

# INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

**Report No.:** ISDSC6892

**Date ISDS Prepared/Updated:** 11-Dec-2013

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## I. BASIC INFORMATION

### A. Basic Project Data

|  |                                     |                              |         |
|--|-------------------------------------|------------------------------|---------|
| <b>Country:</b>  | Lao People's Democratic Republic    | <b>Project ID:</b>           | P125082 |
| <b>Project Name:</b>                                     | LA - FCPF Readiness Grant (P125082) |                              |         |
| <b>Task Team Leader:</b>                                 | Robert Ragland Davis                |                              |         |
| <b>Estimated Board Date:</b>                             |                                     |                              |         |
| <b>Managing Unit:</b>                                    | EASTS                               |                              |         |
| <b>Sector(s):</b>  | Forestry (100%)                     |                              |         |
| <b>Theme(s):</b>   | Climate change (100%)               |                              |         |
| <b>Financing (In USD Million)</b>                        |                                     |                              |         |
| <b>Total Project Cost:</b>                               | 3.60                                | <b>Total Bank Financing:</b> | 0.00    |
| <b>Financing Gap:</b>                                    | 0.00                                |                              |         |
| <b>Financing Source</b>                                  |                                     | <b>Amount</b>                |         |
| Borrower   |                                     | 0.00                         |         |
| Carbon Fund  |                                     | 0.00                         |         |
| Readiness Fund of the Forest Carbon Partnership Facility |                                     | 3.60                         |         |
| Total  |                                     | 3.60                         |         |
| <b>Environmental Category:</b>                           | B - Partial Assessment              |                              |         |
| <b>Is this a Repeater project?</b>                       | No                                  |                              |         |

### B. Project Objectives

- The Project Development Objective is to contribute to Lao PDR's efforts to design and implement a sound national REDD+ strategy.
- Achieving this objective will enable Lao PDR to participate in and benefit from the emerging performance-based payment system from REDD+ within the context of the UN Framework

Convention on Climate Change. The activities aim to put into place socially and environmentally sound policies and programs to reduce deforestation and forest degradation, an internationally recognized reference emission level, generate forest carbon emission scenarios, and technically robust systems of forest monitoring and emissions reporting. The program will also focus on non-carbon outcomes vital to achieving REDD+ objectives which will include enabling forest policy and regulations, increasing the participation of local communities in forest management, building institutional capacity in the forestry sector, improved information and data management and related activities which will contribute to the overall development of forests and well-being of communities in Lao PDR and contribute to the national goals of poverty reduction, economic development and environmental sustainability.

3. To achieve the PDO the grant will support: a) operational costs and capacity build for the REDD+ Office at the Department of Forestry (DoF, Ministry of Agriculture and Forestry) and the REDD+ Division within the Department of Forest Resources Management (DFRM, Ministry of Natural Resources and Environment), b) developing a National REDD+ Strategy, c) developing REDD implementation approaches and benefit sharing mechanisms in coordination with other Development Partners, d) implementation of safeguards through preparation of a Strategic Environmental and Social Assessment (SESA) and an Environmental and Social Management Framework (ESMF) for REDD in Lao PDR, and e) development of Reference Emission Levels and design of a system for monitoring, reporting and verification. The FCPF grant will finance some initial work on most major areas of REDD+ capacity building as defined in the Lao PDR R-PP.

4. As mentioned above the grant will fund only a portion of the activities identified in the R-PP, which will accelerate Lao PDR efforts to achieve REDD+ Readiness. Nevertheless, the country may not reach full readiness until after the grant closes. Based on the activities outlined in the R-PP, it is expected that Lao PDR would be able to participate in REDD+ carbon transactions, potentially including under the FCPF Carbon Fund, which would purchase emissions reductions from FCPF countries. Other options for selling emissions reductions may exist in the future, but depend on the development of the global carbon market for forest carbon credits.

5. Additional funding in the forestry sector will be through the Forest Investment Program (FIP) program and the International Development Association (IDA) which will jointly support the expansion of Participatory Sustainable Forest Management (PSFM) in Lao PDR under the Scaling-up Participatory Sustainable Forest Management project (P130222).

6. Key results, as follows:

- a) Strengthened technical and institutional capacities for effective management, implementation and coordination of REDD+ Programs, projects and policies
- b) Strategies to address drivers of deforestation and degradation
- c) REDD+ institutional framework designed and validated nationally, including an Environmental and Social Management Framework
- d) Social inclusion mechanisms in REDD+ at the national, provincial, district and community levels
- e) Regional collaboration mechanism for REDD+ implementation and avoidance of emissions displacement
- f) National reference scenario for emissions from deforestation and forest degradation prepared, taking into account the relationship between national accounting and sub-national implementation of activities; a national carbon registry developed and operational.

