



Project title: Generating multiple benefits through strengthened protection of primary forest landscape in Lao PDR		
Country: Lao PDR	Implementing Partner (GEF Executing Entity): Ministry of Agriculture and Environment, Department of Forestry	Execution Modality: Country Office Support to National Implementation Modality (NIM)
Contributing Outcome (UNSDCF/CPD, RPD, GPD): United Nations Sustainable Development Cooperation Framework (UNSDCF) 2021-2026, By 2026, people, especially the most vulnerable and marginalized, and institutions will be better able to sustainably access, manage, preserve and benefit from natural resources and promote green growth that is risks informed and disaster and climate resilient. CPD Output 2.1. State authorities develop policies and guidelines that improve natural resources management, disaster risk management and resilience to climate change. Output 2.2. Local authorities have enhanced capacities to implement integrated natural resources management and DRR systems. Output 2.3. Vulnerable rural communities participate in protected area management and conservation of ecosystems and wildlife and increase resilience to natural hazards-induced disasters and climate change.		
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Expected Operational Closure Date: 15 August 2032		Expected Financial Closure Date: 15 February 2033
Brief project description: The current project is a Child Project under the GEF-8 Regional Indo-Malay Critical Forest Biome Integrated Program that has the long-term goal of the Integrated multi-country program is to maintain the integrity of globally important primary forests of Indo-Malaya for maximizing multiple global environment benefits related to carbon and biodiversity. As a contribution to the above-referenced long-term goal of the integrated program, the Lao PDR child project's objective is to promote nature-positive development to reduce ecosystem degradation and generate multiple benefits through strengthened protection of primary forest landscapes (PFLs) in Lao PDR. It will operationalize the integrated management of the primary forest landscapes in Lao PDR to generate multiple benefits including effective conservation and protection of globally threatened species and ecosystems, reduce or stop deforestation and degradation of primary forests landscapes, conserve and enhance their ecosystem services and support sustainable local livelihoods from local communities that are dependent on these forests. The project recognizes that these globally important primary forest landscapes, which are important for the conservation of species, habitats and natural ecosystems, underpin the lives and livelihoods of local communities (in providing forest and natural resource products and critical ecosystems services). To achieve this objective, the GEF alternative aims to (i) take into account the interconnectivity of primary forest and other natural ecosystems in key biogeographic regions in the country, and in particular in the Annamite Range; (ii) ensure that relevant agencies and actors have adequate capacities to promote integrated approaches and tackle the threat to primary forests, biodiversity and natural resources management; and (iii) advocate science based approaches and use of traditional and good practice knowledge systems to promote sustainable forestry, agricultural and livelihood management practices. The project objective will be achieved through the following six inter-linked components:		
Component 1: Enabling environment for ensuring durable protection of Primary Forests Landscapes		

Component 2: Strengthening management and governance capacities for empowering local communities for management of Protected Areas
 Component 3: Strengthened stakeholder collaboration to improved /inclusive management of primary forests outside PAs, including buffers and connectivity corridors
 Component 4: Strengthen sustainable PA financing and reduce the financial gap and scaling-up investments for primary forest conservation
 Component 5: Coordination, knowledge management and strengthen effective regional cooperation on durability of primary forests
 Component 6: Project Monitoring, evaluation and reporting ensured

FINANCING PLAN

GEF Trust Fund	USD 8,974,312
UNDP TRAC resources ¹	
(1) Total Budget administered by UNDP	USD 8,974,312
(2) Total confirmed co-financing to this project not administered by UNDP	USD 41,632,051
(3) Grand-Total Project Financing (1) +(2)	USD 50,606,363

SIGNATURES:

Signature:



Dr Somvang Phimmavong
 Director General, Department of Forestry,
 Ministry of Agriculture and Environment

**Agreed by
 Implementing
 Partner²**

Date/Month/Year: *within 6 months of GEF CEO endorsement* 13-Oct-25

Signature:



Martine Therer
 UNDP Resident Representative in Lao PDR

**Agreed by
 UNDP³**

Date/Month/Year: *within 6 months of GEF CEO endorsement* 13-Oct-25

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Abbreviations and Acronyms

AD	Agricultural Development
AEZ	Agroecological Zoning
AFOLU	Agriculture, Forestry and Other Land Uses
ARCC	USAID Mekong Adaptation and Resilience to Climate Change
BFP	Biodiversity Finance Plan
BIOFIN	Biodiversity Finance Initiative
BPPS NCE	Bureau for Policy and Program Support, Nature, Climate and Energy
CMC	Community Management Committees
CSO	Civil Society Organizations
EIA	Environmental Impact Assessment
ESMF	Environmental and Social Management Framework
EU	European Union
FLUZ	Forest Land Use Zoning
FOMACOP	Forest Management and Conservation Project
FPIC	Free Prior and Informed Consent
FSC	Forest Stewardship Council
FSP	Full Sized Project
GAP	Gender Action Plan
GEF	Global Environment Facility
GEFSEC	Global Environment Facility Secretariat
GESI	Gender Equality and Social Inclusion
ICCA	Indigenous and Community Conserved Area
IP	Integrated Program
IPLC	Indigenous Peoples and Local Communities
IPPF	Indigenous People Planning Framework
IWRM	Integrated Water Resources Management
KM	Knowledge Management
Lao PDR	Lao People's Democratic Republic
LDC	Less-Developed Country
LUP	Land-Use Planning
LULUCF	Land Use, Land-Use Change and Forestry
MDB	Multilateral Development Bank
MAE	Ministry of Agriculture and Environment
MSP	Medium Sized Project
NBSAP	National Biodiversity Strategy and Action Plan
NDC	Nationally Determined Contribution
NGGS	National Green Growth Strategy
NGO	Non-Government Organization
NTFP	Non-Timber Forest Product
OECD	Other-Effective Area Based Conservation Mechanism
PA	Protected Area

PAM	Protected Area Management
PEFC	Program for Endorsement of Forest Certification
PF	Primary Forest
PFA	Production Forest Area
PFL	Primary Forest Landscape
PIF	Project Identification Form
PIR	GEF Project Implementation Report
PLUP	Participatory Land Use Planning
POPP	Program and Operations Policies and Procedures
PPG	Project Preparation Grant
PSFM	Participatory Sustainable Forest Management
PtFA	Production Forest Area
RDB	Regional Development Bank
SALT	Slope Agricultural Land Technology
SEA	Strategic Environmental Assessment
SEP	Stakeholder Engagement Plan
SESA	Strategic Environmental and Assessment
SESP	Social and Environmental Screening Procedure
SFM	Sustainable Forest Management
SLM	Sustainable Land Management
STAP	GEF Scientific Technical Advisory Panel

II. DEVELOPMENT CHALLENGE

1. The Indo-Malaya (I-M) is one of Earth's eight biogeographic realms, extending across much of south and southeast Asia. The region overlaps significantly with global biodiversity hotspots of Indo-Burma (which includes Viet Nam, Lao People's Democratic Republic (Lao PDR), Cambodia, Thailand, Myanmar and northeast India) and Sundaland (including Malaysia and parts of Indonesia) and borders Wallacea (parts of Indonesia). Lao PDR sits at the intersection of four critical ecoregions and is home to some of the world's biologically richest and most endangered terrestrial and aquatic ecosystems and species. It has high biodiversity values, comprising four physiographic regions with very different agro-climatic characteristics: (a) the Northern Highlands - a rugged mountainous region with a dry sub-tropical climate; (b) the Annamite Range - a mountainous topography with high monsoonal rainfall; (c) the Indo-Chinese karst landscapes of Central Lao PDR; and (d) the Mekong Plain - an alluvial plain along the Mekong and its larger tributaries with a tropical monsoon climate and variable rainfall. These characteristics combined give Lao PDR high levels of biodiversity and diverse production systems for food, fiber, and medicines. There are an estimated 8,000–11,000 species of flowering plants, many of which are economically valuable¹. These plants have a range of utilities for people and include non-timber forest products (NTFPs) and medicinal products, as well as economically important agricultural species, breeds, and varieties. Among the fauna, between 150 and 200 species of reptiles and amphibians, 700 species of birds, 90 species of bats, over 100 species of large mammals, and 500 species of fish have been described for Lao PDR². More is known about large mammals and birds, but new species are still being discovered. Reptiles, insects, and rodents are poorly documented³.
2. In Lao PDR, based on the last survey done in 2020, natural forests covered 56.5% of the land area of the country.⁴ Primary forests in the national protected areas and national parks are approximately 27%.⁵ These forests hold some of the world's most unique biodiversity and many global priority endangered flora and fauna⁶. Recent studies have indicated that a significant portion of the country's rural population depends on NTFP which comprises over 700 species of wild plants and fungi that are used for food and other purposes. These include wild vegetables, bamboo, shoots, tubers, wild fruits, sugar palm, and mushrooms as part of daily subsistence and fresh water for drinking, cooking and cleaning.⁷ About 67 % of the Lao PDR population are rural and depend on forests to support their livelihoods and over 39 % of rural family income is from NTFPs⁸. Thus, the biodiversity endowment is crucial to the Lao PDR's economy, as the goods and ecosystem services it provides are essential to reduce poverty, secure livelihoods, and drive a greener economic growth model.
3. The importance of the ecosystem health of the forests of the Indo-Malaya biome is widely recognized on account of its links to the lives and livelihoods of the local population and in fulfilling their cultural requirements. It is estimated that over 840,000 people in 1,200 villages are situated within or on the boundary of 23 national protected areas in the country⁹. The majority of these villagers, from a range of ethnic groups, are heavily dependent upon the sustainable

