



GFL
GOVERNANCE, FOREST LANDSCAPES AND
LIVELIHOODS - NORTHERN LAOS

PF
Process Framework

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REDD+ Division, Department of Forestry

Ministry of Agriculture and Forestry

Vientiane, Lao PDR

EXECUTIVE SUMMARY

Introduction

The project entitled Governance, Forest Landscapes and Livelihoods in Northern Lao PDR (GFLL) aims to achieve emission reductions in the six Northern Provinces of Lao PDR and will receive performance-based payments from the Forest Carbon Partnership Facility (FCPF).

GFLL is Lao PDR's first sub-regional project that aims to achieve emission reductions in a contiguous landscape that constitutes approximately one-third of both the country's geographical and its forested area, and represents 40 per cent of its total national deforestation and degradation. The preparation and design of GFLL is based on parallel processes – the design of an implementation grant proposal for the Green Climate Fund (GCF) and the design of the emission reductions proposal for results-based finance from the FCPF. GFLL design and implementation is part of the ambition of the Government of Lao PDR (GoL) to transform its forestry sector, and to take steps to decouple its economic growth from its natural resource endowment. The most recent reflection of this commitment is the GoL endorsement of the Green Growth Strategy up to 2030 that aims to ensure environmentally friendly, sustainable and inclusive growth.

The Project may introduce restrictions of access to natural/forestry resources under the project which may negatively affect the livelihood of local communities at least in the short term.

Objective of the PF

This Process Framework (PF) therefore, provides guidance in the unlikely case of minor resettlement. The PF is an integral part of the Environmental and Social Management Framework (ESMF) and responds to the seven World Bank safeguard policies that has been triggered for GFLL. These include environmental policies on Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Forests (OP/BP 4.36), Pest Management (BP/OP 4.09), and social policies on Indigenous Peoples (OP/BP 4.10), Physical and Cultural Resources (OP/BP 4.11), and Process Framework (OP/BP 4.12).

This PF provides the process to be followed. It does not spell out in detail each of the activities undertaken to avoid or mitigate impacts from restrictions of access to natural resources. Such details will be defined during project implementation in accordance with the Process Framework, through the participatory processes for protected area management and buffer-zone management, which culminate in the development of VFMA, based upon the villagers' needs and priorities.

Thus, VFMA which as part of the Process Framework implementation, will provide the detailed actions which will describe the results of the participatory planning with affected communities and provide measures to mitigate impacts and means to address grievances, with potential sources of financing to implement them, thereby ensuring compliance with OP/BP4.12.

Legal Framework

Lao PDR has regulations aiming to address negative social impacts arising from development projects. The Compensation and Resettlement Decree # 84, provides that any person whose access to community resources are affected by development projects are entitled to sustainable income restoration measures, in addition to their entitlement for compensation and other allowances, enabling them to remain at a minimum pre-project livelihood level.

Although these decrees do not explicitly require broad community support to be established or specifically oblige developers to conduct free, prior and informed consultations, they nonetheless require that meaningful consultations be carried out prior to project implementation and that their concerns be addressed in project design. Gaps often occur due to weak implementation and poor monitoring – some developers may not fully engage in meaningful consultations or address concerns of affected people but relevant government officials often fail to take remedial actions due to limited budget, weak monitoring or lack of follow up actions.

Project Impacts and under the PF

As stated, the project may introduce restrictions of access to natural/forestry resources under which may negatively affect the livelihood of local communities at least in the short term.

This Process Framework is therefore developed to achieve the following objectives:

- a) to provide full consultation with, and informed participation of affected people;
- b) to avoid, minimise or mitigate potentially adverse effects of new restrictions, and increased enforcement of existing as well as new restrictions, of access to forest resources.

The principles laid out to meet these objectives include:

- a) broad-based and consultative definition of forest management (protected forest, conservation forest, productive forest, etc.), new restrictions, and increased enforcement in the project areas based on biophysical as well as socio-economic assessments;
- b) decisions will be based on the informed participation of all affected people, in the form of consultations and agreements reached between the affected people and the respective local and project authorities. Agreements will be formalised in a document with the community;
- c) restrictions of access to resources that will adversely affect the livelihood of affected people will be mitigated in order to ensure that affected people will have alternative livelihoods to be able to at least maintain, if not improve, their livelihoods. This is especially true for restrictions of the use of natural resources such as land and NTFPs.

Measures to ensure alternative livelihood will be provided in the Village Forest Management Agreement (VFMA);

- d) forest conservation interventions will respect ethnic minorities' belief systems, and ethnic minorities will be facilitated to actively participate in the whole project cycle to ensure that they are continually informed in a free, prior and informed participatory manner through out the implementation of the PF.

Free, Prior and Informed Consultations

A process of free, prior, and informed consultation with local communities has been and will continue to be an important part of this Process Framework. It is employed as a vehicle to help a) establish broad community support for the project, b) discuss potential impacts and mitigation measures; c) determine the various land use boundaries within the project areas; and d) develop and agree on resource use restrictions in which the affected ethnic people would be willing to participate, knowingly and without loss in livelihood. Decisions affecting public access and resource use will be made with the participation of the affected communities, with the aim of achieving consensus. Conclusions will be documented in VFMA that will be developed between respective villages.

PF Monitoring and Evaluation

The Project will consist of a monitoring and evaluation system. It will include village self-monitoring of their own village development projects. Villagers will also be involved in monitoring of the buffer-zone management activities. In addition, these participatory monitoring efforts will be linked to the overall project's monitoring and evaluation programme.

Responsibility for overall monitoring, implementation and reporting the PF rests with PPMU with oversight by the PMU through internal regular monitoring and progress reports.

ACRONYMS

ADB	Asian Development Bank	ICT	Information Communication Technology
BCC	Biodiversity Conservation Corridors	IEC	Information, Education, and Communication
BSM	Benefit Sharing Mechanism	IDA	International Development Association
BSP	Benefit Sharing Plan	IFAD	International Fund for Agricultural Development
CAP	Community Action Plan	IFC	International Finance Cooperation
		IO	Independent Organization
CF	Carbon Fund	JICA	Japan International Cooperation Agency
CIF	Climate Investment Fund	KfW	German state-owned development bank
CSO	Community Social Organization	Lao FIP	Lao Forest Investment Programme
CLiPAD	Climate Protection through Avoided Deforestation	LENS2	Second Lao Environment and Social Project
CLiPAD-FC	Climate Protection through Avoided Deforestation – Finance Cooperation	LFND	Lao Front for National Development
DAFO	District Agriculture and Forestry Office	LoI	Letter of Intent
DFRM	Department of Forestry Resources Management	LMDP	Land Management and Decentralised Planning
DoF	Department of Forestry	LNCCI	Lao National Chamber of Commerce and Industry
DPMU	District Project Management Unit	LUP	Land Use Planning
DTCC	District Technical Coordination Center	LWU	Lao Women’s Union
EIA	Environmental Impact Assessment	MAF	Ministry of Agriculture and Forestry
EPF	Environment Protection Fund	M&E	Monitoring and Evaluation
EPL	Environmental Protection Law	MoF	Ministry of Finance
ERP	Emission Reduction Programme	MoICT	Ministry of Information, Communication and Tourism
ERPD	Emission Reduction Programme Document	MoJ	Ministry of Justice
ER-PIN	Programme Idea Note	MoNRE	Ministry of Natural Resources and Environment
ESMF	Environmental and Social Management Framework	MOU	Minute of Understanding
ESMP	Environmental and Social Management Plan	MPI	Ministry of Planning and Investment
EU	European Union	NEC	National Environment Committee
FCPC	Forest Carbon Partnership Facility	NGO	Non-Government Organisation
FCPF	Forest Carbon Partnership Fund	NOUL	National University of Lao
FIP	Forest Investment Programme	NPA	Non-Profit Associations
FLEGT	Forest Law Enforcement, Governance and Trade	NPA	National on-Profit Associations
FLR	Forest Landscape Restoration	NR+F	National REDD+ Fund
FPIC	Free, Prior and Informed Consultation	NRTF	National REDD+ Task Force
F-REDD	Sustainable Forest Management and REDD+ Programme	NRS	National REDD+ Strategy
		NTFP	Non-Timber Forest Products
GCF	Green Climate Fund	OP/BP	World Bank Operational Policies
GFLL	Governance, Forest, Landscapes and Livelihoods-Northern Laos	PAFO	Provincial Agriculture and Forestry Office
GIZ	German Corporation for International Cooperation		

GoL	Government of Lao PDR	PAH	Project Affected Households
ICBF	Integrated Conservation of Biodiversity and Forests	PAP	Project Affected People
		PE	Project Entity
PICSA	Partnerships for Irrigation and Commercialization of Smallholder Agriculture	SUFOR D-SU	Scaling Up Participatory Sustainable Forest Management
PMU	Project Management Unit	ToR	Terms of Reference
PPMU	Provincial Project Management Unit	TPM	Third Party Monitoring
PONRE	Provincial Office of Natural Resources and Environment	TWG	Technical Working Group
PPT	Project Preparation Team	UNFCCC	United Nations Framework Convention on Climate Change
PRAP	Provincial REDD+ Action Plan	UN-REDD	United Nations REDD+ Programme
REDD	Reducing Emissions from Deforestation and forest Degradation	USD	United States Dollar
RPF	Resettlement Policy Framework	VA	Village Authority
R-PP	REDD+ Preparation Proposal	VDC	Village Development Committee
SESA	Strategic Environmental and Social Assessment	VFMP/A	Village Forestry Management Plan and Agreement
SESU	Social and Environmental Safeguard Unit	VLD	Voluntary Land Donation
SIA	Social Impact Assessment		
SIS	Safeguards Information System	VMU/C	Village Mediation Unit/Committee
SOI	Summary of Information	VRS	Village Resettlement Sub-committees
SSC	Social Safeguards Consultant	WB	World Bank
STP	Small Tree Plantation Project	WBG	World Bank Group

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1 BACKGROUND

Lao PDR has been engaged with its REDD+ Readiness preparation since it was selected as one of 47 countries in the Forest Carbon Partnership Facility (FCPF) in 2007. The Department of Forestry (DoF) under the Ministry of Agriculture and Forestry (MAF) was designated as the focal point for REDD+ implementation on behalf of the GoL. DoF established the National REDD+ Task Force (NRTF) consisting of representatives from line ministries and a National REDD+ Office under the Planning Division of DoF in 2008 to serve as the NRTF Secretariat and to coordinate and implement REDD+ readiness initiatives under the guidance of the MAF.

GoL received a grant of USD 200,000 from the FCPF through the World Bank to work on the R-PP REDD+ Readiness Plan (R-PP) proposal made in 2009. The R-PP proposal was approved in November 2010. Since 2008, many REDD+ activities have been ongoing with support from various development partners.