## C. Project Description

7. FCPF Readiness grant funds will be used to support the following REDD+ Tasks and Activities:

### Task 1: Readiness Process Management and Stakeholder Consultation

8. Establish National and Provincial REDD+ offices. The REDD+ readiness process in Lao PDR recognizes the importance of the need to establish effective offices and efficient communication and operations. The REDD+ offices will play a crucial role to ensure early start up to activities within its remit, to facilitate other departments and ministries, to establish constructive contacts and support community institutions, ethnic group organizations and broader civil society groups.

9. This task will aim to establish operational REDD+ offices at the national level and in selected provinces, and establish protocols for coordination between these offices. A key role of these institutional mechanisms will be to initiate the process of organizing forums and consultations to address the policy and regulatory framework for REDD+. Several diagnostic studies will be commissioned to inform these policy level discussions.

10. Assess and Align REDD+ with National Policy Framework. The successful introduction and mainstreaming of REDD+ obligations in Lao PDR will have significant bearing on the existing national policy and regulatory framework especially in relation to its approach in the NESDP. Key drivers of the Lao PDR economy remain utilization of natural resources as a tool to address national poverty. It is important that the REDD+ preparatory process is used as a mechanism to assess trade-offs and seek a balance between national economic goals, environmental sustainability, and REDD+ opportunities and commitments.

11. The activities in this task will involve the high-level inter-ministerial forum under the NEC that will use its office to create consensus on alignment of the national policy framework with REDD+. An important outcome is an approach paper that will be used for discussions and as a tool to address emerging issues of policy significance. Given the importance of safeguarding vulnerable communities and women a series of studies will be undertaken to assess disaggregated impact of REDD+ activities. Early action on this recommendation will enable the calibration of choice of programs and activities in both carbon and non-carbon domains for the wellbeing of vulnerable communities and women in Lao PDR.

12. Stakeholder Consultations. The grant will support an inclusive consultative process leading to the development and implementation of a stakeholder participation and consultation plan that provides opportunities for all stakeholders to participate and voice their concerns. The GoL has internalized this important aspect of REDD+ preparation and has agreed to a continuous process of stakeholder consultation and engagement.

13. A Stakeholder Participation Working Group will be established under the NEC that will have oversight on the process of seeking and eliciting the participation of all stakeholders. The first step of this Working Group will be to agree on fundamental principles of identifying stakeholders and a process appropriate to each stakeholder. Following this a Stakeholder Participation and Consultation Plan (SPCP) will be evolved and validated. In addition, through a process of research, study, and discussion, appropriate mechanisms for conflict resolution and grievance redress will be established.

## Task 2: REDD+ Strategy Development

14. Develop and Finalize REDD+ Strategy. REDD+ strategy development will continue alongside the readiness process of establishing institutional arrangements, policy analysis, and stakeholder consultations. The inter-ministerial forum at the NEC will begin to examine the context of the national policy framework with REDD+ requirements. The REDD+ strategy will turn its focus to the forestry sector and communities most-dependent on forest resources.

14. The evolution of the REDD+ strategy is embedded in continued stakeholder consultations with the agenda will remain focused on forestry sector strategy. The existing forestry strategy 2020 of Lao PDR will be reviewed, as will be related policy documents that guide the governance and operation of the sector. While the GoL has acceded and ratified diverse forest and environmental international obligations which include the Convention on Biological Diversity, Climate Change, Kyoto Protocol, Desertification, and Endangered Species, the Readiness process is an opportune moment to revisit and incorporate principles of sustainable forest management in Lao PDR. The project will assist GOL in their ongoing efforts to sustainably manage natural resources and utilize these resources to contribute to economic growth and poverty reduction. Livelihoods of forest-dependent people will be supported through a review of policy and regulatory frameworks taking into account current pattern of resource use and existing cultural practices.