¹ National Biodiversity Strategy and Action Plan (2016-2025)

² *ibid*

³ Lao Biodiversity: a Priority for resilient Green Growth. World Bank (2020)

⁴ FAO (2020): <https://www.fao.org/3/cb3000en/cb3000en.pdf>

⁵ <https://nfms.maf.gov.la/>

⁶ According to IUCN there are 167 species in the Lao PDR that are critically endangered or endangered. Critically endangered mammalian species include three species of Gibbons, Pangolins, Javan and Sumatran Rhinoceroses, Large-antlered Muntjac, and Saola. Siamese crocodiles, and 10 species of turtles are also critically endangered. Endangered plants include Chinese Swamp Cypress, Siamese Rosewood, Agarwood, and Diospyros spp. The PFL/NBCAs of the Lao PDR protect the flora that make up the "living pharmacies" of village life. There are 2000-3000 plant species found in Lao forests that have been documented to treat disease, but very few have been evaluated scientifically and thus represent significant health benefit potential worldwide. However, over-collection, lack of sustainable management, and poorly regulated export markets may drive as yet unknown medicinal plants into extinction before their health benefits are even known.

⁷ <https://www.iucn.org/news/lao-pdr/201610/biodiversity-and-sustainable-development-goals-lao-pdr-identifying-links>

⁸ World Bank: Greener Growth through Good Wood: Sustaining Forest Landscapes and Local Livelihoods in Lao PDR (2020)

⁹ National Biodiversity Strategy and Action Plan (2016-2025)

utilization of the natural resources within these reserves¹⁰. Given, the value of Lao PDR's biodiversity, sustained investments in biodiversity conservation can be highly profitable, because demand for natural resources and wildlife drives Lao PDR's tourism, which has potential to grow over the next decade from 4.3% of 2019 GDP and 3.5% of jobs to the global average of approximately 10% of GDP and 10% of jobs¹¹. The country's ongoing transformation to a green economy aims to generate economic growth and poverty reduction through sustainable solutions that boost resilience, create jobs and livelihoods, and protect natural capital and human health. Biodiversity is an important aspect of these green growth ambitions.

Key threats, drivers and underlying causes to biodiversity and forest loss

4. In Lao PDR, where biodiversity is directly related to meeting the needs of local communities, it is becoming increasingly difficult to maintain natural primary forests and their associated species¹². The main causes of the country's forest loss and degradation and biodiversity decline are deforestation caused by, land clearance for commercial agriculture and infrastructure. This is coupled with the degradation of the forest ecosystems and habitats driven by over-exploitation of forest resources by local communities, including illegal logging. This has a significant bearing on the socio-economic situation, that is most affecting forest-dependent communities, including ethnic minorities. These threats are discussed in more detail below:
5. **Decline in Forest Area and Quality:** Between 2002 to 2023, Lao PDR lost around 1.17 million hectares of humid primary forests (or 3% of its forest area in 2000) and the total area of humid primary forest in the country decreased by 14% in this time period¹³. Most of this loss was in production forests, followed by protection forests and conservation forests. The deforestation, degradation and biodiversity loss in Lao PDR is driven by many factors. Most importantly, deforestation and forest degradation is associated with the demand for conversion of forest land for investment in permanent agriculture¹⁴, or to meet the need for infrastructure development, particularly hydropower, electricity line construction and road construction. Furthermore, recent years have seen rapid expansion of rubber monocultures. Mining continues to pose pressure on the primary forest land and its habitat in several parts of the country, this even though national policies have been put in place to curb this¹⁵. In addition, perverse policies related to the release of forest land for large-scale agriculture, mining and other purposes allow commercial companies to operate with less transparency and lower sustainability in their operations.¹⁶ Industries and banking corporations within Asia also have low sustainability policies, and bank supported 'land-grabbing' by large companies is a serious issue that contributes to forest losses¹⁷. The lack of transparency, accountability and participatory processes in these transactions can in part be attributed to that the national laws and policies are not being translated into effective plans and programs. This is further impeded by the lack of clear delegation between the national, provincial and district levels of authority which hampers an appropriate and transparent multi-sectoral planning process, leading to that decision-making is limited to a few main government institutions.¹⁸ Limited access to information about forest boundaries, land and forest product licensing is also undermining efforts to increase transparency and accountability. The fact that the three forest categories recognized by law - production, protection and conservation forest are each governed through different departments within the Ministry of Agriculture and Environment, with their own set of laws and regulations, is a further challenge in this regard. More than 64 percent of the total forest loss can be attributed to expansion of agricultural areas¹⁹ to meet demands of domestic and international markets. And large-scale agriculture (and plantations) has increased the historical deforestation levels from the traditional swidden and small-scale subsistence farming for food drastically. Furthermore, persisting low productivity in agricultural production also plays a role in the need for land,

¹⁰ World Bank. Lao Biodiversity: A priority for Resilient Green Growth (2020)

¹¹ World Bank Lao PDR Green Growth Advisory Program Report (2019)

¹² In terms of conservation of biodiversity and critical habitats, 'Primary Forest Landscapes' (PFLs) which are forested areas that has a Forest Landscape Integrity Index of 9.6 are critical parts of natural forests that need to be recognized as an important long-term priority of the country

¹³ <https://www.globalforestwatch.org/dashboards/country/LAO/>

¹⁴ Tuan, D.A. 2015. USAID Lowering Emissions in Asia's Forests (USAID LEAF): Drivers of Forest Change in the Greater Mekong Subregion – Vietnam Country Report.

¹⁵ Kukkonen, M., and A. Langner. 2017. Assessment of Forest Degradation Monitoring Methods in Lao PDR Technical Report. SUFORD-SU. Vientiane, Lao PDR

¹⁶ Rautner et al. (2016), "Managing the Risk of Stranded Assets in Agriculture and Forestry", Chatham House,

¹⁸ Assessing forest Governance in Lao PDR. RECOFT (2020)

¹⁹ <https://nfms.maf.gov.la/>

which drives forest degradation. This in part can be demonstrated by nearly all rice production growth in Lao PDR has been driven by area expansion, not through increases in per hectare productivity. As a consequence, more forests are cleared to meet the demands of land to meet market needs, rather than promoting more efficient production systems.

6. Over-exploitation of natural resources: Overhunting and over-harvesting also contribute greatly to the loss of biodiversity, killing numerous species over recent years²⁰. It is reported that the trade in wildlife is substantial with an estimate of USD 11.8 million in 2000.²¹ The rural population, who make up about 80 per cent of the Lao PDR population, relies heavily on the forest for food, fuel, fiber, and shelter. Timber harvesting, fuel wood gathering, charcoal making, and NTFP (e.g. rattan, bamboo, resin, and other products) collection result to in widespread deforestation and forest degradation²². Forests are also exploited for meeting household energy, with 91% of the population continuing to use solid biomass for cooking and heating purposes²³. Forest clearance still occurs in places where a smaller proportion of community members are engaged in short-term unsustainable and exploitative activities, such as shifting cultivation, exploitation of timber and NTFPs to compensate for lost incomes. Commercialization and trade in wildlife products have also increased due to trade demand and higher prices and are facilitated by improved access to previously remote areas, hereby providing further pressures on certain species and natural communities. It has become increasingly common to find villagers using NTFP sales as a means of obtaining rice, their staple food, in addition to the more normal household and other cash requirements.
7. Climate Change: Climate change also poses an important challenge. As a result of the Lao PDR's geographical location, its climate is dominated by monsoonal variability, with the southwest monsoon particularly contributing to high rainfall and high temperatures. Lao PDR is amongst the most vulnerable countries to projected climate change trends, as its communities face significant climate-related hazards that exacerbates poverty, malnourishment, and increases exposure of poor and marginalized communities. The impacts of climate change, including in particular, shifts in rainfall patterns, more frequently and daily maximum temperature rises are further exacerbated by the clearing of forests. Rises in annual maximum and minimum temperatures are expected to be more rapid than the rise in average temperature and will likely amplify pressure on human health, livelihoods, and ecosystems. Increased incidence of extreme heat represents a major threat to human health. The population is annually exposed to river flooding affecting over 80,000 people and this is projected to double over the coming years. The impacts of climate change are likely to fall disproportionately on the poorer and more marginalized communities. Inequality is widening in Lao PDR and evidence suggests that this may further amplify the impacts of climate-related disasters (refer Annex 15 for Climate Risk Report).
8. In terms of gender-related impacts from forest loss and degradation, field surveys by the PPG team reveal that women are more impacted than men by decreases in agricultural production, food security, water availability and public health. This is because, in particular in the project landscape, female ownership of farmland is disproportional with the proportion of female-headed households which reveals that the female farmers have less access to land than the men. Those farm households that are female-headed, are generally smaller in size; consist of more adult females and children; and are poorer as compared to male-headed homes. Men and women's interactions with the forest are also different in that culturally they have different roles, men often control the most valuable forest resources including both timber and non-timber forest products, while women have access to and control of non-timber forest products yielding a more limited income. This is further compounded by gender equality issues in the forestry sector in that there is lower participation of women in local natural resource management decision-making at the village and district levels. As a consequence of these gender-related discrepancies, women are more often, the most vulnerable to changes in the natural landscape and are more greatly affected by the loss and availability of forest resources, and are less likely to be engaged and benefit from decisions regarding access to resources and services.
9. Within the forested landscapes, the Department of Forestry of the Ministry of Agriculture and Environment is responsible for forestry and management of protected areas. The Department of Agriculture under the Ministry has the