Lao PDR was also accepted as one of the eight pilot countries of the Forest Investment Programme (FIP) in 2010, under the umbrella of the Climate Investment Fund (CIF). DoF, on behalf of the GoL, worked with the World Bank and the Asian Development Bank (ADB) to prepare a Lao Forest Investment Programme (Lao FIP) for submission and presentation to the FIP Sub-Committee in 2011. The Lao FIP was endorsed in principle with conditions to revise the investment plan, in response to comments made during the FIP Sub-Committee meeting. The revised plan was submitted and officially approved by the FIP Sub-Committee in 2012.

A total of USD 30 million in grant was approved by CIF as co-financing for three projects: the Scaling Up Participatory Sustainable Forest Management (SUPSFM, also known as SUFORD-SU) with the World Bank and implemented by GoL; the Smallholder Tree Plantation Project (STP) implemented by the International Finance Corporation (IFC) with the private sector; and Protecting Forests for Ecosystem Services with ADB and implemented by GoL, which is an additional financing for the Biodiversity Conservation Corridors (BCC) Initiative.

In 2014, the GoL received a USD 3.6 million grant from the FCPF through the World Bank to implement R-PP activities including the preparation of a National REDD+ Strategy (NRS), benefit sharing mechanism (BSM) and a Strategic Environmental and Social Assessment (SESA). Six technical working group (TWGs) were formed to work on various elements of REDD+ readiness on policy and legal framework, land issues, social and environmental safeguards, enforcement and implementation of mitigation activities, MRV/REL, and benefit sharing.

In 2015, the GoL submitted an Emissions Reduction-Project Identification Note (ER-PIN), to the FCPF Carbon Fund (CF). The CF accepted Lao PDR ER-PIN in 2016, DoF requested a second REDD+ Readiness grant of up to USD 5.575 million, which received no objection from the FCPF Participant Committee members. A project document for this second grant was prepared by the WB and the GoL. The Emissions Reduction Programme Document (ER-PD) was completed in 2017, and accepted by the CF in 2018. Also, the country's self-assessment of REDD+ readiness was prepared, and accepted by the FCPF so that the ER-PD could be accepted by the Carbon Fund.

Currently, the NRTF consists of 16 members with a Vice Minister of MAF as Chair; the Director General of DoF is a Vice Chair; a Deputy Director General of DoF is an ordinary and a standing member and also the national focal point of REDD+. Other members are Deputy Director Generals of departments and Directors/or Deputy Directors of divisions from six ministries including MAF, MoNRE, Ministry of Finance (MoF), Ministry of Planning and Investment (MPI), Ministry of Justice (MoJ); National University of Laos; Lao Women's Union and the Lao National Chamber of Commerce and Industry (LNCCI). The NRTF role is to study, develop, propose and approve policies, legislations, methods, and mechanisms. The role also includes regular reporting on the progress of implementing REDD+ activities within the country to the NEC for update and further actions.

Lao PDR also receives international support from bilateral donors, international non-governmental organisations, research organisations, and other development partners. The two most important bilateral programmes are those supported by the Government of Germany, Climate Protection through Avoided Deforestation (CliPAD) Programme, and the Government of Japan, the Sustainable Forest Management and REDD+ Programme (F-REDD). Both are working at the national level, as well as in selected provinces.

2 PROJECT COMPONENTS

The proposed interventions of the ER Programme correspond to each of the four main drivers and are organised into four components, including: i) interventions for an enabling environment for REDD+, ii) agriculture sector interventions, iii) forestry sector interventions, and iv) a programme management and monitoring component.

Component 1: Strengthening enabling conditions for REDD+ (US\$ 36.5 million of which GFL US\$ 13 million)

Component 1 covers interventions that lay the foundation for the implementation of sustainable land use and develop the enabling conditions to address drivers of deforestation and forest degradation in the key sectors, namely agriculture and forestry sector, but also in other land use sectors such as infrastructure development. The underpinning strategy is to provide the necessary tools and capacity for institutional and cross-sectoral planning, coordination and policy and regulatory implementation. Activities target mainstreaming REDD+ into the national and provincial level socioeconomic development planning and design of policies and regulations that address the key drivers of deforestation and forest degradation and building capacity for its implementation. Improved law enforcement and planning activities will be achieved through the establishment and institutionalization of national and province level monitoring systems. The strengthening of institutional capacities to monitor and sanction forest violations will strengthen the enforcement of existing laws by national, province and district level authorities. The REDD+ readiness work has laid the foundation for strengthening already existing policies and regulations. The Government is already in negotiations on a FLEGT VPA.

GFL builds on this opportunity and will focus on building necessary capacity for both national and sub-national level institutions as part of creating the enabling environment. Enabling conditions will be further developed through consistent and aligned provincial,

district and village level land use planning and the necessary capacity development of staff to implement plans. This will be integrated into the existing government planning processes and linked to actions for securing land and resource tenure including land registration. Land use planning and land registration will take into consideration existing forest landscapes and their protection and sustainable use. Forests and forestland which for the most part is legally considered as State land and not subject to titling are often managed as communal or collective and customary lands. Strengthening their legal basis for tenure security will be pursued through developing a due registration process and system of land use plans and village forest management agreements.

GfLL will engage with the ongoing work in promotion of Responsible Agricultural Investments (RAI) under the agriculture sectors and with the Ministry of Planning and Investment (MPI). By strengthening the enabling environment, the GfLL triggers transformative impact across sectors towards developing a low carbon economy. Activities will aim for i) strengthening and streamlining policies and the legal framework, ii) improved forest law enforcement and monitoring, iii) improved provincial, district and village level land use planning, and iv) enhanced land and resource tenure security through land registration and other processes. The activities under this component are often important precursors for the success of further land-based interventions. This being the case, interventions that require significant earlier progress are planned for earlier implementation – while capacity building related activities will be continuous. It is important to note that for many areas of work, related ground work is already underway particularly at the central government level, and the GfLL interventions will build on these developments.

Component 2: Climate smart agriculture and sustainable livelihoods for forest dependent people US\$ 41 million of which GfLL US\$ 12 million)

Component 2 aims to address the cumulative negative impact of unsustainable agricultural practices and its transformation to high productivity with low impact on the environment. A range of technical options have been successfully tested in the Northern Uplands of Lao PDR over the last few decades to support transition from mainly subsistence to commercial agriculture. Activities will focus on the promotion of Climate Smart Agriculture (CSA) investment and improved soil conservation practices, crop diversification, agroforestry techniques such as terracing, intercropping, among others.

The concept of CSA will also be integrated with the principles of RAI to embed broader social, environmental and economic safeguards and perspectives together with climate related concerns central to CSA. This component is designed to significantly curb expansion into forested landscapes and increase household incomes and resilience to climate risks caused by drought, floods, soil erosion etc. The investment will be supported through more effective extension services to the target groups, strengthening their value chain integration through promotion of processing, provision of marketing support and

market information and stronger engagement with the private sector. The activities will also focus on building cooperative structures to enhance negotiation ability of these groups and improve access to rural finance. Women, ethnic groups and other vulnerable groups will receive special attention.

Activities will aim for i) establishment of an enabling environment to promote responsible, sustainable, deforestation-free and climate-smart agriculture, and, ii) implementation of CSA models to address market demand, low productivity, lack of alternatives and address land and soil degradation.

Component 3: Sustainable forest management (US\$ 53 million of which GFL US\$ 17 million)

Under Component 3, the GFL will provide investments into sustainable forest management (SFM) planning and the implementation of village forest management and sustainable management of production forests. The GFL is targeting implementing and scaling up forest landscape restoration (FLR) and management on at least 70,000 ha including through assisted natural forest regeneration, plantation development and agroforestry systems to enhance forest carbon stocks. These activities will be supported by intensive capacity development and training of government staff and communities with a strong focus on ethnic groups, women and the most vulnerable groups. Through preparation and implementation of village forest management planning and agreements (VFMP and VFMA), the underlying rationale is to strengthen tenure security of land and forest resources, particularly those land and resources that are regarded as communal/collective and customary assets. These activities will be complemented by value chain integration of the rural population, identification and mobilization and creation of incentive mechanisms to attract private sector investments into sustainable forest development and forest landscape management.

Forestry sector interventions will focus on: i) establishing an enabling environment to implement and scale up SFM and forest landscape restoration and management, ii) implementation and scaling up of village forestry, and iii) implementation and scaling up of FLR and sustainable forest plantations.

3 LEGAL FRAMEWORK

Lao PDR has regulations aiming to address negative social impacts arising from development projects. The Compensation and Resettlement Decree # 84, provides that any person whose access to community resources are affected by development projects are entitled to sustainable income restoration measures, in addition to their entitlement for compensation and other allowances, enabling them to remain at a minimum pre-project livelihood level. It also stipulates that, “The project owners shall implement the

resettlement programme in a participatory manner ensuring that PAPs, local authorities and other stakeholders are fully informed and consulted and their concerns are taken into account at all stages of the project cycle, particularly during the planning and implementation phases of the land acquisition, valuation and resettlement process.”

Although these decrees do not explicitly require broad community support to be established or specifically oblige developers to conduct free, prior and informed consultations, they nonetheless require that meaningful consultations be carried out prior to project implementation and that their concerns be addressed in project design. Gaps often occur due to weak implementation and poor monitoring – some developers may not fully engage in meaningful consultations or address concerns of affected people but relevant government officials often fail to take remedial actions due to limited budget, weak monitoring or lack of follow up actions.

4 PROJECT IMPACT AND THE PROCESS FRAMEWORK

The Project may introduce restrictions of access to natural/forestry resources under the project which may negatively affect the livelihood of local communities at least in the short term.

This Process Framework is therefore developed to achieve the following objectives:

- c) to provide full consultation with, and informed participation of affected people;
- d) to avoid, minimise or mitigate potentially adverse effects of new restrictions, and increased enforcement of existing as well as new restrictions, of access to forest resources.

The principles laid out to meet these objectives include:

- e) broad-based and consultative definition of forest management (protected forest, conservation forest, productive forest, etc.), new restrictions, and increased enforcement in the project areas based on biophysical as well as socio-economic assessments;
- f) decisions will be based on the informed participation of all affected people, in the form of consultations and agreements reached between the affected people and the respective local and project authorities. Agreements will be formalised in a document with the community;
- g) restrictions of access to resources that will adversely affect the livelihood of affected people will be mitigated in order to ensure that affected people will have alternative livelihoods to be able to at least maintain, if not improve, their livelihoods. This is especially true for restrictions of the use of natural resources such as land and NTFPs. Measures to ensure alternative livelihood will be provided in the Village Forest Management Agreement (VFMA);
- h) forest conservation interventions will respect ethnic minorities’ belief systems, and ethnic minorities will be facilitated to actively participate in the whole project cycle to ensure that they are continually informed in a free, prior and informed participatory manner through out the implementation of the PF.

