be required to evaluate environmental and social impacts through the proposed assessment process.

Further work on the following is recommended:

- Consider the potential impacts of a REDD+ strategy on forest-dependent indigenous communities and ethnic minorities and how these would be reflected in the Social and Environmental Impact Assessment. Likely impacts should be informed by relevant national legislation.
- The tentative SEIA issues identified on p. 61 are appropriate, but should be expanded to include analysis of other social issues, including poverty incidence and any social inequalities.

Component 3. Develop a Reference Scenario

Standard 3 Reference scenario: Present work plan for how the reference scenario for deforestation, and for forest degradation (if desired), will be developed, including early ideas on feasibility of which methods to use (e.g., scenario of forest cover change and emissions based on historical trends in emissions and/or based on projections into the future

of historical trend data), major data requirements and capacity needs, and linkages to the monitoring system design.

(The FCPF recognizes that key international policy decisions may affect this component, so a staged approach may be useful. The R-PP states what early activities are proposed.)

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

Lao PDR have revealed in their R-PP their comprehension of the requirements of developing a reference scenario and MRV system.

Lao PDR has developed a national REL using historical rates of change and inventory data while factoring in national development objectives. This REL will be revised before the end of the REDD+ readiness phase once the Lao PDR MRV system is able to generate data required to revise the REL. Without so much detail in the R-PP, Lao PDR has provided enough information to suggest they have considered the key points for developing a scenario reference.

Standard is partially met. Further work on the following is recommended:

- The R-PP could provide further detail on how the reference scenario was developed and a work program for how it will be revised and set at the end of the readiness phase.
- The R-PP could provide a more extensive discussion on data analysis to further understanding of data gaps and uncertainties.
- The R-PP could further elaborate on how degradation is addressed in the REL. The R-PP notes that an average rate of deforestation was used for modeling purposes and a per cent decline in remaining growing stock has been assumed. Are these both indicators of deforestation or deforestation and forest degradation respectively?
- The R-PP could elaborate on capacity building.
- The R-PP could describe the agency or agencies involved in the development and management of a reference scenario and MRV system.

Component 4. Design a Monitoring System

Standard 4: Design a monitoring system: The R-PP provides a proposal for the initial design of an integrated monitoring system of measurement, reporting and verification of changes in deforestation and/or forest degradation. The system design should include early ideas on including capability (either within an integrated system, or in coordinated activities) to monitor other benefits and impacts, for example rural livelihoods, conservation of biodiversity, key governance factors directly pertinent to REDD implementation in the country, and to assess the impacts of the REDD strategy in the forest sector.

The R-PP should describe major data requirements, capacity requirements, how transparency of the monitoring system and data will be addressed, early ideas on which methods to use, and how the system would engage participatory approaches to monitoring by forest-dependent indigenous communities and ethnic minorities. It should also address independent monitoring and review, involving civil society and other stakeholders, and how findings would be fed back to improve REDD implementation. The proposal should present early ideas on how the system could evolve into a mature REDD monitoring system with this full set of capabilities.

(The FCPF recognizes that key international policy decisions may affect this component, so a staged approach may be useful. The R-PP states what early activities are proposed.)

Reviewer’s assessment of how well R-Plan meets this standard, and recommendations:

The R-PP provides a comprehensive design for a monitoring system. It has addressed Lao’s approach and any issues they may encounter either at the sub-national or national level when developing and implementing the MRV system.

The R-PP provides for the option of subnational monitoring and refers to a “nested approach” and voluntary market projects however further clarification is required on how this will be undertaken and linked back to the national level. The three level approach for monitoring seems to be very complex and the methodology or work program for achieve this development is not presented.

The inclusion of monitoring of social and environmental safeguards in the R-PP (p.78-79) is very important, including the 8 core principles listed on p. 78.

Standard is met. Additional recommendations:

- Provide clarification on who will be responsible for ensuring that subnational projects are assessed and linked back to the national level, as well further details on how both of these processes will be undertaken.

Component 5. Schedule and Budget

Standard 5: Completeness of information and resource requirements

The R-PP proposes a full suite of activities to achieve REDD readiness, and identifies capacity building and financial resources needed to accomplish these activities. A budget and schedule for funding and technical support requested from the FCPF, as well as from other international sources (e.g., UN-REDD or bilateral assistance) are summarized by year and by potential donor. The information presented reflects the priorities in the R-PP, and is sufficient to meet the costs associated with REDD readiness activities identified in the R-PP, or gaps in funding are clearly noted.

Reviewer’s assessment of how well R-Plan meets this standard, and recommendations:

The budget is generally well filled in and clearly identifies other sources of funding. However, the presentation of the budget is confusing as the total costs for activities included in the R-PP (1-4) do not correspond to the total anticipated funding.

The overall budget for the “total” on page 82 is USD 23m, while the overall available funds are listed as USD 61m.

Standard is met. Additional recommendations:

- It would be easier to understand the budget component if the readiness implementation costs (USD 23 million) included a break-down of readiness support from FCPF, UN REDD or other sources, and other funds from other donors were shown as a separate table.
- Consider including further details to elaborate on what part of the total available funds (estimated here to be USD 61m, assuming USD 19 million from FIP and nothing from the UN-REDD Programme) will be allocated towards readiness, and on how the remaining funds may be allocated, including preliminary thinking on the use of FIP investment finance.

Component 6. Design a Program Monitoring and Evaluation Framework

Standard 6: Adequately describes the indicators that will be used to monitor program performance of the Readiness process and R-PP activities, and to identify in a timely manner any shortfalls in performance timing or quality. The R-PP demonstrates that the framework will assist in transparent management of financial and other resources, to meet the activity schedule.

Reviewer’s assessment of how well R-PP meets this standard, and recommendations:

A monitoring and evaluation framework (component 6) was not included in the R-PP.

Standard is not met. To meet this standard, the following recommendations should be addressed:

- Develop a timeline for monitoring and evaluating implementation of the R-PP.
- Clearly identify and describe performance indicators for the range of activities detailed in the R-PP. Indicators should be developed for both annual reviews, as well as for the final evaluation.
- Consider methods of verification for the performance indicators.