²⁰ National Biodiversity Strategy and Action Plan (2016-2025)

²¹ Forestry Strategy to the Year 2020 of the Lao PDR

²² National Biodiversity Strategy and Action Plan (2016-2025)

²³ World Bank: Greener Growth through Good Wood: Sustaining Forest Landscapes and Local Livelihoods in Lao PDR (2020)

mandate of producing comparative and competitive agricultural commodities and supporting the development of a productive agriculture economy. The Department of Mines main tasks relate to conducting mining construction, exploitation and mineral processing. Other sector agencies that operate in the forested landscapes of the country also have their own individual mandates and priorities. As a consequence, there is a sector-based, and siloed spatial planning within the landscapes, with little or no attempt for integration across sectors and competing land use.

10. That said, steps have been taken at the policy level to create a conducive environment to conserve forests and reduce degradation. However, forest conservation is still hampered by gaps in policy in relation to the recognition of primary forest landscapes (PFLs) in forest management as well as the competing demands for allocation of forest land for non-forestry purposes, and constraints imposed by unsustainable and competing land-use planning practices. While, the Government of Lao PDR is committed to achieving its ambitious target of a forest cover of 70% by 2035, the current governance systems do not take into account the need for coordination across the complex, multiple use forested landscapes within the country to achieve a more integrated and inclusive approach to planning and management. Nevertheless, forest management has become more decentralized in recent years, with increased attention to village-led forest management. The concept of Village Forestry has undergone changes from the village-led model introduced in the 1990s (under the Forest Management and Conservation Project [FOMACOP]) to the state-led participatory sustainable forest management model (PSFM) in the early 2000s. In the last few years, the concept has again been under review and the new Forestry Law (approved in 2019) puts forward a model where forest management at the village level is “led by the villagers” (article 39). Several projects have already conducted land use planning which managed to integrate land allocation and land use planning at village level. There are new rights given to the villagers, such as commercial use of timber found in the Village Use Forests, and procedures for collecting NTFPs for commercial use are formalized. Implementation of the policy on Village Forestry is, however, still in the early stages, and the concept also needs further development to ensure that the benefits to the local people are real and constitute an incentive for sustainable forest management and protection. It is important to understand that the village forests cut across all forest categories as well as the forest areas outside, but they have not been mapped or registered except in a few locations where the activity has been supported by development projects. The three categories of village forests are Village Use Forests (where commercial activities are potentially allowed), village protection forests, and Village Conservation Forests. The extent of village forests in the country is not known, but the Village Use Forests that have been mapped have an average size of 250–400 ha per village.
11. All relevant national policy documents, in Lao PDR, since the 1990s consistently recognize the importance of forests for sustainable development and climate change mitigation and include the highly ambitious target to expand forest cover to 70 percent. Key national policy and planning documents include the above-mentioned Forestry Law that provides recommendations for Village forests in which the village takes leadership in the management and protection of the forests, planting and rehabilitation, and prevention and control of forest fires. The National Land Use Master Plan (approved in 2019) aims at the protection, development, and proper use of land in accordance with its purpose and to improve people’s livelihood, as well as to protect the environment. The 9th National Socio-Economic Development Plan (2021–2025) ensures that natural resources are effectively utilized according to sustainable principles, with readiness to cope with natural disasters and the effects of climate change. The National Strategy on Climate Change to the year 2030 (2013–2030) approved in 2023 recognizes the following relevant aspects related to the GEF 8 project, namely the need to support conservation agriculture, strengthening the financial instruments and capacity development for farmers; supporting community based adaptation measures; improving forest management to support rural incomes, enhancing the biodiversity conservation and management to ensure sustainability and prepare for the adaptation to climate change; reducing slash and burn agriculture and forest fires, promoting community-based forest management, improving land use mapping and planning, etc. ensure sustainable forest management and conservation. Under the strategy, it is envisaged that protected areas will be expanded, forest plantations will be diversified (avoiding monocultures), forest fire prevention and management will be strengthened, and biodiversity conservation will be enhanced. The Climate Change Action Plan (2013–2020) suggests enhancing productivity by promoting conservation agriculture, strengthening the financial instruments and capacity development for farmers; improving the development of small and medium size farming in rural areas; and supporting community-based adaptation measures, strengthening information gathering, modeling of climate change-forest dynamics, and vulnerability assessment and improving forest management system to support the rural incomes. The Nationally Determined Contribution (updated in 2021) suggests reducing emissions from deforestation by fostering conservation, sustainable management of forests and enhancement

of forest carbon stocks. It envisages increasing forest cover to 70% of land area, integrated land use planning and promote participatory sustainable forest management by bringing rights and responsibilities closer to forest resources through the village forest management plan for villages. Ten Year Natural Resources and Environment Strategy 2016–2025 promotes increasing forest area (cover) in the country by 70% and reserving 50% of protected and protection areas for biodiversity protection and managed effectively. The REDD+ Strategy (2025) has the specific objectives to: 1) improve forest management and establish sustainable management systems, aimed at reducing deforestation and forest degradation, along with enhancement of forest protection and promotion of restoration and plantation; 2) promote and develop livelihoods of rural people, who depend on forest and forest resources, by participatory village forestland allocation; 3) support technical aspects of agricultural practices and forest product processing for rural people; and, 4) improve participatory forest management and benefit sharing from forests; encourage entrepreneurs to invest in, and manage, sustainable forest-based enterprises, such as tree plantations, ecotourism and other initiatives and REDD+ Strategy to 2025 and Vision to 2030 promotes environmental protection through efficient utilization of the natural resources to ensure sustainability; political stability and strength; actively moving toward regional and international integration., etc. The project is aligned with the NBSAP (2016-2025) in relation to the following targets, Target 1.3.1 in supporting the application of sustainable production measures in agriculture; Target 1.4.1 in ensuring that local development plans integrate the protection and enhancement of watersheds and ecosystems (example through the Annamite Management Strategy and integrated target landscape management strategy); Target 1.5.1 in developing and strengthening management of PAs to improve biodiversity conservation outcomes; Target 1.5.2 to integrate geographically contiguous village forestry sites to form an organic part of biodiversity corridors that to link critical fragmented habitats; Target 2.2.1 to promote investment supportive policies to encourage the private sector to plan and invest in business operations that are environmentally sound; Target 4.1.2 to increase public awareness on the value of biodiversity and target among the and Target 5.1.1 to promote sustainable financial mechanism for biodiversity conservation. A revision of the NBSAP is currently underway to align the NBSAP with the Kunming-Montreal Global Biodiversity Framework, however no initial draft document was available during the PPG phase and because of this it has not been possible to provide references as to how the Current project aligns with the upcoming revised NBSAP which will cover the period 2025-2030. In terms of the LDN target Setting program (2020), the project is aligned with promoting alternatives to shifting cultivation by providing sustainable livelihoods; improving forest planning and management in production and protection forests to achieve a national target of 70% forest cover; improved management of protected areas; restoration of forests to rebuild habitats and degraded areas; and promote low chemical use agricultural practices to ensure sustainable and safe agriculture.

Barriers to Conservation of Lao PDR's Primary Forest Landscapes

- 12 As demonstrated above, there is a proportion of disconnect between the relatively well developed legislative and policy framework and the expected positive results said legislation and policies are supposed to have. To clarify this the project (during the PPG phase) made a project related barrier analysis and identified a subset of 6 barriers that all hinder or slow down progress. The identified barriers are as follows:

Barrier 1: Non-recognition of primary forest landscapes and long-standing tradition for sectoral planning without adequate inter-ministerial and inter-departmental coordination

- 13 Forest management, economic development planning and land allocation practices make little effort to recognize PFLs in the absence of specific policies that address the issue of PFLs. As a consequence, there is little priority afforded to conservation of PFLs. This is further constrained by the compartmentalization of development activities. Sectoral planning in Lao PDR has been fragmented as different government entities have traditionally developed policies and plans mainly focusing on their respective mandates or priorities, leading to conflicting policies, inefficient resource allocation, and missed opportunities for synergy and collaboration across sectors. This, in part, is caused by inadequate inter-ministerial and inter-departmental coordination in planning, rendering missed opportunities for engaging in comprehensive approaches to address complex issues for instance in forest and natural resource management and spatial planning. Although it has not been possible to verify this, the sectoral focus also has the clear potential for resulting in duplication/contradiction of efforts and resources, undermining the effective utilization of scarce resources. Furthermore, the limited consideration of interconnectedness, in a sector-centered planning and decision-

making approach, is often overlooked and has the potential to lead to suboptimal outcomes and unintended consequences. For example, decisions related to infrastructure development or agriculture may not fully consider the ecological value of primary forests and the ecosystem services they provide, such as carbon sequestration, water regulation, and biodiversity conservation. Overall sectoral planning without coordination can hinder progress towards the sustainable development goals by neglecting the integration of social, economic, and environmental considerations.