This Framework provides the process to be followed. It does not spell out in detail each of the activities undertaken to avoid or mitigate impacts from restrictions of access to

natural resources. Such details will be defined during project implementation in accordance with the Process Framework, through the participatory processes for protected area management and buffer-zone management, which culminate in the development of VFMA, based upon the villagers' needs and priorities. Thus, VFMA which as part of the Process Framework implementation will provide the detailed actions which will describe the results of the participatory planning with affected communities and provide measures to mitigate impacts and means to address grievances, with potential sources of financing to implement them, thereby ensuring compliance with OP/BP4.12.

5 PROJECT MEASURES TO ENSURE MITIGATING NEGATIVE IMPACTS

5.1 PARTICIPATORY PLANNING OF RESOURCE RESTRICTION

The project activities, particularly the land and forest use zoning and management as well as their enforcement, may result in the restriction of ethnic groups' access to natural resources such as swidden agricultural land, forest and NTFPs, which they heavily depend upon for their livelihood. A series of planning consultations and feasibility studies with the affected villages will be undertaken in all target villages to raise REDD+ awareness, to agree upon the protection regulations and alternative livelihood priorities aiming at REDD+ and sustainable natural resource management at the beginning of the project implementation.

Outcomes from the consultations will be documented and formalised in one document, namely the VFMA as part of the implementation of the Process Framework. The project will partner with the ongoing and pipeline rural and livelihood development projects described in the following sections to mobilise their support and resources to implement the VFMA.

To enhance ethnic group participation and their receipt of benefits from the project in a culturally appropriate manner, the participatory planning process currently applied by the ongoing projects financed by the World Bank will be employed by the executing agencies. A set of IEC and visualised materials will be developed and used for consultations to help those ethnic villagers who have communication and language difficulty to better understand and articulate their needs and concerns. Local interpreters or tribal leaders will be encouraged to help with translation between ethnic and Lao languages. In addition, the project will also collaborate with the Lao Front for National Development (LFND) and Lao Women's Union (LWU), two government mass-organisations which are officially mandated to support and advocate ethnic minorities and promote women participation in development respectively. These mass-organisations are staffed with representatives of diverse ethnic groups who could help with communication and mobilisation of ethnic minority's villagers and women to participate in the project.

5.2 ALTERNATIVE LIVELIHOOD

For eligible villages that are adversely affected by GFLL, in close cooperation with villagers, GFLL will develop alternative community livelihoods so as to mitigate negative impacts on their livelihood. Measures to develop alternative community livelihood will be identified with the participation of the affected communities, which will centre on establishing alternative livelihood activities that are environmentally sustainable and

culturally appropriate. Local authorities and other donor-assisted projects will be consulted as needed to provide mitigation measures.

During the consultations conducted in February 2019, the following potential alternative livelihoods were discussed with the communities: promotion of climate smart agriculture, improved agricultural practices and diversification of livelihoods, deforestation free agricultural practices in the uplands and mountainous areas, improve agricultural land through improved extension services, training of households in proximity to the deforestation and forest degradation hotspots and strengthening communities that engaged in deforestation free commodity value chains. During 10 – 22 February 2019, field consultations were conducted in six provinces, in which a questionnaire was administered to collect data for filling the gaps identified in the SESA. Minutes of meetings held in villages and consultations carried out, including the number of participants and topics discussed have been included in a field report dated 25 February 2019, prepared in Lao language and submitted to DoF. The field visit consultations held, number of participants, matters discussed have been indicated in Section 7- Social Assessment.

It is the responsibility of the REDD+ division and PAFO/DAFO to ensure that affected communities receive adequate mitigation measures as necessary as provided for in this Process Framework. No restrictions of access will take place without a prior commitment of providing timely and adequate alternative livelihood sources from a series of pre-identified sources. The VFMA will clearly spell out the sources of funds to implement mitigation measures.

5.3 CASE OF THE SANAM (A SMALL PLOT OF LAND USED FOR RAISING ANIMALS, PLANTING CROPS AND FARMING ACTIVITIES) USERS

With respect to the land and forest use zoning to be supported under the project, support will be provided to Sanam users (farmers use a small plot of land for raising animals, planting crops and farming activities), if they so wish, through carrying out participatory land use and livelihood planning processes and facilitating the implementation of the VFMA with the objective of improving the livelihood of those who wish to retain their Sanams and ensuring sustainable natural resources practices. If they choose to retain their Sanams in the project area, the Project will partner and mobilise support from other ongoing development projects to implement the VFMA and improve the sustainability of natural resource use. Thus, the livelihood planning process to be supported under the Project will be closely coordinated with ongoing and similar development projects.

5.4 PHYSICAL AND CULTURAL RESOURCES

The VFMA will be developed taking into consideration the local cultural values of each village and each ethnic group. Thus, areas that are important to local people, such as sacred forest areas, burial grounds, or spirit trees, will be designated on the plans, and will be managed according to customary practices (e.g. as protected areas). Villagers will further develop local rules to govern how such areas will be managed. The rule will be endorsed by the PAFO/DAFO authority.

5.5 VOLUNTARY LAND ACQUISITION

As mentioned above, support to alternative community livelihood may require acquisition of private land, although the impact is likely to be minor. The project will finance any livelihood activities only if owners voluntarily donate land or other private assets and if the impact is minor (that is, acquired land is less than 10 per cent of the total productive assets). To this effect a protocol to establish in detail the process and document any voluntary donation of land has been developed in the resettlement policy framework (RPF). Any activity that will involve involuntary land acquisition will be included in the negative list of community livelihood support, and the absence of land acquisition, or the informed consent of owners in the event voluntary land donation is involved, will be confirmed prior to disbursements. Task team will monitor and confirm during implementation that no one will lose land or private asset as a result of project implementation against their will or in the absence of informed consent.

6 CRITERIA FOR ELIGIBILITY

Communities living in or near the GFL areas are eligible for benefits based on the criteria to be agreed through the consultative process. The eligibility criteria will determine which groups and persons are eligible for assistance and mitigation measures, which groups and persons are not. Based upon agreement with communities, the criteria may exclude certain persons or groups from assistance because their activities are clearly illegal and knowingly undertaken not in accordance with VFMA. The criteria may also distinguish between persons utilizing resources opportunistically and persons using resources for their livelihoods, and between groups with customary rights and non-residents or immigrants. Special consideration and priority will be given to the vulnerable groups, female-headed households and the ethnic groups. These criteria jointly determined with the affected villages will be documented.

7 SOCIAL ASSESSMENT

A social assessment that consists of various socio-economic and forest resource surveys, participatory land and forest use planning, outreach activities and inclusive consultations, has been undertaken in all target villages. This included baseline studies to determine current NTFP use, cultural and monetary value of natural resources. In addition, at national and provincial workshops and other meetings conducted during project preparation, organisations such as the Lao Women's Union and LFND participated in discussions on how to promote broad-based community participation in, and sharing of benefits from the project.

During project preparation, consultation meetings were conducted in 146 villages. During the consultation meetings, which were conducted in the community's local languages and based on a free, prior and informed consultation methodology, the project objective and activities, as well as expected project benefits and potential negative impacts especially due to restrictions on access to natural resources, were explained and the views of participants collected. These consultations allowed the project preparation team to learn more about the community's needs and views regarding the access to natural resources, livelihood development, and ways in which the communities can benefit from REDD+ implementation.

These assessments and consultations conducted before and during the project preparation, confirmed the broad community support by the ethnic communities in six provinces. The field visit conducted under the appraisal mission, jointly conducted by the REDD+ Division and internal/external consultant teams, also found that villagers in the target villages are well aware of and knowledgeable about the project and support the activities planned under the project, indicating that the consultations had been conducted properly. Communities in target villages will be further consulted for and participate in project activities during project implementation including the finalisation and execution of the co-management plan.

During 2019, field visits were conducted in all six provinces for consultation of stakeholders, especially women and vulnerable groups. A total of 29 meetings were held with the participation of 312 women and 419 men. Consultations included people of different ages and all ethnic groups, emphasis was made to interview women's group separately to gather information and for revealing insights.

A short list of findings and actions demanded by women could be indicated as:

Women are reluctant to express in the presence of men and separate consultations should be held with a woman competent in the dialect of the stakeholders.

Main elements of the livelihoods systems vary, but major activities are: subsistence growing of crops, upland paddy cultivation, small scale animal raising, NTFP harnessing, village based trading and other.

Women and men are very willing to enhance their livelihoods, but lack the skills, rural credit access, agriculture extension knowledge and facilities and the market access for produce/products.

Proper knowledge on systematic NTFP collection, forest management, shifting cultivation stabilization, etc. has not been imparted to communities.

Livelihood situations, land access, use and control forest cover, current patterns of marketing, proper use of organic and inorganic materials, knowledge on REDD +, risks that could arise in village clusters, mitigation measures etc. are some of the important considerations expressed by communities.

8 PROCESS OF FREE, PRIOR, AND INFORMED CONSULTATIONS

A process of free, prior, and informed consultation with local communities has been and will continue to be an important part of this Process Framework. It is employed as a vehicle to help a) establish broad community support for the project, b) discuss potential impacts and mitigation measures; c) determine the various land use boundaries within the project areas; and d) develop and agree on resource use restrictions in which the affected ethnic people would be willing to participate, knowingly and without loss in livelihood. Decisions affecting public access and resource use will be made with the participation of the affected communities, with the aim of achieving consensus. Conclusions will be documented in VFMA that will be developed between respective villages.

In order to ensure that meaningful consultation and participation would continue to be carried out during implementation, several mechanisms will be put in place. These include:

- Information dissemination will be, as needed, in the local languages and/or will be based on visual, oral and other appropriate means of communication in communities with limited literacy and/or Lao language skills
- Acknowledged ethnic group leaders and organisations will be consulted;
- As far as is needed, ethnic group communities and their leaders will receive additional support and training to enable them to participate fully in decision making processes; and,
- Culturally appropriate participatory processes and a sufficient time frame will be established to allow adequate gender and generational representation to express their views and preferences.

Specifically, a community/household survey, community land use survey and a community resource use survey would be conducted, and participatory consultations would be carried out to seek opinions of, and allow participation by, affected ethnic communities in the process of developing access restrictions, which will culminate in the development of VFMA.

9 PARTICIPATION FRAMEWORK

To achieve the objectives and principles outlined in the Process Framework the following participation framework is suggested to guide methods of engagement with villagers.