15. Participatory Land Use Planning and REDD+ Strategy Tenure, rights, access and land use have emerged as important issues in REDD+ discussions and implementation globally. Land and natural resources in Lao PDR are under pressure from agriculture concessions, exploration licenses for mining, infrastructure, and hydropower. Concessions for these development activities are increasingly having an impact on land allocation and land use at the local level. REDD+ provides an ideal forum to address issues of land allocation, both at the policy level and, locally as practice and attempt to secure gains in non-carbon domains. Security of tenure to land and resources, predictable and continued access to forest resources, and rights are important drivers of sustaining livelihoods and sustainable natural resource management especially for communities practicing shifting cultivation and upland agriculture. The process of consultation and discussion on a new land policy is well advanced in Lao under the oversight of the National Assembly.

16. The landscape of empirical evidence on land tenure and shifting cultivation lacks high quality information that can contribute to constructive policy debate. The grant will support the review of existing studies and preparation of complementary new studies. Participatory land use methods and tools will be developed to create practical and alternative models that are feasible and realistic.

17. Strategic Environmental and Social Assessment. A preliminary assessment indicated that a number of World Bank safeguards policies are likely to be triggered by REDD+ related activities in Lao PDR. A SESA will be conducted as part of the Readiness process to assess the potential impacts from future national REDD+ programs and policies, formulate alternatives and mitigation strategies and enhance the decision-making process around the design of the national REDD+ framework.

18. SESA aims to refine the REDD+ strategy by assessing options for addressing environmental and social issues associated with REDD+ activities. The assessment would also identify gaps in the REDD+ strategy options and propose mitigation or remedial actions. Potentials to equitably share REDD+ benefits with broad segments of the society, including importantly Ethnic groups, would be assessed and appropriate mechanisms to deliver such benefits would be identified, which would be

reflected in the REDD+ strategy options.

19. Lao is an ethnically diverse country where 45 percent of the population belong to Ethnic Groups (non-Lao-Thai linguistic groups), who are highly dependent on forest resources as they rely on rotational rice cultivation, non-timber forest products (NTFPs), fuel, medicines, food, construction materials and other forest resources for income and livelihood. A significant number of people who belong to Lao-Thai linguistic groups are also dependent on forest resources for food security, forest products and livelihoods. The constitution provides equal rights to all ethnic groups and protects their right to preserve their own traditions and culture, and national laws safeguard the basic rights of forest dependent and ethnic groups including communal rights to land that may be shared by members of the community.

20. SESA also aims to develop an Environmental and Social Management Framework (ESMF) that will outline the procedures to be followed for managing potential environmental and social impacts of specific policies, actions and projects during the implementation of the REDD+ strategy that is finally selected.

### Task 3: Implementation Arrangements

21. Establish Institutional and Financial Arrangements. This task and activities will aim to establish appropriate institutional and financial arrangements for supporting the REDD+ preparatory process. Financial arrangements, staff and equipment will be put into place to support the REDD+ Task Force and Office in the Ministries of Agriculture and Forestry, and Natural Resources and Environment. Necessary decrees will be issued and regulations put into place. Once these systems are fully operational a governance framework and guidelines for a future REDD+ fund will be developed.

22. Develop Benefit Sharing Arrangements. To ensure fair and equitable sharing of incentives due importance to the core issue of benefit sharing has been given by situating it as a specific task with a set of activities. A number of important studies including a review of revenue management and benefit sharing mechanisms being implemented in the country and a study of the proposed system of REDD+ incentives will be undertaken. This will enable convergence with discussions on benefit sharing for carbon revenue generated from REDD+ activities which will take place in other consultations on related issues of forest resources use rights, tenure and land, and exclusion from potential REDD+ areas.

23. A Benefit Sharing Working Group comprising of all relevant stakeholders will be established and facilitated by the National REDD+ Office to carry out these studies and make technical recommendations to the National REDD+ Task Force for discussions and submit to the Ministers of relevant ministries/Prime Minister for approval. As required sub-groups will be created to ensure concerns of vulnerable communities, ethnic groups and women are captured and find appropriate expression in the discussions and outcomes of the Working Group. The remit of this Working Group will also be to study and establish appropriate conflict resolution mechanisms that are close to the origin of conflicts, are accessible, and have the requisite mandate to deliver fair and rapid decisions. It is critical to recognize the diversity of Lao PDR and to ensure that conflict resolution mechanisms take into consideration existing customary and traditional mechanisms, and build on these with culturally appropriate methods and tools.

24. Knowledge Management and Capacity Building. Early in the start up phase an assessment of

knowledge management and capacity building needs will be undertaken. The purpose of this assessment will be to address issues of capacity within the institutions of the GoL to deal with the diversity of needs in the REDD+ preparation processes. Information and knowledge management forms a crucial component to successful and broad based REDD+ preparation and due attention will be given to this aspect. Adequate funds have been provided for strengthening capacity through a diversity of options. In addition culturally appropriate media will be produced to meet all the needs of different stakeholders and ensure an inclusive REDD+ preparatory process and outcome.