Barrier 2: Limited involvement of local communities, and their resource rights and needs, in local planning processes and decisions, including protected area and forest area management planning.

- 14 Although local communities are dependent on forests and possess valuable traditional knowledge and insights about their environments, they are most often not included in the local planning processes and decisions. Thus, their perspectives and experiences are not adequately considered, leading to less informed and contextually relevant decision-making. The lack of engagement in planning processes by local communities leads to a disinterest and lack of ownership over for instance local conservation initiatives and decreases their commitment to the success of conservation efforts, leading to a lack of compliance with regulations and sustainable resource management practices. The lack of involvement also reduces dialogues and inclusion on/of their reliance on natural resources for their livelihoods and cultural practices, undermining the communities' sustainable livelihood strategies. As local communities often live within, benefit from, as well as, impact primary forests, their active participation in planning processes is essential for the effective implementation of conservation measures. Furthermore, their local knowledge can inform strategies for biodiversity conservation, sustainable land use, and the protection of ecosystem services. In particular, the potential for engagement of local communities in village forest management remains largely untapped and limited efforts have been made to scale up sustainable livelihoods that compete with those that incentivize encroachment, along with further job and income shortages. Achieving the targets of the 2019 Forest Law is constrained by the lack of clarity in terms of the objectives of production forests, and the roles, rights, and responsibilities of villages. Securing financial resources and investment and improving incentives are also exceptionally needed in order to address financial shortages and ensure the effectiveness of conservation in Protected Area (PA) management.

Barrier 3: Sustainable use of Non-Timber Forest Projects from primary forest landscapes remains elusive due to the need of people dependent upon NTFPs due to low agricultural productivity and limited opportunities for the development of farm-derived green value chains.

- 15 While not affecting communities similarly, nor different households within a community, resource-poor families can be disproportionately affected by environmental or climate related factors causing a reduction in agricultural productivity. This impact can be further aggravated by the resource -weak households lack of alternative options and lack of new technologies. The consequence of low efficiency of agricultural production often results in the continuation of deforestation and forest degradation as the affected people, out of necessity, will increase their use of available natural resources within the local forest habitats. This is because a subset of members in a community relies on NTFPs as a primary source of income and sustenance, exacerbating pressure on forest resources. The low agricultural productivity, coupled with the dependence on NTFPs for livelihoods makes communities vulnerable to environmental changes and without a diversification of income sources or alternative livelihood options, the communities relying on NTFPs may face increased economic risks and uncertainties. However, without the development of sustainable value chains for agricultural products derived from farms (and non-farm forms of income), such as organic or agroforestry products, the need for (and thus the pressure on) NTFPs in the local areas will remain or increase over time. The lack of market infrastructure, certification schemes, and processing facilities therefore hinders the establishment of green value chains that could otherwise provide alternative livelihood opportunities and reduce dependency on NTFPs. Even when sustainable NTFP harvesting practices are implemented, accessing markets for these products can be challenging. Poor market access and limited market information among others undermines the economic viability of NTFP-based livelihoods.
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Barrier 4: Inadequate conservation financial models and ecosystem services centric government programs aimed at the nexus of sustainable forestry, agroforestry, and restorative low-impact agriculture to maximize biodiversity and sustainable land management.

- 16 The lack of appropriate financial models, such as support for ecosystem services-centric programs, tax incentives, or payment for ecosystem services (PES) schemes, act as a disincentive for private investors, landowners, and communities to engage in sustainable forestry, agroforestry, and low-impact agriculture practices and therefore hinders the adoption of practices that prioritize biodiversity conservation and sustainable land management. Without financial models that incentivize sustainable practices, government policies aimed at promoting sustainable nature and climate centric production and livelihood models will face challenges in implementation and broad-scale uptake. Also, in the absence of economic incentives, stakeholders may prioritize short-term gains over long-term environmental sustainability, leading to continued degradation of natural resources, thereby missing out on the fact that integrating sustainable forestry, agroforestry, and restorative agriculture practices can generate synergistic benefits for biodiversity conservation and sustainable land management

Barrier 5: Gaps in communication and knowledge management and limited systems for capturing and disseminating learning hamper biodiversity-sensitive management of forest landscapes, including primary forests.

- 17 Inadequate communication channels and knowledge management systems across the Indo-Malaya biome result in fragmented sharing of information among stakeholders involved in forest management. This fragmentation leads to missed opportunities for collaboration. Furthermore, gaps in communication and knowledge management contribute to a lack of awareness among stakeholders about biodiversity-sensitive management practices. The lack of access to relevant information and learning resources also affects national and local decision-makers as many do not fully understand the importance of primary forests for biodiversity conservation. Nor the potential impacts of management decisions on ecosystem integrity. Also, the failure to capture and disseminate learning from past experiences and case studies prevents stakeholders from benefiting from valuable insights and lessons learned. By systematically documenting successes, failures, and challenges in biodiversity-sensitive management, organizations and governments can improve their practices over time. Similarly, facilitation capacity-development through appropriate means at regional level [communities of practice, regional platforms], transboundary cooperation for conservation and management of primary forests and promotion of international cooperation on deforestation-free commodities are limited.

Barrier 6: Limited use of nature and climate based decision-making tools and absence of a sufficient ecosystem service value centered spatial and land use planning.

- 18 Ecosystem services, such as carbon sequestration, water purification, and conservation of biodiversity resources, provide invaluable benefits to society. However, without sufficient spatial and land use planning centered on ecosystem service values, these services may be undervalued or overlooked in decision-making processes, leading to the unsustainable exploitation of natural resources. Therefore, without the use of nature and climate-based decision-making tools, government agencies and planners will struggle to accurately assess the environmental impacts of land use decisions and therefore lack needed comprehensive assessments of the environmental impacts of proposed programs and spatial planning decisions. This can result in the degradation of natural habitats, loss of biodiversity, and increased vulnerability to climate change, undermining long-term environmental sustainability, including increased vulnerability to extreme weather events, habitat loss/fragmentation, and ecosystem degradation. Thus, the absence of nature and climate-based decision-making tools, poses the risk of implementing maladaptive policies that exacerbate environmental degradation and vulnerability to climate change, as well as, an increased exposure to natural hazards, loss of ecosystem services, and long-term economic and social costs. A further point to consider is that effective nature and climate-based decision-making require active engagement of diverse stakeholders, including government agencies, local communities, civil society organizations, and scientific experts. However, the absence of decision-making tools that facilitate stakeholder participation and collaboration may hinder inclusive and transparent decision-making processes, leading to reduced stakeholder buy-in and support for government programs and spatial planning decisions.
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III. STRATEGY

20. From the successful implementation of the GEF 6 project PIM ID 5448 and GEFID 6940 “Sustainable Forest and Land Management in the Dry Dipterocarp Forest ecosystems of southern Lao PDR (2016-2022)”, the government of Lao PDR has requested UNDP Country Office in Lao PDR pursue supporting on the new project to duplicate in other areas of the country regarding strengthening capacity for sub-national authorities for protected areas management, spatial/land use planning, biodiversity conservation, village forest management, livelihoods/ecotourism where are considered as good practices of the project outlined in the 2022 Terminal Evaluation. The good practices areas have been well integrated into this project (PIM ID 9484 Generating multiple benefits through strengthened protection of primary forest landscape in Lao PDR) , especially Output 1.3 capacity development in land use planning in the Component 1, Output 2.2 strengthened management of PAs, 2.3 training to strengthen capacity, 2.4 empower local communities under Component 2, Output 3.2 village management plans for improving management practices and restoration of primary forest landscape, and Output 3.3 good agricultural practices under Component 3. Other lessons that have been relevant, including in particular from the Governance and Forest Landscape and livelihood Program (I-GFLL) and Integrated Conservation and Biodiversity project (ICBF) that influenced the development of the GEF 8 project, include recognition of: (i) importance of gender integration in various capacities to minimize social, gender-related and climate-related risks; (ii) multi-sectoral coordination at provincial and district levels to enable effective synergies and complementarity of activities at village level; (iii) capacity building of district-level staff to improve their understanding to facilitate implementation support at village level; (iv) improving community management of Village Development Funds to enhance its usefulness; (v) improving community skills and knowledge in sustainable forest management to enable its effectiveness; (vi) strengthening community capacity and management practices to maintain ecosystem services; (viii) value of engaging private sector through partnership arrangements to develop new financing mechanisms to promote SMEs; (ix)_value of promoting sustainable livelihood activities to win community support for conservation and (x) being adaptive to changing situations to enhance community resilience to climate change and other environmental stresses. These are aligned with priorities of national, sub-national and communities based on consultation during design phase of the project. Furthermore, the project has engaged with ongoing projects (please see table 1 below). In this regard it would also be noted that that for the development of the current project close coordination with the Indo-Malay Critical Forest Biomes Integrated Program (and the Program Framework Document), as well as with the Indo-Malay Critical Forest Biomes Regional Coordination Project.