- Participatory management and sustainable use of natural resources by local residents is determined by the following factors: resource tenure, access to the resources, rules and regulations, and a supportive legal authority at all levels.
- Natural resource use is an activity that is done by both men and women. Therefore, methods used to obtain information on natural resource use should be inclusive of both genders.
- Many persons who rely on natural resources are not literate, yet their input to resource management is very relevant. To engage them participation methods will need to be oral (in native language if necessary) and with the use of visual aids.
- Natural resource management is a concept understood by all ages. In some cases, ‘old ways’ have been supplanted by ‘new ways’ and could be revisited. In some cases, ‘old ways’ are no longer appropriate given new technologies or access to markets. Changing resource management paradigms should follow cultural norms and participatory processes.
- Current resource use laws of Lao PDR are adequate, but sometimes not appropriate for implementation at the village level at this time. It is unrealistic that villagers will voluntarily participate in a scheme to restrict access to resource just based on participatory measures and consultation. Appropriate incentives will be needed as well as warnings before imposition of penalties.
- Current participatory approach used by GoL staff is still quite centrally determined. Training and encouragement will be needed to help GoL counterparts engage villagers

on a more equal footing. These approaches are consistent with GoL desire for decentralization and capacity building.

- Participation in protected area management activities will be documented in the Village Natural Resource Agreements, to be signed by the protected area manager and the village chief. This document will be made with the participation of affected communities and other relevant stakeholders, translated into the local language, promoted through village awareness activities and made available to all for review.

10 IMPLEMENTATION PLAN

10.1 National and Sub-National Levels

Policy matters pertaining to the implementation of the National REDD+ Programme including the ESMF will be the responsibility of the National REDD+ Task Force. The National REDD+ Office, is in the DoF/MAF REDD+ Division, serves as the Secretariat. The management responsibilities of the REDD+ Division for ESMF implementation will include:

- Screening of REDD+ projects, subprojects, and activities for NRTF.
- Coordination with MoNRE concerning ESIA processes including the review, approval and monitoring of proposed REDD+ projects
- Liaison with relevant GoL agencies including the National Assembly representatives at the central and local levels concerning the Feedback and Grievance Redress Mechanism
- Safeguards monitoring and evaluation during sub-project implementation and prior to closure
- Operationalisation and administration of the Safeguards Information System
- Capacity building concerning safeguards training and risk management
- Coordination with the different REDD+ TWGs, especially with the Safeguards TWG, pertaining to the implementation of ESMF

The ERP will be implemented at the sub-national level covering the six Northern Provinces of Bokeo, Huaphan, Luang Namtha, Luang Prabang, Oudomxay, and Sayabouri. Implementation of the ER- P will be undertaken by DoF and relevant divisions of DoF under the coordination of the REDD+ Division and REDD+ Offices. Refer Figure 1 for institutional framework and Table 1 for responsibilities of institutions.

Figure 1: Institutional Framework for Safeguards Implementation and Monitoring

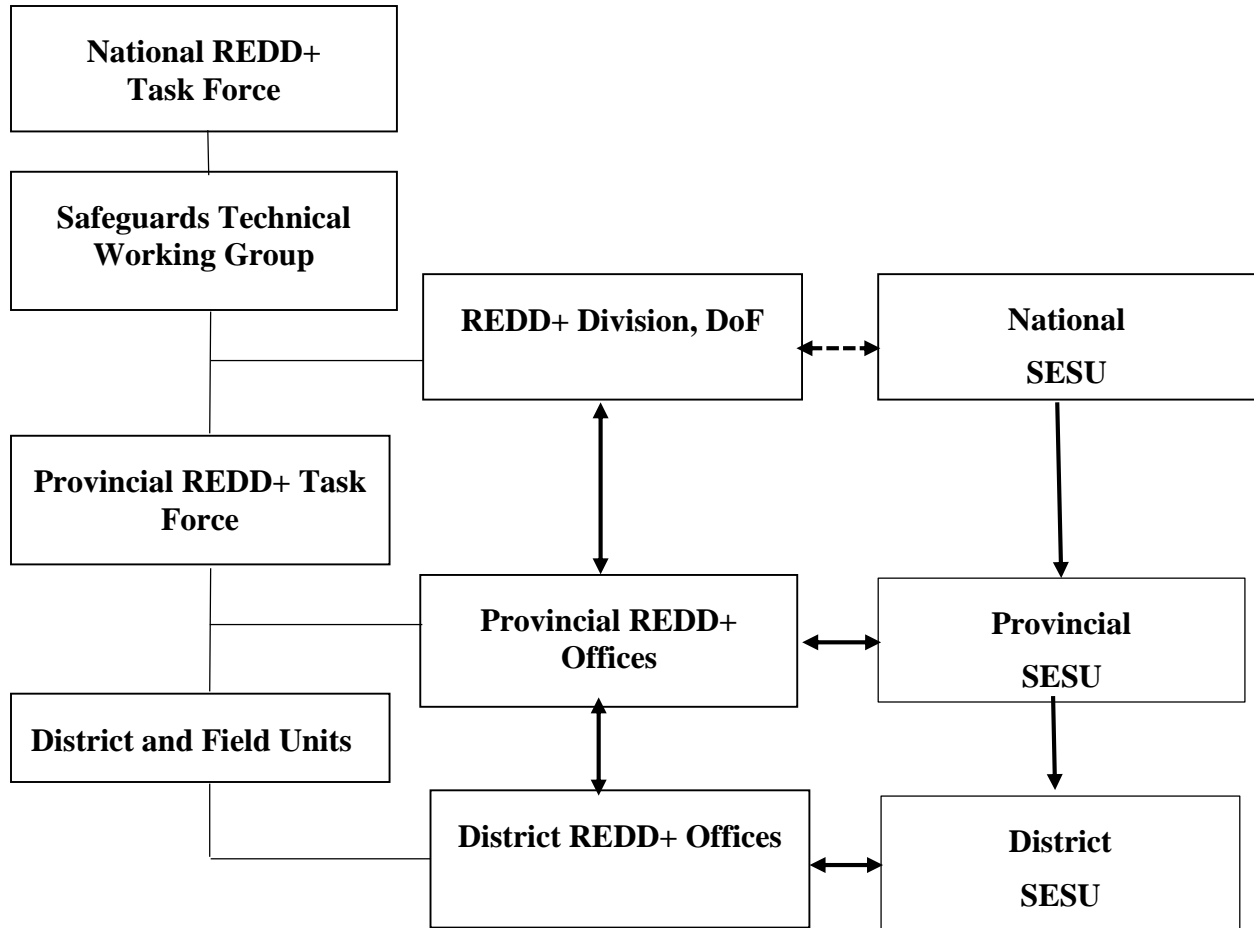


Table 1: Institutional Responsibilities for Safeguards Management

Community/ Agencies	Responsibilities
<p>Programme Implementing Entity (DoF) and Project Management Unit (PMU)</p>	<ul style="list-style-type: none"> - The DoF will be responsible for overseeing the Programme implementation including ESMF implementation and environmental performance of the Programme. - PMU, representative of the DoF, will be responsible for monitoring the overall Programme implementation, including environmental compliance of the Programme. PMU will have the final responsibility for ESMF implementation and environmental performance of the Programme during the construction and operational phases. - PMU will: (i) closely coordinate with local authorities in the participation of the community during programme preparation and implementation; (ii) monitor and supervise ESMF implementation including incorporation of ESMF into the detailed technical designs and bidding and contractual documents; (iii) ensure that an environmental management system is set up and functions properly; (iv) be in charge of reporting on ESMP implementation to the DoF and the World Bank. - To be effective in the implementation process, PMU will establish a Social and Environment Unit (SESU) with at least two safeguard staff to help with the environmental aspects of the Programme.
<p>Social and Environmental Safeguards Unit (SESU) under REDD+ division at DoF (PMU), and REDD+ Offices at provincial and district levels.</p>	<p>The SESU is responsible for monitoring the implementation of the World Bank’s environmental safeguard policies in all stages and process of the Programme. Specifically, this unit will be responsible for: (i) screening subprojects against eligibility criteria, for environment and social impacts, policies triggered and instrument/s to be prepared;(ii) reviewing the subproject EIA and EIAs/ESMPs prepared by consultants to ensure quality of the documents; (iii) helping PMU/PPMU of DoF incorporate ESMPs into the detailed technical designs and civil works bidding and contractual documents; (iv) helping PMU incorporate responsibilities for ESMP monitoring and supervision and other safeguard consultants as needed; v) providing relevant inputs to the consultant selection process; (vi) reviewing reports submitted by the CSO and safeguard consultants; (vii) conducting periodic site checks; (viii) advising the PMU on solutions to environmental issues of the subproject; and ix) preparing environmental performance section on the progress and review reports to be submitted to the Implementing Agency and the World Bank.</p>
<p>PPMUs and PMU</p>	<p>As the subproject/activity owner, PPMU/PMU is responsible for implementation of all the ESMP activities to be carried out under</p>

	the Programme, including fostering effective coordination and cooperation between contractor, local authorities, and local communities during construction phase. PPMU/PMU of will be assisted by the environmental staff, safeguard consultants.
Independent Third Party Monitoring (TPM)	<ul style="list-style-type: none"> - The TPM will perform independent verification of self-reporting data provided by the DoF and annual audits of a sample of ER Programme activities including safeguards documentation, consultation processes, effectiveness of management measures specified in the Safeguards Plans, and disclosure of information, among other important aspects. - The TPM will provide timely information to the DoF on specific issues of non-compliance or significant implementation problems so that the PE can take corrective actions, if needed. - The TPM will provide information to the World Bank on systemic safeguard performance issues which may require changes in management approach and/or additional financial or human resources. - The TPM will disclose the results of monitoring to inform concerned stakeholders about implementation experience under the ERPA Operation. - The TPM will have extensive knowledge and experience in environmental monitoring and auditing to provide independent, objective and professional advice on the environmental performance of the Programme.
Communities	Community: According to Lao practice, the community has the right and responsibility to routinely monitor environmental performance during construction to ensure that their rights and safety are adequately protected and that the mitigation measures are effectively implemented by the PMU/ PPMUs. If unexpected problems occur, they will report to the CSO and/or PMU/PPMUs.
Social organisations, NGOs and civil society organisations	<ul style="list-style-type: none"> - These organisations could be a bridge between the provincial and district communities, Contractors, and the PMU/PPMUs by assisting in community monitoring. <p>Mobilizing communities' participation in the subprojects, providing training to communities and Participating in solving environmental problems, when they arise.</p>
Social organisations, NGOs and civil society organisations	<ul style="list-style-type: none"> - These organisations could be a bridge between the provincial and district communities, Contractors, and the PMU/PPMUs by assisting in community monitoring. - Mobilizing communities' participation in the subprojects, providing training to communities and Participating in solving environmental problems, when they arise.