#### Task 4: Reference Emission Level and Monitoring Systems

25. Develop Reference Emission Levels. Once the broad canvas of the REDD+ strategy is evident analytical work will begin on developing and finalizing a REL aligned to the strategy. Case studies and research will be undertaken in selected areas to establish sub-national and national emission levels. Appropriate coordination mechanisms will be created with relevant institutions and ongoing projects supported by multilateral and bilateral agencies including FIP/IDA financed production forests.

26. Develop Monitoring, Reporting and Verification System. While the first year will see some preliminary work on developing a monitoring, reporting and verification (MRV) system it will be in the second year that focused activities will be started. The objective will be to establish a MRV system that incorporates nesting, and links several tiers at the national, sub national and project level. Technical requirements to design and set up a national system will be assessed. In addition collaboration with regional mechanisms in the Mekong river basin and/or Southeast Asia will be established.

27. Establish Carbon Registry. With initial activities in the first year the second year will see enhanced action on processes to establish a carbon registry in Lao PDR. Institutional mechanisms and protocols will be finalized and community carbon monitoring mechanisms will be established to address equity issues. The registry will also ensure that it has the methods and the ability to handle both carbon and non-carbon requirements of REDD+.

#### **D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

28. The project does not entail physical impacts nor activities on the ground.

#### **E. Borrowers Institutional Capacity for Safeguard Policies**

29. The Department of Forestry under MAF was an implementing agency for the FCPF Readiness Fund. Prior to June 2011 DoF was responsible for overall management of the nation's forests including the state managed forest categories of conservation, protection and production forests, and forest areas outside state management such as plantation and village use forests. GoL had also delegated authority to DoF to be a focal point of the REDD+ agenda in Lao PDR, which included coordination and implementation of several REDD+ initiatives, financed by FCPF, JICA, GIZ, KfW, United States Agency for International Development (USAID) etc since 2007. The FCPF program will be coordinated and managed by the Planning Division within the DoF, with support from the Forest Inventory and Planning Division.

30. In June 2011 through a Prime Minister decree the responsibility of the national REDD+ agenda was transferred from MAF (DoF) to MoNRE. Whilst the new ministry is still in the process of developing capacity to act as the focal point for coordination of national REDD+ activities, DoF

will continue as implementing agency for this FCPF Readiness Preparation Grant and engage the relevant departments of MoNRE in planning and implementation.

31. DoF's mandate is thus to support production forest management and policies, by implementing existing regulations and laws, and expanding participatory sustainable forest management practices, as well as managing forest concessions and new forest plantations. DoF is staffed with an adequate number of trained professionals, but relative to the vast areas of land they oversee, their numbers are limited and they face transportation and access challenges, limited control in many regions of the country, and limited budgets. DoF has a good track record of working with the Bank in implementation of the SUFORD project over the past nine years. This experience has provided a sound basis for gradually expanding participatory approaches to sustainable forest management geographically in the context of REDD+ with both FPCF and FIP funding.

32. The choice of the Department of Forestry as FCPF implementing agency is realistic and practical. The DoF retains substantial responsibility and authority for implementation of production related forest-sector policies and programs. DoF has served as the designated focal agency for REDD+ implementation since 2007 and is in a position to support the orderly transfer of responsibility for management of REDD+ related activities to MoNRE as capacity develops within the REDD+ Division of DFRM. Overall responsibility for coordinating the implementation and monitoring of the national REDD+ program, including the establishment of a carbon registry, and for coordination among agencies will eventually reside with the REDD+ Division of DFRM. Both DoF and DFRM will continue to have responsibility for REDD+ activities in their respective forest areas.