Project Objective

21. The objective of the project is to promote nature-positive development to reduce ecosystem degradation and generate multiple benefits through strengthened protection of primary forest landscapes (PFLs) in Lao PDR. This is to be achieved through safeguarding the integrity of PFLs in the Indo-Malaya Critical Forest Biome through rights-sensitive conservation of globally significant biodiversity, mitigation of GHG emissions, and promoting the well-being of IPLCs. To achieve this objective, the project is designed to develop and test a holistic and well-integrated multi-sectoral and multi-stakeholder approach to planning and management of PFLs within targeted locations in the country. This is underpinned by mechanism(s) that address the improved recognition of PFLs within existing forest and sectoral/development planning systems, improved forest protection and management by IPLCs, as well as improved access to and control of resource use to generate improved livelihoods, incomes and benefits. Overall, the project seeks to support nature based activities aimed at conservation of ecosystems, complement other solutions aimed at addressing societal, environmental and ecological challenges, framed within site specific and cultural contexts, provide societal benefits in a fair and equitable manner, and recognize trade-off between economic benefits and conservation outcomes, By developing and testing a range of such interventions, the project aims to demonstrate their feasibility and effectiveness in addressing environmental and societal challenges and improving community livelihoods, including specifically to (i) enhance soil productivity and fertility through SLM and climate smart agroforestry practices to reduce erosion and improve livelihoods; (ii) enhance forest management through SFM and agroforestry practices to improve water storage for downstream agriculture and drought mitigation, improve forest based resource uses and climate mitigation; and (iii) support community based livelihood activities to promote sustainable incomes that win community support for conservation and sustainable resource use. The project will ensure that identified solutions will

be closely aligned with Sustainable Development Goal 5 on gender equality and women's empowerment, targeting equal participation in decision-making, equal rights to resources, and policies to promote equality and empowerment. Identified inequalities based on gender and other factors of social differentiation will be assessed to develop a robust engagement processes aligned with the principles of Free, Prior and Informed Consent (FPIC), adequate grievance redress systems and fair and just compensation arrangements to mitigate against such risks. Gender entry point

22. The project will not work in a vacuum and will ensure cooperation and coordination with several baseline initiatives in Lao PDR of which the most relevant to this project are listed in Table 1.

Table 1: Partnerships and Complementarity with Other Initiatives

Projects	Complementarities with the new proposed project
IFAD-funded Agriculture for Nutrition - Phase 2 (AFN II) implemented by Department of Planning and Cooperation, MAE, USD 48.3 million, 2023-2030	The Project Goal is to enable 28,000 vulnerable households living in the project area to improve their income by 20% by 2030. The project's impacts will be assessed across five indicators, namely: (i) Food insecurity: 20% decrease in insecurity measured by the Food Insecurity Experience Scale (FIES); (ii) Nutrition: 14,400 women report Minimum Dietary Diversity (MDD-W); (iii) Poverty: 16,800 HHs have a 20% improvement in income; (iv) Climate resilience: same 16,800 HHs have a 30% increase in climate change resilience (measured by the IFAD Resilience Scorecard); (v) Women Empowerment: 33,600 women have improved economic, social, and cultural empowerment (measured by the IFAD Empowerment Index). AFN II will target five hundred (500) villages from twenty (20) districts in six (6) provinces in Lao PDR. AFN II target provinces include Oudomxai, Phongsaly, and Xiengkhouang in the North, and Salavan, Sekong, and Attapeu in the South. The combined population of these six provinces is 1.34 million people or about 224,000 households. The combined population in the twenty target districts is 501,880 people (50% female and 50% male), comprising about 83,646 households.
Oxfarm (EU funded) Promoting Smart Agriculture to respond to climate adaptation and mitigation needs of vulnerable women and youth farmers' groups, EURO 6 million 2023-2027	The project aims to reinforce the capacities of Lao Civil Society Organizations (CSOs), Local Authorities (LAs) and groups of vulnerable farmers to promote Climate Smart Agriculture (CSA) innovations and practices – with a special focus on women and youth. The project will work closely with ethnic minorities communities who live inside and adjacent to national protected areas in Savannakhet province. Total budget is EURO 1.5 million for 48 months.
KfW-funded Village Forestry Management Planning Project (VFMP), implemented by Village Forest Management Division, DOF, MAE, EUR20 million, 2026-2033	The Village Forest Management Project aims at achieving three outputs. Output 1 focuses on improving the capacities of the Government of Laos and the development of a supportive legal environment with regards to the village forestry. This includes support to the development of a national forestry policy, which will improve the legal certainty of land ownership through granting municipal and individual land titles, as well as the creation of framework conditions for private sector investments. The second output will focus on the application of financial sustainable and climate resistant forestry models under different framework conditions, which are based on safe land rights in the target villages. These forestry models will be implemented in natural forests and in plantations consisting of teak wood. An important criterion for the achievement is that the financial sustainability of the forest models must be achievable until the end of the project. Based on existing land use plans, land use management agreements will be negotiated with the communities and related forest management plans will be developed.
KfW-funded Forest Law Enforcement, Governance and Trade (FLEGT FC), implemented by DOFI, MAE, EUR 20 million, 2022-2027	The project supports the Laotian Government in making the timber supply chain in Lao PDR more transparent and economically and ecologically sustainable. Furthermore, the project intends to strengthen the Lao wood industry to improve efficiency, stable value-added production, job creation, and to comply with timber legality requirements. The project builds on the experience with FLEGT in countries such as Indonesia which in 2016 became the first of the 15 tropical timber countries to introduce the required TLAS licenses for the EU market. Active monitoring has made it possible to significantly reduce illegal logging and increase the sustainability of timber production.

ADB-funded Flood and Drought Mitigation and Management Sector Project (FDMMS) implemented by DOI, MAE, USD 32 million, 2024-2029	The project addresses current and future climate change risks while improving livelihoods of agricultural communities in the three central provinces of Bolikhamxai, Khammouan, and Vientiane Capital. The project will enhance floodwater management, strengthen climate-resiliency of irrigation infrastructure, support diversification into higher-value dry season crops with market linkages, and reduce greenhouse gas emissions through adoption of climate-resilient farming practices. An estimated 38,223 people will benefit from the project, of which almost half are women. The project will support the country's economic recovery from the coronavirus disease (COVID-19) pandemic and from ongoing food price inflation that was intensified by the Russian invasion of Ukraine. The project has three outputs: (i) floodwater harnessed and damages reduced; (ii) water reliability during droughts improved; and (iii) agrometeorological information systems modernized.
World Bank-funded Lao Landscapes and Livelihoods (LLL) Project, implemented by DOF, MAE, USD 57.4 million, 2021-2027	The project will invest in specific sites to be selected within five priority forest landscapes, including in the GEF 8 project landscape. The GEF 8 project can benefit from forest landscape management approaches tested, climate and disaster risk management techniques, restoring forest cover, soil and water conservation and other nature-based solutions. It will benefit from approaches for collaborative management in PAs and Village Forest Management (VFM) in PFAs and PtFAs will be the main governance modalities to implement sustainable forest management (SFM) at the village level. Enabling activities that are useful will be private sector investment and socially sustainable industrial and smallholder tree plantations and tourism development) and other complementary public sector investments. Livelihood activities of benefit would include forest-smart livelihoods opportunities, vocational skills, and NBT development, natural resource planning and management activities, operation of Village Livelihood Grants and Nature-based Tourism Business
World Bank-funded Community Livelihood Enhancement and Resilience – CLEAR, implemented by PRF, USD 45 million, 2023-2027	The development objective of Community Livelihood Enhancement and Resilience Project is to improve rural livelihoods and consumption of diverse foods for targeted vulnerable communities through Local Economic Development and Community Capacity Strengthening, Participatory Village Development Planning, Development and Management of Self-Help Groups (SHGs) and Producer Groups (PGs); Income Generation that is in operation in 2 of the GEF 8 provinces.
World Bank-funded Enhancing Systematic Land Registration Project, implemented by DOF, MAE, USD 31.38 million, 2022-2026	This project is critical in that it will help understand the process for improving tenure security and land administration services so as to provide guidance and recommendations for provision of recommendations for developing the Annamite Management Strategy
GIZ-funded Protection and Sustainable Use of Forest Ecosystems and Biodiversity, implemented by DOF, MAE, Euro 1,852,328, 2022-2026	This project will provide useful lessons in strengthening institutional and technical capacities for transboundary conservation between Lao PDR and Vietnam; and support partnerships with local communities to combatting effectively illegal wildlife trade and that will be useful for promotion of transboundary cooperation between Lao and Thailand and Vietnam for the GEF 8 project
GEF/FAO-funded Climate Smart Agriculture alternatives for upland production systems in Lao PDR, USD 3.5 million, 2022-2027	To enhance resilience of vulnerable upland communities to climate change impacts through climate-smart agricultural practices in upland production systems. This project will provide useful lessons in terms of identifying innovative financial instruments, investment models, and institutional arrangements as well as the planning and implementation of Integrated, landscape-level planning to promote climate practices for resilient and sustainable landscapes in the northern uplands, promote, and disseminate climate-smart land-use approaches and practices, and nature-based solutions. It also supports useful experiences in sustainable land-use, innovative and resilient agricultural value-chain networks and financing options, inclusive climate-resilience and market-opportunity assessments for resilient and sustainable agricultural value chain and climate-smart livelihood practices
GCF Scaling up the implementation of the Lao PDR Emission Reductions Program through improved	The project will provide lessons in terms of scale-up climate-informed participatory land use planning, strengthen land tenure security, improve forest law enforcement and monitoring, and scale-up and ensure access to sustainable financing; addresses key drivers of deforestation and degradation within the agricultural sector. It delivers emission reductions at scale through reducing the expansion of agricultural activities into forested landscapes, and promotes climate resilient agricultural practices