Province and District PAFO/DAFO, PoNRE/DoNRE	<ul style="list-style-type: none"> - Oversee implementation of subprojects under recommendations of DoNRE and PPMU/PMU to ensure compliance of Government policy and regulations. - PoNRE is responsible for monitoring the compliance with the government’s environmental requirements.
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10.2 Social and Environmental Safeguards Units (SESUs)

At each REDD+ division and office, for facilitation of safeguards implementation, a Social and Environmental Safeguards Unit (SESU) would be established. At DoF/PMU, the SESU consists of two trained staff, a coordinator, supported by a communications officer. DoF/PMU will work with the six target provinces, through PPMU coordination of DAFO, PAFO, PoNRE and DoNRE in implementing the ER-P. In order to facilitate ESMF implementation, as well as in coordinating the implementation of the PRAP of respective provinces A SESU would be established at PPMU Luang Prabang to implement ESMF for the cluster of three provinces of Luang Prabang, Huaphan, and Sayabouri, consisting of two trained staff. A second SESU would be established in PPMU Luang Namtha, to carryout ESMF in the cluster of provinces of Luang Namtha, Bokeo and Oudomxay.

10.3 Provincial Level

The institutional framework at the national level is mirrored at the provincial level. The Provincial REDD+ Task Force looks after policy matters, while the Provincial REDD+ Office serves as the Secretariat of the Provincial REDD+ Task Force. It will also provide coordination and oversight in the implementation of the PRAP. The functions of the Provincial REDD+ Office pertaining to ESMF implementation are similar to those of the DoF REDD+ Division but scaled down to provincial level. Safeguards management goes down to the district and field levels through DPMU/SESUs. A similar implementation arrangement is applied for District REDD+ Offices and Task Forces in the ERPD Provinces. Actual implementation will be undertaken by the District REDD+ Offices through DPMU designated in the organisational framework indicated in the PRAP depending on the REDD+ aspects being implemented in the district and lower levels.

10.4 Kumban/Village Level

Based on Lao PDR’s National REDD + programme, community stakeholders are defined as actors within the following five major groups: government, local communities, civil society, private sector and development partners. Development is founded on the committees formed for design and implementation of projects, ably assisted by provincial and district officials. It is well known that the capacity of officials working in the agriculture and forestry in the district and provincial levels should be enhanced for better management of REDD + projects proposed.

The piloting of village forestry was followed by the institution of participatory management of production forests for nation-wide application as an official government policy in the early 2000s.

Capacity assessments have indicated that a lower level of actual staff than required or planned across all departments and divisions.

Projects and programs implemented by SUFORD, LENS 2 and others have shown that community participation is the backbone of execution to attain success. Having analysed the experiences of those projects, Kumban/Village Cluster has been given full focus for use at implementation.

Each Kumban consists of four to six villages, considering the geographical situation and convenience of guidance by the District Project Management Unit (DPMU), adequately provided with specialised manpower, created to serve each and every Kumban.

Under the guidance of both provincial and district REDD + task forces, with trained personnel of district line agencies, project activities would be implemented with community participation. If the necessity arises, District Technical Coordination Center (DTCC) may be formulated, consisting of trained officials from line district agencies, specially trained personnel on income generation matters, to assist the Project Management Unit (PMU/PPMU/DPMU), under the guidance of the Village Development Committee (VDC).

The PMU is responsible for preparation of all different types of development plans, with the initial assistance of DPMU. Personnel at DPMU, and VDC would be imparted with sufficient knowledge and training for proper implementation of projects, identified as feasible, through community participation.

Each VDC is guided by a chosen Village Authority (VA), consisting of three to five members. VA is responsible for execution of rules and regulations of the GoL, but VDC is responsible for socio-economic development based on PRAP. Each VDC consists of five to seven appointed members (depending on the number of inhabitants), and with a minimum participation of 30-50 per cent of women.

At the very outset of project formulations, community engagement process commences at the grass-root level with the application of project cycle. (reconnaissance/planning/design/implementation/monitoring, evaluation and mitigation and impact evaluation), to enable awareness raising, dissemination of aims and purposes, advantages and short comings to be known and seeking active participation.

Problems encountered, aims and objectives, training needs assessment etc. would all be given high importance. Community governance, including PMU/PPMU has to raise awareness of REDD+ activities at school and village levels, with the main aim of shifting cultivation stabilisation, and alternative income generation activities introduction to prevent harmful forest exploitation and destruction of forest. Specialised training relevant to alternative income generation activities would be imparted to staff at provincial and district levels, including members of PMU/PPMU.

DPMU consists of seven members, with special emphasis for a member from the MoES, to enhance awareness on REDD + other matters, to school children and the youth. A person would be engaged with proper training on NTFP matters and income generation activities for stabilisation of shifting cultivation, smart agriculture development, especially for women.

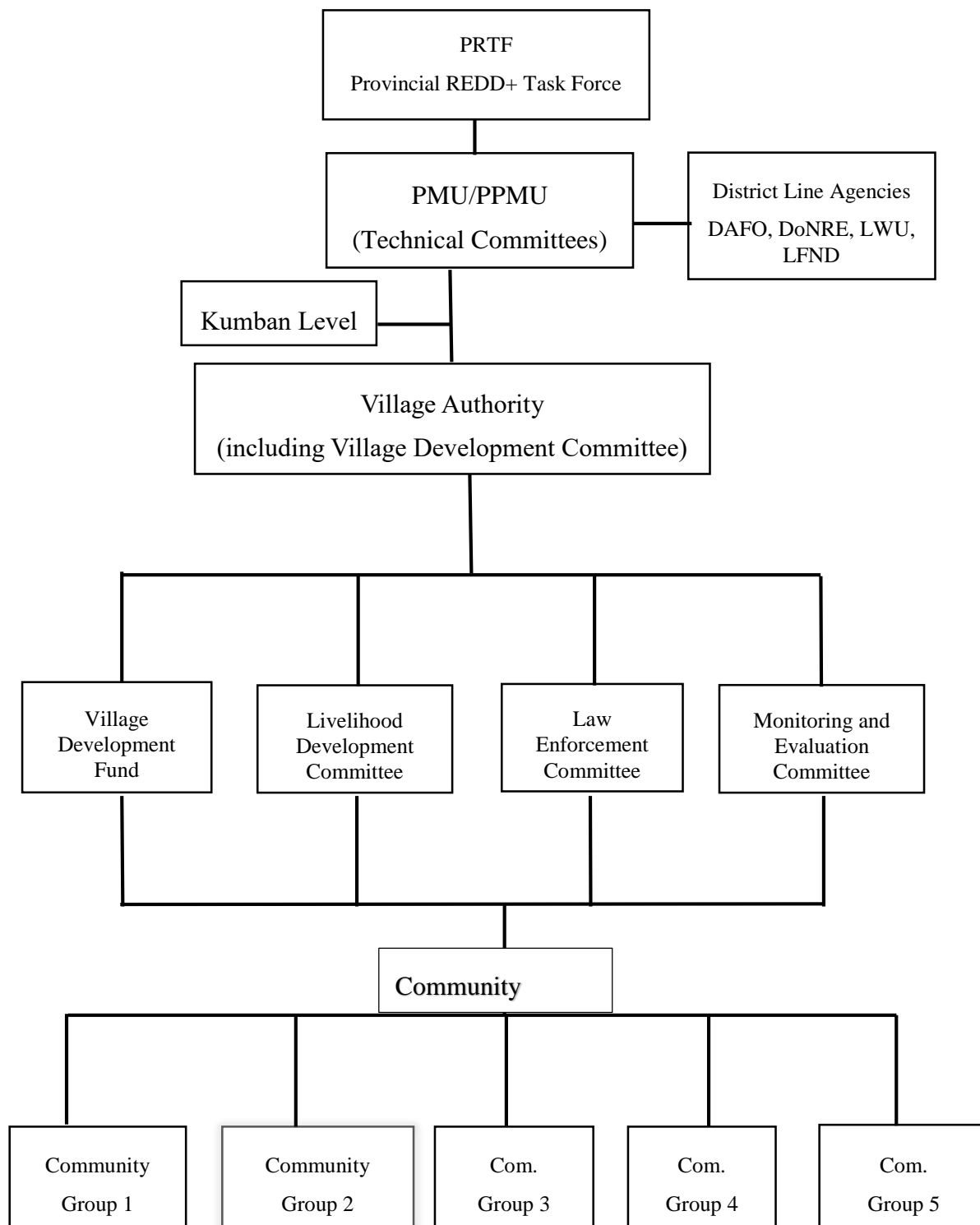
Considering the population and poverty status in the six provinces of the target area of the project, with due emphasis paid to the land and forest cover in each province, a methodology would be jointly developed for benefit sharing, for encouragement of shifting cultivation stabilisation and conservation of forests.

Foremost, persistence of the number of poor people in each province should be taken into account and pro-poor approach for poverty alleviation measures must be initiated. Encouragement should be for rational use of available forest resources, agro-forestry

introductions and measures for fallow land conversion to sustainable productive agriculture land. Carbon sequestration and positive steps for proper land use plan implementation should be rewarded.

Figure 2 illustrates the implementation arrangements at the provincial/district and kumban/village levels. At the district level under the guidance of the PPMU, activities would be implemented through technical committees, with the help of village development committee, and sub committees on: livelihood, law enforcement, and monitoring and evaluation. Different groups of livestock development, paddy cultivation, handicrafts and others would be overseen by the VDC.

Figure 2: Provincial/District and Kumban/Village Level Implementation Arrangements



10.5 Responsibility for ESMF implementation by other projects

WB safeguard policies apply to the entire ER-P irrespective of financing source (that is, all activities included in the ERPD follow WB policies). Since the ESMF and other safeguard frameworks provide clear guidance on how to comply with the safeguards of the programme, the future projects that are financed by bilateral donors and are located within the programme area and contributing to the programme objectives need to adopt and follow the safeguards of the ER-P. This can be done by signing a memorandum of understanding (MOU) between MAF as the PE and the project owner. The MoU will cover background of the ER-P and the project, comment objective, commitment to compliance with the safeguards of the programme, implementation arrangement, and monitoring, evaluation, and reporting.

MAF will conduct a due diligence to assess if the safeguards of the respective donor at the programme level are consistent with the Bank's safeguards policies and requirements of the ERP ESMF before the project effectiveness. For the ongoing bilateral donors' projects, in addition to the due diligence above, MAF will also conduct a due diligence to assess if the donor's safeguards are properly applied. If the due diligence concludes that the bilateral donors' safeguards are consistent with the Bank Safeguards policies and that they apply their safeguards policies properly, ER benefits from these interventions can be included in the BSP.

For other projects financed by the government budget and located within the ERP area and contributing to the achievement of the ER-P objectives, they need to adopt an implement safeguards of the programme and for similar projects that are financed by the Bank, they will need to follow their own safeguards requirements which are relevant to the ER-P.