#### **F. Environmental and Social Safeguards Specialists on the Team**

Satoshi Ishihara (EASTS)

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## **II. SAFEGUARD POLICIES THAT MIGHT APPLY**

| <b>Safeguard Policies</b>               | <b>Triggered?</b> | <b>Explanation (Optional)</b>  |
|---|-------------------|--|
| Environmental Assessment OP/<br>BP 4.01 | Yes               | An environmental assessment (EA) is required for the operation as the REDD+ strategy will identify measures and propose activities to be implemented downstream in possible subsequent operations in the terrestrial landscape, largely in forest areas. Therefore the policy is triggered both for REDD+ strategy and proposed policy reforms developed during the readiness phase (the Grant) and for possible future REDD+ investments. The EA will help to ensure the REDD+ activities are environmentally sound and sustainable, and thus to improve decision making. The Environmental Assessment is used to identify, avoid, and mitigate the potential negative environmental impacts associated with activities implemented on the ground. In addition to a SESA, MAF |

|                             |     |  |
|-----------------------------|-----|--|
|                             |     | will prepare an Environmental and Social Management Framework to establish the modalities and procedures to address potential negative environmental and social impacts from the implementation of a national REDD+ framework as well as associated mitigation measures.   |
| Natural Habitats OP/BP 4.04 | Yes | The operation will assist in the development of REDD+ strategies and approaches to promote conservation and the sustainable use of natural habitats, especially forests. The SESA will evaluate the possible risks associated with the strategic options and their potential impact on natural habitats, in both production and protection forests. Other proposed REDD+ activities such as new plantations would also be assessed in respect to possible impacts on non-forest habitats and ecosystems. The ESMF would include provisions to assess, avoid or mitigate potential impacts on natural habitats  |
| Forests OP/BP 4.36          | Yes | REDD+ activities in forest lands aim to reduce deforestation, enhance the environmental services contribution of forested areas, promote reforestation, reduce poverty, and encourage economic development. Overall, the REDD+ activities are expected to have significant positive impacts on forest, in that the main goal of the program is to reduce deforestation, while contributing to the well-being of forest-dependent communities who will be consulted during the course of the project. Critical issues related to forest governance and resources and potential impacts from the national REDD+ framework will be assessed through SESA and potential negative impact addressed in the ESMF. |
| Pest Management OP 4.09     | TBD | This policy could be triggered depending on the scope of REDD+ strategies, which might include reforestation activities or the intensification of agricultural activities on degraded lands. SESA will assess the application of this policy and appropriate mitigation plans including plans for Integrated Pest Management will be developed and included in the ESMF if required.   |

|  |     |   |
|--|-----|---|
| Physical Cultural Resources OP/<br>BP 4.11 | Yes | Future REDD+ activities will not be known in detail while preparing the ESMF. However, since such activities will operate in forest areas where local communities in Laos commonly assign particular cultural values to certain locations and habitats a Physical Cultural Resources Management Framework will be included in the ESMF.   |
| Indigenous Peoples OP/BP 4.10              | Yes | After the readiness phase and outside the present operation, many of the activities which will be proposed to be implemented as part of a national REDD+ program are likely to take place in areas inhabited by ethnic groups, therefore the OP is triggered for both the readiness and in possible subsequent phases. The Government (DoF) will consult with the ethnic groups identified by the ethnic screening to be present in or have collective attachment to project areas, ensure that they participate in, and benefit from REDD+ activities in a culturally appropriate way and that adverse impacts on them are avoided, or where not feasible, minimized or mitigated. As a key process to ensure this policy requirement, Free, Prior and Informed Consultation will be conducted with affected ethnic groups, and their broad community support to the project would be ascertained. Issues of ensuring that livelihoods of ethnic groups and forest-dependent people are duly safeguarded through a review of existing policy and regulatory framework, by design of specific interventions in selected areas, and by recognition of both livelihoods and cultural practices, which will be integrated into the strategy. In addition, the SESA will identify ways to strengthen traditional / customary land tenure and secure access to natural resources by ethnic groups (indigenous people) and local communities. The Strategic Environmental and Social Assessment will assess potential impacts, both positive and negative, on ethnic groups. The Environmental and Social Management Framework to be developed based on the SESA will include an Ethnic Group Planning Framework (EGPF) that describes the processes and procedures to be followed to ensure Free, Prior and Informed |

|  |     |  |
|--|-----|--|
|  |     | Consultation by affected ethnic groups leading to their broad community support of REDD+ activities.   |
| Involuntary Resettlement OP/BP 4.12            | Yes | While no land acquisition will be carried out under the operation nor is it expected as part of future REDD+ activities, it is conceivable that local population's access to forests, forest products, forest reserves, forest management areas or protected areas could be restricted and, although unlikely, the possibility of land acquisition cannot be completely discounted at this time. Such impacts would be avoided to the extent feasible, or minimized and mitigated if they are unavoidable. The SESA would assess and identify all potential issues related to involuntary resettlement and access restriction, and the ESMF will include a Process Framework (PF) and a Resettlement Policy Framework (RPF). |
| Safety of Dams OP/BP 4.37                      | No  |  |
| Projects on International Waterways OP/BP 7.50 | No  |  |
| Projects in Disputed Areas OP/BP 7.60          | No  |  |