governance and sustainable forest landscape management (Project 2) (2023-2927) Euro 32.82 million	that increase the resilience of local farmers and agri-ecosystems; and strengthen the resilience of local livelihoods and forest ecosystems through sustainable forest landscape management and the promotion of Forest Landscape Restoration (FLR), with a focus on village and conservation forests
GCF Implementation of the Lao PDR Emission Reductions Program through improved governance and sustainable forest landscape management (Project 1) (2019-2023)	The project provides lessons in application of legal and regulatory framework for forestry; supporting deforestation-free agriculture and agroforestry by enhancing productivity, increasing farmers' integration into agricultural value chains, and improving access to finance and private sector participation in economic activities that reduce pressure on forests and supporting sustainable forest landscape management (SFM) and forest landscape restoration (FLR). The current GEF project will seek to build on the achievements of the GCF project to promote agricultural value chains, improving access to private finance and enhance community forest management

Future Narratives

23. The future pathways of the current situation, as described in development challenges can move along several projections. In the absence of the GEF intervention, the full extent of PFL assets will not be recognized and taken into consideration in development planning in the country. Sectoral agencies will continue to inadequately address PFLs in decision-making in their sectoral plans, and as a consequence PFLs will continue to be devalued or overlooked in investment decisions. The short-term and long-term negative impacts of business activities on PFLs and attendant biodiversity in relation to agricultural expansion, mining and plantation development is not likely to be fully accounted for. As a consequence, there will likely continue to be a lack of recognition of the inter-connectiveness between PFLs conservation and economic development and local community well-being. Policy coherence and multi-sectoral governance mechanisms will not adequately address the drivers of degradation resulting in continued threats to PFLs and its biodiversity and ecosystem functions. Lack of policy recognition of PFLs will continue to devalue them at the expense of the poorest local communities and ethnic minorities, leading not only to their marginalization but also to resource use conflicts that are likely to intensify in the absence of effective mitigation. Further, insufficient investments by the government and private sector, would continue to hinder the search for solutions to support the promotion of improved and sustainable agricultural and livelihood alternatives to current destructive resource use practices. This would mean that PFLs, biodiversity and ecosystem services, and consequently populations of globally important species and biodiversity will continue to decline. More importantly, forest-dependent local communities and ethnic minorities will experience reductions in their main sources of food and livelihood on account of the depleting forest resource base.
24. As part of the Theory of Change process, and based on the identified barriers, different pathways were considered and these are briefly described below. Part of this analysis also included the identification of key external factors/ uncertainties that might influence the project environment and have the potential to impact overall project success. In this regard two external factors and uncertainties were identified namely the global financial situation and inability to predict the rate of climate change. These are briefly discussed below:
25. Uncertainty of future financial situation: The Lao PDR economy, has through the past years been weighed down by structural challenges, macroeconomic instability, and a deteriorating external environment. Inflation is expected to remain elevated in 2024, partly due to high commodity prices and kip depreciation and impacts of the Russian-Ukraine war and the Palestinian conflict. This is likely to further weaken income, consumption, and investment. For many households, real income is falling and spending on health and education is declining. A continued financial situation on account of global impacts can lead to an emphasis on refinancing external debt, slow progress on structural reforms and deteriorating bank balance sheets could also undermine recovery prospects in agriculture, manufacturing, and services. This could certainly have an impact on the progression of necessary reforms and a push for short-term revenue generation from the agriculture, mining, and industry sector at the expense of the forestry sector.

26. Inability to accurately predict the future climate situation: Climate intensification beyond current projections can have serious consequences on the country's economic development, human capacity, poverty reduction and environment sustainability. As a consequence, with around 70% of the Lao PDR population relying on subsistence agriculture for their livelihoods, climate change effects, such as unpredictable rains and extended dry seasons, can have a significant impact on the lives of people across the country. As the impacts of climate change are likely to fall disproportionately on the poorer and more marginalized communities, this can likely increase poverty and reduce the ability of local communities to cope (for more expanded climate related impacts see Annex 15).
27. With this in mind the mentioned future narratives (please see below) have been framed around lower or higher lower or higher growth in the economy and a lower or higher commitment to policy and governance, leading to following short narratives:
28. **Narrative 1:** With slower policy and regulatory change and less financial resources and incentives for the integration of PFLs into economic development planning, there will be increased pressure on the primary forest ecosystems. This reduces the opportunity for significant transformation to a more environmentally friendly economic development pathway that is commensurate with nature conservation. The capacity to plan for improving climate change resilience is substantially diminished, resulting in further impacts on natural forests and other ecosystems.
29. **Narrative 2:** The relatively rapid evolution of policy and regulatory reform and governance for operationalizing integrated PFLs into economic development planning approaches and promotion of ecological inter-linkages across protection and production areas can lead to increased opportunities for transformation to nature-positive economic growth. However, the slower enunciation of incentives and innovative financial solutions can negate any efforts to enhance the effectiveness of PFLs and nature-positive outcomes. The capacity to plan for climate change resilience is lower, so the impact of new policies will likely not be fully realized and unlikely to have an enduring impact on the maintenance of the primary forest estate and promotion of nature conservation.
30. **Narrative 3:** The early promotion of incentives and increased availability of innovative financial solutions for integration of PFLs in economic development planning and promotion of nature-positive approaches can boost opportunities for the creation of effective and viable economies to build on the enabling policy and regulatory framework and governance conditions created. Given, that the project is focussed on interventions to enhance PFL conservation outcomes and improve governance (including multi-sectoral coordination) through broadening it to the participation of provincial and sector entities, private industry, and community, this will provide some level of incentives for PFL conservation, along with an improved local and private sector ownership that would likely enhance the resilience of communities and private interests in engaging in actions addressing climate change risks and promote nature conservation.
31. In all three above-discussed narratives, there are underlying trends towards pressure on the PFLs that require new policies, regulations, enhanced governance, improved coordination, incentives and financial resources to develop and support a more resilient primary-forest focused economic development model for the country. There is therefore an opportunity for the delivery of global environmental benefits in the form of enhanced primary forest conservation outcomes on which economic well-being is dependent, coupled with adaptation to climate change and better environmental security. However, a business-as-usual pathway as narrative 1 represents will fail because it will not adequately address the higher pressures on existing primary forest ecosystems and the impacts of climate change. This emphasizes the need to include active measures to build environmental security and resilience into the narrative on which the project is to be built. While narrative 2 is a step in the forward direction, the lack of adequate incentives and financial measures will likely stifle efforts to reach a desired outcome. A strong emphasis on policy and governance reform with complementary enunciation of incentives and financial innovations that support the achievement of a robust and ecological favorable economic pathway and resultant global environmental benefits would also be essential. Based on the planned project interventions, this is likely to facilitate promoting Narrative 3 in terms of delivery of a robust response to the future uncertainty. The aim of a robust project intervention would be to address the drivers of degradation in a manner that builds the resilience of local communities by diversification of livelihoods to take advantage of local and regional markets for sustainable products and promotion of ecotourism, as sources of sustained financial benefit and job creation for local communities. This should be complemented by additional efforts to promote integrated land use planning and management and the protection of PFLs through policy recognition.
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Theory of Change