10.6 World Bank Oversight

During the implementation period of an ERPA Operation, the World Bank has the responsibility for monitoring and ensuring effective implementation and compliance of the Programme Entity with agreed management measures. The Bank's primary responsibility for oversight would be to assess whether the environmental and social management systems established by the Programme Entity (PE) address and respect all aspects of the Safeguard Plans that apply to the ERPA Operation.

The Bank's focus is not to troubleshoot or resolve individual ER Programme activity issues, but to take steps to demonstrate that the Safeguards Plans continue to function effectively at the systems level. This includes confirming aspects such as, adequacy of budgets and staffing to support the implementation of the Safeguards Plans; that the PE can demonstrate credibly that environmental and social assessments and management plans are prepared in accordance with the safeguard frameworks; mechanisms for self-reporting and that Third Party monitoring are in place and functional. Additionally, that grievance redress and dispute resolution mechanisms are established and functional and that the implementing entities have the demonstrated ability to solve issues of non-compliance. The Bank will establish a clear timetable for supervision and implementation support missions. In the early years of an ERPA Operation, oversight would typically need to be robust and conducted regularly to verify that systems are functioning as agreed.

Safeguard reporting arrangements

Progress towards achievement of the programme development objectives including safeguards will be measured through a Monitoring and Evaluation system and reporting on the ESMF will

be an integral part of that and will be supported under the programme as per Table 2. M&E will be an integral part of the programme management and decision-making processes, e.g. to input lessons learned quickly into revising systems, guidelines, and procedures, as well as the training programme of the project.

Participatory monitoring and evaluation tools will be used at the village level. For sustainability, M&E at higher levels will be developed as a routine function of government agencies at those levels, rather than as a project-specific M&E. It is expected that safeguards performance reports will be submitted to the Bank on a yearly basis. The report will describe programme progress and compliance with the ESMF. The World Bank will conduct periodic systems supervision including spot checks in the field to ensure that the safeguards are being implemented in compliance.

Monitoring and evaluation will cover both programme performance monitoring and effectiveness monitoring. Programme performance monitoring will determine the progress in programme implementation against established benchmarks and milestones indicated in the programme document and work plans.

To encourage broad-based participation and to particularly target the poor and vulnerable, participation will be monitored and disaggregated in terms of gender, ethnicity, and household socio-economic status. The following guidelines will be considered when developing the full M&E system and for identifying potential indicators:

- Disaggregate information by gender, ethnic group, and household socio-economic status;
- Involve villagers in designing the monitoring programme, collecting data, and drawing conclusions;
- Continue feedback meetings after fieldwork and incorporate recommendations into systems development;
- Biodiversity monitoring;
- Keep disaggregated records of involvement and participation in different activities at village level and also in the databases;
- Note successful and unsuccessful strategies for future reference in curriculum development, field implementation, and other project areas and;
- Identify indicators and tools to measure the project's impacts on women, ethnic groups, and the poor.

Monitoring and evaluation will cover both programme performance monitoring and effectiveness monitoring. Programme performance monitoring will determine the progress in programme implementation against established benchmarks and milestones indicated in the programme document and work plans.

Table 2: Summary of main monitoring and reporting arrangements for the ESMF

Monitoring of the ER-Programme, safeguards and non-carbon benefits	Responsibility
Overall monitoring of the performance of the ER-P, meeting the required activities in the overall programme, M&E results framework and checking the reports for monitoring of emissions reductions	PMU, DoF, MAF
Overall monitoring of safeguards, the implementation of the regional ESMF	PMU, PPMU, DoF
Completion of information monitoring for the SIS for UNFCCC reporting	PMU, DoF, MoNRE
Establishment of monitoring systems that can highlight deforestation and forest degradation threats	PMU, PPMU, Provincial REDD+ Office
Review and monitoring of LUP, PRAP	PMU, PPMU, Provincial REDD+ Office
Training in data collection, analysis and monitoring	PMU, PPMUs.
Community based systems for monitoring	PMU, PPMUs, VDC
Independent monitoring of the implementation of the Social Screening Reports of the REDD+ Needs Assessments	PMU, PPMUs, VDC, independent monitoring
Independent monitoring of the implementation of Process Framework by visiting a representative sample of communities that are experiencing restrictions of access to natural resource use at the end of each year from the second year of project implementation	PMU, PPMUs, independent monitoring
Performance of individuals in terms of improved forest management and business and finance management and performance	PMU, DAFOs
- Afforestation, reforestation, transformation for short to long rotations	PMU, DAFOs/VDCs
- Forest protection, collaborative management, community forest management	PMU, DAFOs
- Biodiversity maintained	PMU, PPMUs, VDC
- Avoided deforestation and degradation	PMU, PPMUs, VDC

Monitoring of the ER-Programme, safeguards and non-carbon benefits	Responsibility
- Improved forest landscape planning changes in forest planned and unplanned conversion	PMU, PPMUs
- Dissemination of effective models for collaborative of natural resources as measured through named examples of Natural Resource Use Agreements	PMU, PAFOs,
Monitoring of the Resettlement Framework Policy	PMU, PPMUs, independent monitoring
Monitoring of safeguards and proposed investments in benefits by PPMU and VDCs to help ensure that ERs generated by projects/programs comply with safeguards	PMU, PPMUs, independent monitoring

Safeguards Information System (SIS) and progress

A consultative, multi-stakeholder SIS design process has begun, building on a draft ‘Technical Proposal for the establishment of a SIS in Lao PDR. The development will be initially integration of GFLS SIS to be established in six target provinces with the other 12 provinces in the central and southern areas. In the eight Northern provinces, in addition to six project provinces, two SESUs will be established in each province of Xieng Khouang and Phongsaly. For Central (five) and Southern (five) provinces, establishment of SESUs to be decided at an appropriate moment. Refer to

In the proposal for the development of Safeguard Information System (SIS), the objectives for the SIS are described as follows:

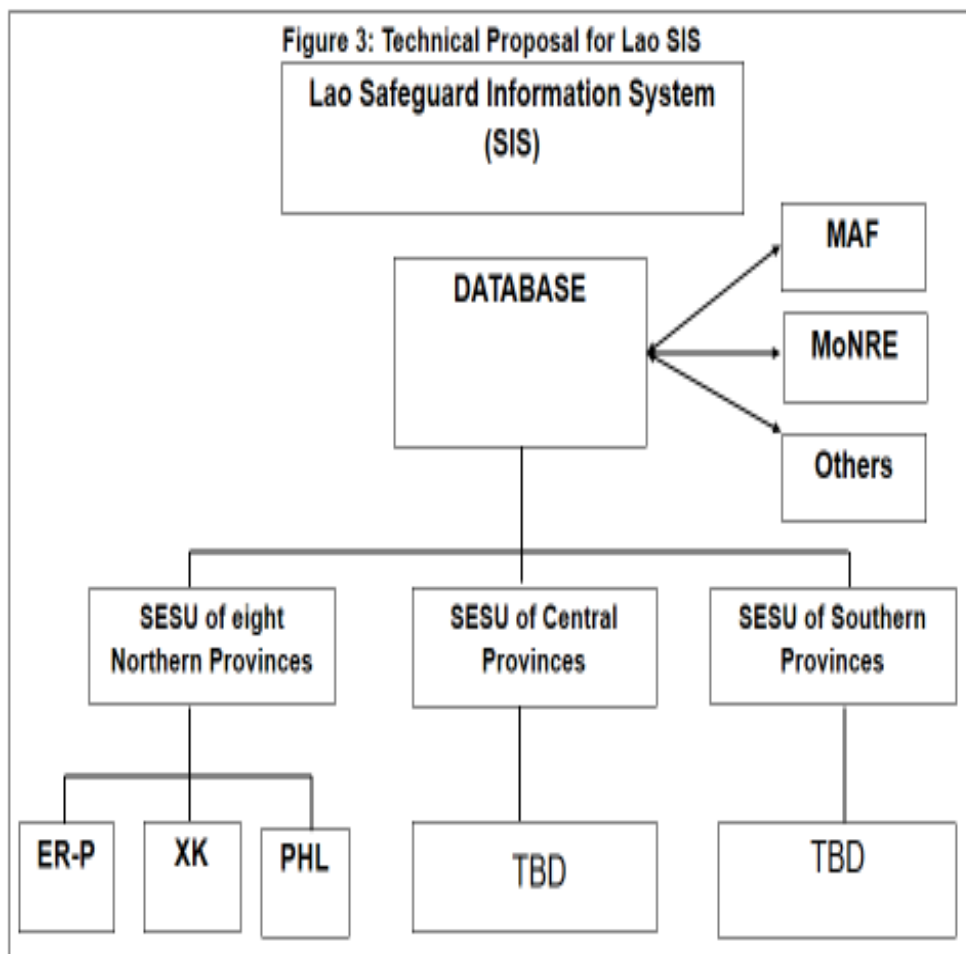
- The objective of the SIS initially should be to provide information on how the country specific safeguards are being addressed and respected throughout the implementation of REDD+ activities. The short-term objective of the SIS is therefore, to meet UNFCCC safeguards reporting requirements and produce the summaries of information (SoI). It is also proposed that the SIS should gather and provide information on safeguards implementation for the proposed Forest Carbon Partnership Facility Emissions Reduction Programme, in the Northern six provinces.
- The objective for the proper system should be to support monitoring of priority activities in the forestry sector, and contributing to the enhancement of governance in the forestry sector, by supporting the monitoring of policy implementation, and law enforcement in the forestry sector.

Based on the identified objectives for Lao PDR SIS, the system and its main outputs (e.g. webpage, SOI) will have target audiences at both the international and national levels. Initial discussions suggest the following target audiences:

- **International:** the international REDD+ community, potential donors for REDD+ implementation, and potential purchasers of

results-based payments (e.g. Green Climate Fund, bilateral financiers).

- **Domestic:** government staff involved in REDD+ implementation and monitoring & evaluation (M&E) at national and provincial level, and other relevant agencies of MAF; other government agencies involved in REDD+ implementation, such as MoNRE, MPI and others; national civil society organisations interested in REDD+ implementation and its social, environmental and economic impacts; provincial and local level government agencies involved in REDD+ implementation and M&E.



The SIS-SOI Working Group of the National Sub-Technical Working Group on Safeguards to be established by DoF/MAF, including key government agencies likely to be involved in providing data/carrying out SIS functions. The National Technical Working Group on Safeguards, a multi-stakeholder working group including government and non-government organisations relevant to REDD+ safeguards work is also being guided through consultations.