### III. SAFEGUARD PREPARATION PLAN

- A. Tentative target date for preparing the PAD Stage ISDS: 30-Sep-2015**
- B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

33. The operation would help the Government of Lao PDR in developing its REDD+ Strategy so that it is technically sound and environmentally and socially sustainable, as well as in compliance with World Bank safeguards policies. Because the present operation is a planning, analytical and capacity building exercise to support strategy development and no physical investments for REDD+ are included in the design or financed by the grant, it is classified as Category B. At the same time, the Safeguards Policies that may be triggered (or TBD) by future possible REDD+ investments are shown as triggered in the table below for the present operation, so as to provide the necessary background and guidance to the development of an ESMF.

34. The FCPF Readiness Preparation grant will comply with World Bank safeguard policies regarding the management of environmental and social impacts. This grant will, in part, support the country's activities to identify the potential risks associated with REDD+ and mitigation options. In order to do this, the FCPF will finance implementation of a Strategic Environmental and Social Assessment (SESA) to integrate key environmental and social considerations into REDD+ Readiness by combining analytical and participatory approaches. In addition, through a process of research, study, and discussion, appropriate mechanisms for conflict resolution and grievance redress will be established during the grant's tenure.

35. The SESA allows: (i) social and environmental considerations to be integrated into the REDD+ Readiness process, in particular the REDD+ strategy; (ii) stakeholder participation in identifying and prioritizing key issues, assessment of policy, institutional and capacity gaps to manage these priorities and recommendations, and disclosure of findings in the REDD Country's progress reports on Readiness preparation; and (iii) an Environmental and Social Management Framework (ESMF) to be put in place to manage environmental and social risks and to mitigate potential adverse impacts. The SESA guidelines have been integrated into the R-PP template.

36. The safeguards policies noted in the REDD+ Readiness process are triggered since the REDD+ strategy and possible policy reforms have implications for these safeguard policies, and all the safeguard policies listed as triggered (or TBD) may apply to future REDD+ investments. The SESA will assess impacts of both proposed policy reforms and strategy options as well as impacts of future REDD+ investments, while the ESMF will include provisions and requirements concerning all the safeguard policies triggered.

37. The proposed timeline for SESA implementation is outlined in the SESA Terms of Reference (Staff Assessment Note – Annex 5; Addendum 3). Final delivery of the SESA and ESMF is expected by the end of the grant's tenure. As noted above the main safeguard instrument to be developed during grant implementation is the SESA. The SESA includes the preparation of an ESMF. The ESMF may evolve and be updated over time when new REDD + strategy options and projects or activities (including investments), or policies/regulations are identified during implementation of REDD+. The SESA addresses the key environmental and social issues associated with the analysis and preparation of REDD+ strategy options as well as REDD+ projects, activities (including investments), policies and regulations. In this manner SESA can ensure compliance with World Bank's environmental and social safeguards.

38. The SESA process requires that the selection of REDD+ strategy options should take into account the country's institutional and capacity constraints for managing environmental and social risks and the potential environmental and social impacts associated with these strategy options. Any identified gaps to manage these risks and potential impacts in relation to relevant World

Bank's safeguard policies should be identified along with the strategy options to feed into the preparation of the ESMF. The ESMF should provide a framework to manage and mitigate the potential environmental and social impacts related to specific projects and activities (including investments and carbon finance transactions), in the context of the future implementation of REDD+.

39. The ESMF will be structured to contain subject-specific frameworks addressing the relevant requirements of the applicable environmental and social safeguard policies including, but not necessarily limited to stand alone documentation including a Resettlement Policy Framework (RPF); Process Framework (PF); and Indigenous Peoples Planning Framework (IPPF) known locally as an Ethnic Group Planning Framework (EGPF).

#### IV. APPROVALS

|                                  |                                    |                   |
|----------------------------------|------------------------------------|-------------------|
| Task Team Leader:                | Name: Robert Ragland Davis         |                   |
| <b><i>Approved By:</i></b>       |                                    |                   |
| Regional Safeguards Coordinator: | Name: Ruxandra Maria Floroiu (RSA) | Date: 23-Dec-2013 |
| Sector Manager:                  | Name: Julia M. Fraser (SM)         | Date: 23-Dec-2013 |