32. The project selected solution (Narrative 3 above) to address the drivers of forest degradation and enhance conservation outcomes, so as to reverse, or at least deaccelerate the ongoing process of primary forest degradation, whilst delivering benefits to the national economy and local communities is the recognition of PFLs as an integral component of the country's natural resources that is critical for sustainable economic growth and human well-being. This solution also requires an integrated multi-sectoral and multi-stakeholder approach to resource planning and allocation. It is dependent and premised on the commitment of all stakeholders (public, private and communities) to shared goals and common agreement to achieve the overall objective of conservation of primary forest resources. The availability of additional financial resources through promotion of new financial instruments and enhanced private sector participation and investments as well as the sharing of knowledge and wider availability of information to enable replication and scaling up. In particular, the preferred solution will build on proven management practices for ongoing and past projects, new policies and regulations that will be complemented by innovative technologies promoted through the project and financial solutions that can catalyze and scale-up change.
33. As mentioned in the development challenge section above, and as outlined in the Theory of Change (Figure 1), six barriers were identified as key hindrances for maintaining and conserving PFLs and enhancing their contribution to the local communities, including the ethnic minorities. In response to these barriers, 18 key outputs were identified consistently applying six system transformation levers: policy and capacity, coordination with parallel initiatives²⁴, multi-sectoral governance, financial leverage, innovation and learning. The transformation levers also helped to thematically cluster program outputs into **six** interlinked and inter-dependent components. This intervention pathway sets a route to arrive at a coherent overall conservation framework to support primary forest conservation outcomes. It will do this by the promotion of national policy that integrates primary forests in decision-making, testing area-based conservation approaches in multiple use landscapes, and promote sustainable finance and monitoring framework compared to the current baseline.
34. To achieve this coherent approach, the project seeks to overcome the barrier related to enabling environment by: (i) promoting new policies recognize the importance of integration of PFLs into sectoral and provincial and national planning systems and application of robust environmental safeguard practices (Including sectoral environmental assessments), particularly in energy, infrastructure and agricultural expansion investments; (ii) improved governance and coordination arrangements at the landscape level to reduce competing demands on PFLs and harness support for collaborative efforts to conserve forests; (iii) strengthened capacity for integrated approaches for biodiversity conservation; and (iv) development of clear policies, practices and governance arrangements for conservation and management of the high biological value primary forests in the Annamite Mountain Range. Achievement of these outcomes are based on the assumption that there is political will and support for PFLs, the project will help to develop an enabling environment for developing national policy, directives, and procedures to support integrated and inclusive multi-sectoral planning and decision-making that takes into consideration primary forests across the broad landscapes to ensure a more embracing community and private sector engagement in conservation (Component 1).
35. Building on the enabling framework created by Component 1, the second Component will test the application of the participatory and inclusive multi-sector approach to resource management in the target landscape located in the Southern Annamite Range to provide a suitable model that integrates PAs, production and protection forests, community forests, private and community production areas within the landscape. It will address the current insufficient skills to adopt, develop and apply effective or sustainable PA management, including use of indicators and criteria, code of conduct and standard operation procedures, best practice and knowledge and skills. On-the-ground investments will be applied to reduce drivers of degradation within the PA system, with the intent of reversing biodiversity loss and enhancing the mitigation of GHG emissions from agriculture, forestry and other land use (AFOLU) sector within the 4 target PAs in the target landscape. It will strengthen partnerships with local communities and other important stakeholders to allow for negotiations of Community Conservation Agreements. Here, ensuring in particular

²⁴ Such as the projects in the baseline section for component 3 of the proposed as well as e.g. BIOFIN for component 2

that women and IPs are direct beneficiaries. The Community Conservation Agreements will identify specific benefits to the communities, in lieu of commitments from the communities to measurable actions as alternatives to unsustainable practices, and/or to implement activities that contribute to more effective management of the PA. The success of this is based on the assumption that there is a shared vision and equitable participation of all stakeholders, in particular local communities that have an interest and dependency on the protected areas.

36. Component 3 also builds on the enabling system created by Component 1 to address key drivers of deforestation and forest degradation, effectively buffering them from further impacting PFLs, in particular those outside the PAs. It will ensure that PFLs are embedded in their wider matrix landscapes through integrated land use and mainstreaming in key production areas, such as industry and mining. It will support the development of community forest management and restoring connectivity between PFLs that are within and outside the PA network. This Component will contribute to empowering local community and ethnic groups, including women; the private sector, and other stakeholders to engage or invest in forest and agroforestry-positive value chains that maximize local value addition under strict avoidance of any direct or indirect negative impacts on loss or degradation of primary forests. Focusing on activities outside the PAs, is based on the assumption that all sector stakeholders (mining, agriculture, highways and infrastructure) and local communities are willing to work together and agree on a common vision and integrated approach to resource use.
 37. This will be complemented by Component 4 that focuses on the identification, and building on innovative financial models to promote private sector and community partnerships to develop alternative and more sustainable income and livelihood opportunities for local communities to replace current unsustainable practices. This will be based on agreement and assumptions that there is a willingness for public and private sector to invest in nature-positive development actions and re-direct financing to support investments in livelihood improvement for local communities. backed by improved capacity of the local institutions, the potential to mobilize resources, as well as the potential for improved private sector involvement, and availability of mechanisms to ensure accountability and transparency.
 38. Complementary to the above activities, Component 5 will provide the learning and experience, in collaboration with the Indo-Malaya Critical Forest Biome Integrated Program to promote scaling up of these practices' areas to other parts of the country. As a means of replication, Output 1.4 will also support the development of a national strategy for conservation of the Annamite Mountain Range to ensure that decisions related to conservation of large extents of PFLs are made at a landscape rather than at a parcel-by-parcel level. This will ensure that planning captures the biological, the social uniqueness and representativeness of an entire ecological system. Component 6 provides a cross-cutting approach to support monitoring protocols to track progress towards meeting planned environmental and socio-economic benefits from the project to provide for adaptive management. The assumption is that Components 5 and 6 will collectively provide knowledge and share learning that will help support scaling up.
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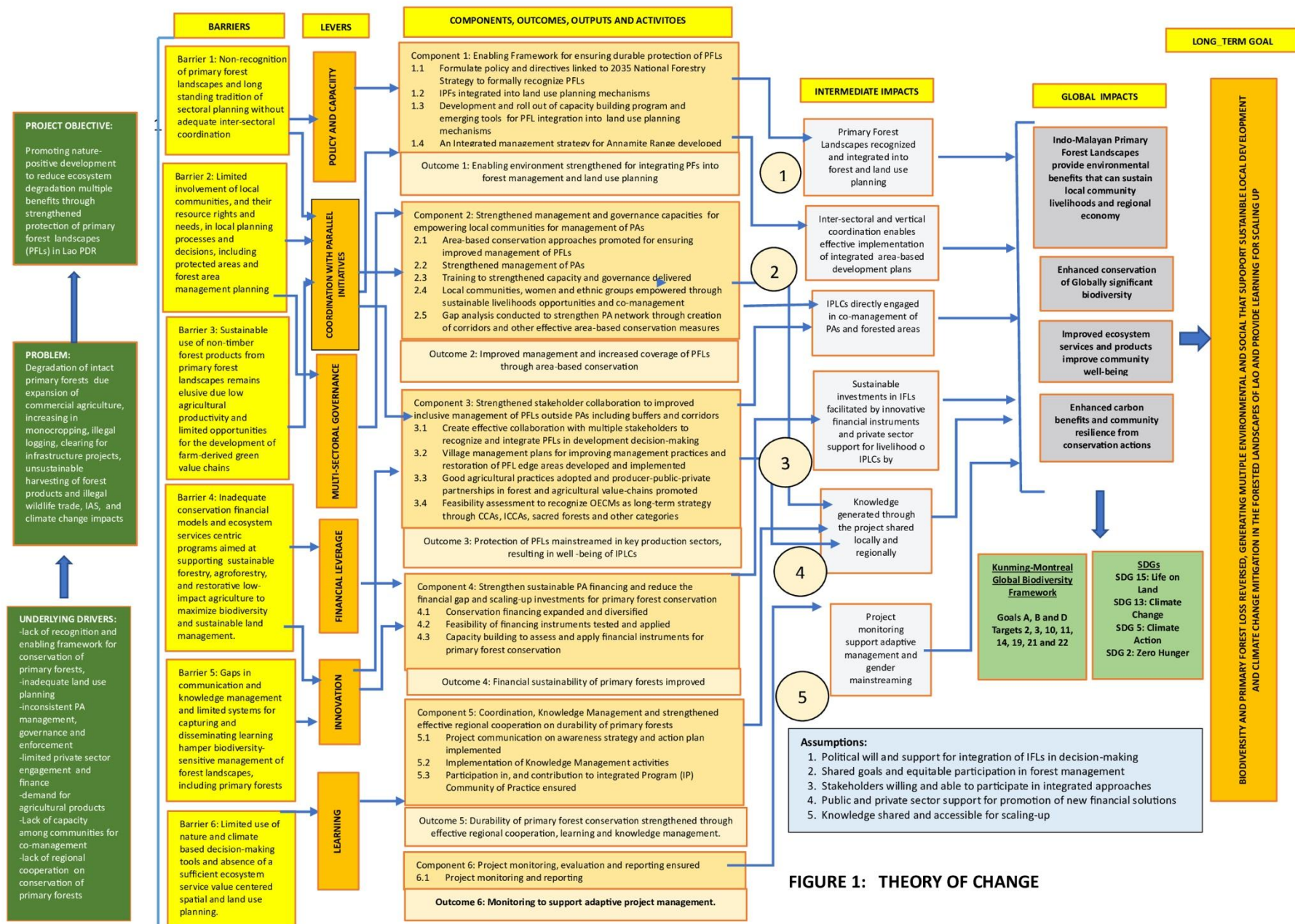