The institutional focal point for the Process Framework is the Project Management Unit (PMU) located in the Department of Forestry (DoF) of the Ministry of Agriculture and Forestry. DoF will be responsible to oversee and manage the overall implementation. In addition to DoF, there will be the engagement of the Ministry of Natural Resources and Environment (MoNRE) and relevant provincial and district level departments. DoF and MAF participate in the program to develop activities related to the forestry sector for institutional arrangements and policies.

Working relationship between NRTF, DoF, and PMU: NRTF provides guidance, coordinates and directs DoF, PMU by monitoring the management and organization of implementation of the program as a whole to achieve the objectives, progress, quality and efficiency as set out in the current regulations on the Program Management and Implementation.

The PMU at central level, will deal with the cross-cutting issues, and facilitate the coordination between the different ministries, departments, general departments under MAF, MoNRE and MPI to enhance the synergy and the unified direction from the central level to the grassroots level. The PMU, under the direct guidance of NRTF and DoF, carries out the tasks as assigned and will coordinate with other relevant organizations.

Working relationship between DoF and PMU: This is the coordination relation to carry out the programme activities in a manner complying with targets, progress, quality and efficiency as set out in the Programme Documents, Agreements and relevant Laws.

Working relationship between PMU and PPMUs: PPMUs are under the guidance of PMU, which provide professional expertise, inspection, monitoring and evaluation for all the components and activities in a manner complying with all conditions specified in the Programme Document.

DoF/MAF will collaborate with relevant ministries and departments to steer the project. MAF will consult with relevant institutions on appropriate policy, frameworks and project implementation. The project implementation structure will involve a central level project management unit (PMU) and provincial level project management units (PPMU). PPMUs will oversee project implementation activities in their respective provinces. Social safeguard applications and monitoring will be implemented through PPMUs, with the help of Social and Environmental Safeguard Units (SESUs) located at central, provincial and district levels.

For GFL a project-specific Social and Environmental Safeguards Unit (SESU-GFL) will be established at the REDD+ Division. SESU-GFL will be headed by a coordinator, and two support staff. The six project provinces will be divided into two clusters with each cluster staffed by two staff to support three provinces each. Based on access, communication and feasibility the provincial clusters will be located at SESU-LP (Luang Prabang), and SESU-LN (Luang Namtha). A total staff of seven will be deployed for safeguards management in GFL.

Prior to the start of implementation capacity building, production of information, education, and communication (IEC) material, and community consultations will be initiated.

Village development committee (VDC) in each village will administer activities at the grass-root level with the assistance of the Lao Front for National Development (LFND), Lao Women's Union (LWU), Civil Society Organizations (CSOs) and other relevant committees.

The project has a strong community focus, district and village leaders, and villagers need to be fully involved in implementation of project activities. These activities will be guided by VFMA processes and VFMA to be developed with support from this project. The VFMA will serve as an effective tool for addressing the impacts and throughout the VFMA development process, other donor-supported development projects will be consulted and coordinated in order to improve synergy, mobilise their support for the potentially affected communities and secure potential funding for implementation.

The VFMA will formalise and reinforce regulations and land and forest use management and the set of criteria for eligible PAPs and activities to be supported through this project. The VFMA will closely link with stakeholders and reinforce its effectiveness, which outlines forest resource management and alternative livelihood priorities identified by the villages. The four-step approach described below and to be conducted under Component 2 of the project, summarises the process through which VFMA will be prepared in ways that will ensure high levels of participation from both genders and all ages:

Step 1 Baseline determination:

Establish positive respectful and participatory relationships with local people. Get as much "face time" with the local people and authorities as possible. Introduce the project and "listen" to the local people's concerns.

- Complete a detailed assessment of natural resource use applying field tested quantitative and qualitative methods.
- Complete a detailed REDD+ assessment to determine the causes of REDD+ using tried and tested field techniques.
- Return results from the above surveys back to the local people, showing genuine respect for their livelihoods. This should include sharing all REDD+ knowledge.

Step 2 Situation analysis:

- Identification and documentation of the village vision for sustainable forest management, taking care not to raise expectations of villages.
- Identification of constraints and opportunities to the vision.
- Return the results of the situational analysis back to the villages through meetings.
- Share openly "why" international NGOs and donors are interested in the REDD+ around the local communities. Insure there is no misconception between local communities, district, provincial and central level authorities.

Step 3 Develop a VFMA.

- Through strategic planning, develop clear village goals and objectives for sustainable forest management. [Conceptual modelling of sorts].

- Introduce possible direct incentives as options for increased participation in natural resource management conservation.
- Work in collaboration with villages to make new or modify old VFMA that meet these goals and objectives. This includes identification of use zones, and means and rates for sustainable extraction.
- Develop a VFMA in collaboration with villages. The VFMA will link closely with and reinforce its effectiveness
- Get VFMA approved by district and provincial offices.
- Promote the VFMA in the village through public awareness activities.
- Coordinate and discuss the VFMA with the Bank-financed projects for their support

Step 4 Implement the VFMA.

- Villagers and district staff identify and mark the various use zones.
- Villagers, district and other agency staff initiate development schemes.
- Villagers and district staff patrol, monitor and enforce VFMA rules.
- Village and district staff evaluate the effectiveness of the VFMA.
- Continually return progress and monitoring results back to the local communities.

The GFL will follow the standard format for a VFMA. The VFMA will include the following elements:

- The nature and scope of restrictions (with maps of use zones);
- The anticipated social and economic impacts of the restrictions;
- The communities or persons eligible for assistance;
- Specific measures to assist these people, along with clear timetables of action, and financing sources (could refer to the VFMA);
- Implementation arrangements, roles and responsibilities of various stakeholders, including government and non-government entities providing services or assistance to affected communities;
- Arrangements for monitoring and enforcement of restrictions and forest resource management including monitoring of alternative livelihoods
- Special measures concerning women and vulnerable groups, as needed;
- Grievance mechanism and conflict resolution considering local dispute resolution practices and norms.

Customary rights or values

There may be the potential for resource use restrictions to infringe on customary rights such as access to spirit forests or other cultural or religious values. The following guiding principles will be used by the project to minimise conflicts of land use concerning such customary rights or values. This will also be done in participatory manner with the communities potentially affected by any such restrictions.

Guiding principles

- Existing local use practices will be used as the platform for developing the VFMA, therefore protecting any customary rights as allowable by Lao PDR law and authority and Bank policy.
- Spirit forest will be viewed by the project as a land use that should be identified and mapped as one of the physical cultural resources protected by the community

Under Lao law, National Protected Areas are multi-use areas and even core areas allow for non-extractive use. Therefore, people will not be excluded from spirit forests even if they are located within core zones of a protected area. In the managed zones of protected areas, sustainable extraction of non-endangered species is allowed and promoted in a sustainable manner.

11 FEEDBACK AND GRIEVANCE REDRESS MECHANISM

It is possible that problems, complaints, and/or conflicts may arise with respect to the project as a whole, and village development activities in particular. Certain issues, relating to compliance with national and provincial laws, are to be addressed through legal and regulatory provisions. In the case of disputes at a village level, normally it will be the responsibility of village mediation committees already existing in all target villages to solve issues, but if satisfactory resolution is not obtained, then the parties can appeal to district and/or provincial authorities for assistance. The village mediation committee is chaired by respected elder person or tribal group leader (for some ethnic groups) and includes the village head man or his deputy, village LWU and village soldiers. If a problem occurs between villages, such as a dispute over village boundaries, then normally the district authorities would mediate a resolution. In the case where a problem arises between the villagers and government, such as between one or more villages and the forest management unit, then the parties should have the right to mediation by a neutral third party, such as the provincial court.

However, recognising that many conflicts arise due to difference in understanding and perceptions, a proactive approach will be adopted to avoid conflicts before they escalate. This approach will promote a common understanding through a four-pronged method, including: (a) wide-spread disclosure of project background information; (b) clarification of the criteria of eligibility and types of assistance under the Process Framework; (c) clarification of the duties and responsibilities of all stakeholders in the process; (d) community education and awareness regarding the value of forest protection, their customary rights, threats to the NPA, and options for mitigating these threats; (e) education of GoL and project staff regarding the customary rights and practices of local communities, including any particular issues concerning ethnic minorities.

Regarding the Process Framework, complaints will be handled as follows:

- (i) As a first stage, affected or concerned persons will present, verbally but preferably in writing, their complaints to the village mediation committee to address. If the case is not resolved is not within one week or the resolution is not satisfied by the claimants, their grievance applications shall be forwarded to district project staff or advisors, via Kumban staff. For those claimants, who may not be able to read and write the committee will assist in writing their message on the application. The district staff will have to provide a documented response to the claimants within fifteen days. Records on each complaint and subsequent measures taken must be sent to the PAFO/DAFO/province REDD+ office as an attachment to regular/monthly reports.

- (ii) If the claimants are not satisfied with the decision, the case may be submitted to the GFL Office/DoF in Vientiane, as well as to local authorities (e.g. the Provincial authority or the Provincial court). Specified authorities must record receipt of complaints and reply to the claimants within thirty days. Claimants will be exempt from any administrative or legal charges associated with pursuing complaints.

12 PARTNERSHIP WITH CURRENTLY ACTIVE AND PIPELINE DEVELOPMENT PROJECTS IN THE SIX NORTHERN PROVINCES

There are a number of significant project donors in the ER-P (refer to **Error! Reference source not found.**), together with the overlaps and the current donor safeguards that are applied by those projects. The projects do have differences in specific policies and safeguard procedures and proposed gap filling measures are that the projects will conform to WB safeguards (or continue to implement those that are acceptable to the WB i.e. very similar or better than WB safeguards).

Table 3 Development Partner NRM Project Portfolio and Budget

Development Partner Status	Project	Location		Budget		Objectives
		GFL	National	GFL	National	
IFAD Negotiation 2020-2026	PICSA Partnerships for Irrigation and Commercialization of Smallholder Agriculture	Huaphan Luang Prabang Sayabouri	-	US\$ 29.00	-	Profitable smallholder irrigated agriculture, improved diets, encompassing increased dietary intake and improved diet quality for nutritionally vulnerable group, school-based nutrition interventions
EU Operational 2013-2021	FLEGT Forest Law Enforcement, Governance and Trade	-	National	US\$ 4.50 (25%)	US\$ 13.50	To improve opportunities for the Lao timber industry to access the EU market, diversify timber industry and products, and increase revenue from timber exports
Carbon Fund Negotiation 2020-2025	GFL Governance, Forest Landscapes and Livelihoods-Northern Laos	Bokeo Huaphan Luang Namtha Luang Prabang Oudomxay Sayabouri	-	US\$ 42	-	The project objective is to reduce greenhouse gas emissions and enhance removals from Lao PDRs forest
GIZ Operational 2009-2019	CliPAD Climate Protection through Avoided Deforestation	-	National	US\$ 2.75 (25%)	US\$ 8.25	To meet the central conditions for performance-based payments from the Carbon Fund of the World Bank set up by the FCPF; to improve conditions for SFM and REDD+ measures for stakeholders, as well as strengthen policy and institutional frameworks and initial implementation strategies at national and sub-national levels.

GIZ Operational 2008-2020	CliPAD - FC Climate Protection through Avoided Deforestation-Financial Cooperation Module	-	National	US\$ 2.75	US\$ 8.25	To regulate and promote sustainable management, protection and conservation of village forests by establishing a legal basis and framework to link all village forest categories with international funding for climate change mitigation, and to channel it down to the village-level through performance-based payments
GIZ Operational 2015-2019	LMDP Land Management and Decentralized Planning	Huaphan Luang Namtha	-	US\$ 8	-	To improve policies, practices and planning processes in relation to land in the Lao PDR, particularly among investors, village authorities and communities
GIZ Negotiation 2020-2027	I-GFLL Implementation Plan – Governance, Forest Landscapes and Livelihoods – Northern Laos	Bokeo Huaphan Luang Namtha Luang Prabang Oudomxay Sayabouri	-	US\$ 72	-	To reduce greenhouse gas emissions and enhance removals from Lao PDR forests
JICA Operational 2014-2025	F-REDD Sustainable Forest Management and REDD+ Support Project	Luang Prabang Oudomxay	National	US\$ 1.75 (25%)	US\$ 5.25	To strengthen the capacity of the forestry sector through strengthening policies, effective incorporation of REDD+, and improvement of forest resource information as the foundation of sustainable forest management at both central and provincial level
KfW Operational 2015-2022	ICBF Integrated Conservation of Biodiversity and Forests	Bokeo Luang Namtha	-	US\$ 20	-	Effective management of selected target landscape comprising national protected areas and corridors, sustaining biodiversity in forest ecosystems, while supporting

						livelihoods of forest dependent communities
WB Operational 2014-2021	LENS2 Second Lao Environment and Social Project	Luang Prabang	National	US\$ 4 (10%)	US\$ 38	To provide support to forested upper watersheds of rivers important to hydropower, agriculture, irrigation and flood prevention; create wildlife and Protected Area enforcement standards; support capacity building for national, provincial and district institutions that implement environmental and social impact legislation, and; build the capacity of the Environmental Protection Fund
WB Operational 2013-2021	SUPFSM Scaling-Up Participatory Sustainable Forest Management Project	Bokeo Huaphan Luang Namtha Luang Prabang Oudomxay Sayabouri	National	US\$ 10 (25%)	US\$ 30	Reduce carbon emissions through participatory sustainable forest management in priority areas and to pilot forest landscape management in four northern provinces in Lao PDR.
million				US\$ 196.75	US\$ 103.25	
Sub- Total US\$						
million						
TOTAL US\$				US\$ 300.00		

13 PROJECT MONITORING AND EVALUATION

The Project will consist of a monitoring and evaluation system. It will include village self-monitoring of their own village development projects. Villagers will also be involved in monitoring of the buffer-zone management activities. In addition, these participatory monitoring efforts will be linked to the overall project's monitoring and evaluation programme.

Other monitoring arrangements will include collecting baseline data, performing household surveys, and analysing community feedback to assess general trends in income and livelihoods to gauge possible impacts of the project on local communities. The PAFO/DAFO with its team based in the project site, will be responsible for progress monitoring and reporting in collaboration with REDD+ offices. Studies and assessments may also be jointly undertaken with the partners during the project implementation to provide required livelihood and REDD+ related projects information to inform the status of the project implementation. The World Bank Task Team will also be providing implementation support for the PAFO/DAFO and REDD+ offices on a regular basis.

Responsibility for overall monitoring, implementation and reporting the PF rests with PPMU with oversight by the PMU through internal regular monitoring and progress reports.

SESUs will systematically monitor and review safeguards implementations. PPMU/PMUs are held responsible for necessary improvements in execution of project activities. Any revisions to the plan, suggested by the independent review or other regular monitoring and evaluation exercises, will be agreed with the World Bank for timely implementation.

13.1 OVERVIEW

Implementing the PF will also be subjected to external independent monitoring by a qualified consultant, which could also be an NGO or CSO. The external independent monitoring consultant will be hired by PMU. This service could be integrated into the contract for independent monitoring of the implementation of RPF and PRAPs.

The World Bank retains the responsibility to determine that the safeguards system which applies to the ER Program and ERPA is sufficient to result in program implementation that complies with World Bank safeguard policies. Specifically, this entails providing appropriate advisory services, conducting quality assurance and compliance reviews, and oversight of the systems to implement environmental and social management frameworks and/or plans which are formulated at the ER Program appraisal and ERPA signing stages of the FCPF process.

The World Bank also has the responsibility of monitoring and ensuring effective implementation and compliance of the program entity with agreed management measures. The Bank's primary responsibility for oversight is to ensure that the Program implements all aspects of the Safeguard Plans that apply to the ERPA Operation. This does not imply that the Bank will conduct specific site-visits or spot-checks of individual ER Program activities, nor does it imply that the Bank will troubleshoot any issue of safeguards non-compliance in individual activities. The Bank's focus is not to resolve individual ER Program activity issues but to take steps to ensure that the Safeguards Plans continue to function at the systems level. In addition to self-monitoring and World Bank oversight, an important aspect of performance and compliance monitoring is the use of Independent Organization/Third Party monitors.

13.2 INTERNAL MONITORING

Monitoring and evaluation will cover both program performance monitoring and effectiveness monitoring. Program performance monitoring will determine the progress in program implementation against established benchmarks and milestones indicated in the program document and work plans.

To encourage broad-based participation and to particularly target the poor and vulnerable, participation will be monitored and disaggregated in terms of gender, ethnicity, and household socio-economic status. The following guidelines will be considered when developing the full M&E system and for identifying potential indicators:

- Disaggregate information by gender, ethnic group, and household socio-economic status;
- Involve villagers in designing the monitoring program, collecting data, and drawing conclusions from the data compiled;
- Continue feedback meetings after fieldwork and incorporate recommendations into systems development;
- Keep disaggregated records of involvement and participation in different activities at village level and also in the databases;
- Note successful and unsuccessful strategies for future reference in curriculum development, field implementation, and other project areas; and
- Identify indicators and tools to measure the project's impacts on women, ethnic groups, and the poor.

As the implementation of the project may lead to a change in access to forest resources in areas as a result of protection activities, building capacity for improved monitoring activities is essential. Monitoring should be participatory and include the monitoring of beneficial and adverse impacts on persons within project impact areas.

The PF will require that key performance indicators be developed in relation to related activities. Indicators can be grouped as those that: (i) will demonstrate whether or not the PF is meeting performance expectations; and (ii) demonstrate the status of livelihoods in communities (through household-level indicators). The following indicator groups are suggested as a basis to measure the success and weakness of activities related to affected groups.

Process Framework Indicators to measure the effectiveness of the PF include:

- Number of participants in consultation process
- Number and types of vulnerable groups participating in consultation process
- Number of affected communities included relative to total number of affected communities
- Number of grievances or conflicts recorded
- Number of remedial activities implemented in response to recorded grievances
- Time taken to resolve grievances
- Number of individuals with a positive perception over the level of empowerment in natural resources management

- Number of individuals with a positive perception over the level of empowerment in natural resources management, disaggregated by vulnerable group and user sub-group categories
- Community livelihood Indicators to measure status of households and changes in forest resource use and access restriction:
 - Change in type of natural resources use, and substitute activities
 - Changes livelihood activities of households, by type of activity and amount
 - Change in livelihood activities of households, by type of activity and amount, disaggregated by vulnerable group and user sub-group categories.

13.3 EXTERNAL MONITORING

An independent monitoring consultant or Independent Organization (IO)/Third Party monitors will be contracted to monitor the implementation of social safeguards of the program, including the PF. The monitoring report will be submitted to the World Bank for review and comments. External monitoring should be conducted at least twice a year during the implementation of the Program to timely identify issues that might need immediate action from PMU and PPMU.

Third Party monitoring would involve a combination of independent verification of self-reporting data provided by the Program Entity and annual audits of a sample of ER Program activities to confirm procedural compliance as well as timely preparation of key documents, post-review of the quality review of safeguards documentation which has been prepared, consultation processes, effectiveness of management measures specified in the Safeguards Plans, and disclosure of information, among other important aspects. Third Party monitoring can serve at least three purposes. First, to provide timely information to the Program Entity on specific issues of non-compliance or significant implementation problems so that the Program Entity can take corrective actions, if needed. Second, Third Party monitors provide information to the PMU and the World Bank on systemic safeguard performance issues which may require changes in management approach and/or additional financial or human resources. Third, the disclosing the results of monitoring will inform concerned stakeholders about implementation experience under the ERPA Operation. In practice, Third Party monitors will typically be private consulting firms, individuals or teams recruited from universities or colleges, government institutes not affiliated with the operation, or NGOs with knowledge and experience in safeguards. Third party monitoring is expected to be undertaken at least twice per year provision for this is included in the draft budget for supporting the ESMF implementation (See Section 8 of the ESMF).

13.4 REPORTING

Monitoring and evaluations carried out quarterly and regularly by SESU/PPMU will be reported in cooperation and through grass-root level organizations to PMU. Necessary timely follow-up actions will be under taken at appropriate levels by the PMU/PPMU. The PMU will formulate combined quarterly reports from reports received from PPMUs and convert them into semi-annual and annual reports for submission to DoF. DoF will submit to the World Bank required reports as agreed.

The report should contain (i) a report on the progress of implementation; (ii) deviations, if any, from the provisions and principles of the RAP; (iii) identification of outstanding issues and recommended solutions so that the PPMUs are informed about the ongoing situation and can resolve problems in a timely manner; and (iv) a report on progress of the follow-up of problems and issues identified in the previous report.

14 BUDGET

The annual budget line estimated as below for a project life of activity implementation, including contribution from co-financiers, has been earmarked for concerned agencies and staff to monitor and support the preparation and implementation of the PF. The budget for implementing the Process Framework has thus been integrated into the overall budget for the project. Exact costs for mitigating any adverse impacts as a result of restrictions on access to resources will depend on the number of people affected and cannot be determined at this point.

Table 3: Budget

Budget line	Description	Budget allocation (USD)
Social Safeguard Consultant	1 person-month including travel related costs to visit project sites and to participate at the safeguard training or study visit	5,000
Social Safeguard Staff from PMU	6 person – months	2,000
Partnered agencies, LFNC and LWU	6 person – months	2,000
Consultations and meetings with target villages	This includes IEC and meeting materials	8,000
Project impact monitoring	annual monitoring following protocol developed annually	25,000
GFL		500,000
Total		USD 542,000