FIGURE 1: THEORY OF CHANGE

Alignment with GEF-8 Programming strategies

39. As a child project to Critical Forest Biome (Indo Malay) Integrated Programme, the project is aligned with CFB Indo-Malay IP focal area elements. Specifically, the project is consistent with Objective BD 1, namely *'To improve conservation, sustainable use, and restoration of natural ecosystems'*, in particular. *BD-1-1: Financial sustainability, effective management, and ecosystem coverage of protected area systems.* Relevant project components include identification and implementation of blended/innovative/incentive-based finance solutions to bridge the finance gap in short, medium and long term at the local levels (Outputs 4.1, 4.2 and 4.3) It will also demonstrate implementation of locally based financial solutions, such as linking with the private sector and building on relevant innovative financing solutions emanating from the proposed BIOFIN work in Lao PDR to support conservation activities and supporting biodiversity-friendly small-scale enterprises that will build community support for conservation. The project is also supporting the improved management effectiveness of a number of PAs through management planning, ecological restoration demonstration, enhance the viability of the PA network by collaborative efforts with local communities in PA buffers and natural corridors (Outputs 2.4 and 3.2), improve private sector support for supporting community engagement in nature-positive activities (Output 3.3). In terms of BD 1-2 *'Sustainable use of biodiversity'* the project will support the use of biodiversity as part of the integrated landscape planning (Output 2.1) and subsequent strengthening partnerships for co-management with IPLCs for sustainable use of non-timber forest products within PAs (Output 2.4) and outside PAs (Output 3.2). In terms of BD 1-4, *Biodiversity mainstreaming in priority sectors'* the project will focus on mainstreaming PFLs in forest and land use policies and practices and aim to improve/enhance positive environmental practices in these sectors. It would improve guidelines, protocols and planning strategies and build institutional capacities at the national and provincial levels and across key sectors to better integrate PFL outcomes at the multiple use landscape levels as to ensure complementarity and synergies of planning. Without the GEF project, it is likely that there will be limited effort at recognition and strengthening the integration of PFLs in forestry and sectoral policies and development planning approaches that will likely result in further loss of PFLs and associated biodiversity, habitats and ecosystem services. This will be corrected through improved decision making on the integration of PFLs in the pilot landscape (Output 2.1) and its demonstration in arrange of activities, within (Components 2 and 3) along with improved capacity for supporting an integrated and inclusive landscape management approach. Project components include improved planning and management processes that address direct threat to loss of PFLs, improved PA management effectiveness in combination with community co-management, enterprise and business opportunities (Outputs 2.2); capacity building and improved community participation in sustainable resource use practices to reduce threats and community livelihood improvement to reduce unsustainable practices (Output 2.4). In terms of BD 3: *To increase mobilization of domestic resources for biodiversity* - the project aims to identify and mobilize private resources for investment in PFLs. In terms of BD 3-1 *'Development of domestic resource mobilization/biodiversity finance plans'*, it would build on the proposed BIOFIN assessment, to undertake a limited assessment of financial needs and develop a domestic resource mobilization plan for application at the provincial (or PA) levels in the project landscape, as well as for the PA network. This assessment and planning exercise will actively engage financial entities at various administrative levels at the national and provincial levels and private sector actors. In terms of BD 3-2, *'Implementation of domestic resource mobilization/biodiversity finance plans'* the project will facilitate the implementation of the resource mobilization plan, working closely with the private sector entities to enhance their capacity for resource mobilization through targeted training programs and their capacity for making investments in PFL conservation through development of guidelines and availability best practice examples.
40. Specifically, on the GEF-8 Land Degradation Focal Area elements, the project aligns with *Objective 1: Avoid and reduce land degradation through sustainable land management (SLM)*; and *objective 2: Reverse land degradation through landscape restoration (LD-1 & LD-2) of the programming directions.* In terms of LD 1, the project will aim to avoid and reduce degradation through promoting an integrated and collaborative planning and decision-making approach to reduce inherent conflicts to land and resource use. It will focus on best practices in agriculture and pastoral systems to reduce harmful impacts and promote nature-friendly practices to reduce chemical usage, promote soil fertility improvements, reduce erosion, promote mixed cropping to conserve soil and improve habitat for species in cultivable areas, as well as a number of other tested sustainable-based solutions. Under Component 2 and supported by the enabling framework of Component 1, the project will focus on smallholder farms (production landscapes) that sustain a significant number of households, where agricultural and pastoral management practices underpin the livelihoods of rural farmers. The project will include support for improved access to technical assistance and finance for smallholders to implement innovative

agricultural practices (climate smart agriculture) for sustainable land management to achieve LDN, protect ecosystem services, and improve profitability (improved profitability will be used as an indicator of project success). Project SLM interventions will target the drivers of land and forest degradation within a framework of integrated community planning, governance and management at landscape scale. It will provide technical support and training to restore and maintain functional forest and agricultural landscapes to avoid and manage degradation through local government and community planning systems, enhanced technical knowledge, demonstration on the ground and other unsustainable activity and technical support for integration into VFM planning. These activities would be undertaken through active community mobilization and involvement, including men, women, youth and ethnic minorities. Upscaling will be achieved through extension programs and sharing of successful interventions through awareness, communication and knowledge management practices. (Component 5). Strategies pursued with the private sector will target SMEs that are promoting innovations in agriculture, forestry, livelihoods and improved access to markets.

41. Specifically on the GEF-8 CCM Focal Area elements, the project aligns with CCM 1-4 '*Promote nature-based solutions with high mitigation*', the project will support mitigation actions in the agriculture, forestry and other community-based economic sectors to generate significant co-benefits, notably in terms of climate mitigation and improved livelihoods for large numbers of farmers and rural communities to enhance PFL outcomes and reduced land and forest degradation that is further threatened by unsustainable and increased exploitation as well as by the impacts of climate change, drought, flooding and erosion. In terms of the target demonstration landscape, the project will work with communities to seek multiple sustainable resource use practices to enhance protection, support natural regeneration of these PFL ecosystems and improve benefits to local communities so as to reduce carbon losses. The design of these solutions to be defined through the integrated and inclusive multi-sectoral planning process will take into consideration gender-specific actions to enhance their more productive use of these resources and increase their resilience to climate change impacts through diversification of incomes, capacity building and enhanced awareness on managing climate risks.

Selection of Project Landscape

40. The project landscape for promotion of a broad-based approach to manage and conserve PFLs was selected through an extensive consultation process that was agreed with the Government of Lao PDR based on the following criteria: (i) includes significant areas of PFLs, within and outside the PA networks; (ii) include priority PAs selected by the government; (iii) includes adequate extents of production and protection forests and PFLs outside these categories that can facilitate the establishment of connective linkages (corridors) between the three forest categories (PAs, protection on and production forests); and (iv) be located with a defined geographical area (as opposed to be dispersed across a larger swath of land) to enable ease of implementation in relation to the capacity constraints that exists in Lao PDR. The project landscape (Map 1) is crisscrossed by several river basins, including Xe Bang Hieng, Xe Don, Xe Kong, Xe Bang Nouan, and a part of Xe Bang Fai in the northern part of the targeted landscapes. The watershed areas flow from the Annamite Mountain Ranges, connecting with neighboring Vietnam. The Mekong River forms the western boundary of the target projected landscape, connecting the Salavan and Champasack provinces to neighboring Thailand. The target landscape is within the provinces of Savannakhet, Salavan, Sekong, and Champasack in central and southern Lao PDR. The target landscape is part of the Annamite Mountain Range, characterized by rugged terrain, forests, and river basins. The total area of the targeted project landscape is 2,022,792 hectares. The landscape areas consist of three categories of forest, the national protected areas cover around 35% of the area (707,497 ha), the national protection forest areas are about 22% (437,340 ha), and 13% (271,363 ha) are production forest areas. About 30% (606,592 ha) of the total target landscapes fall outside the aforementioned national forest categories. The targeted PAs within the landscape include the following: Phu Xiang Thong (120,000 ha), Xe Bang Nouan (150,000 ha) Phu Xang He (109,900) and Xe Sap (133,500 ha) covering a total of 513,400 hectares. Each of the 4 PAs have between 85-91% of primary forests, with Xe Sap and Phou Xang He having over 50% of undisturbed primary forest cover (Refer Annex 27 for more details).
41. The participatory landscape management strategy will cover the entire landscape that includes PAs, primary forests outside PAs, production and protection forests, buffer zones, village management areas, etc.) and potential transboundary linkages for project areas. The strategy will result in a common understanding of the priorities, co-benefits and help resolve conflicts of resource use and agree on the roles and responsibilities of key sector institutions, private sector and communities and target setting for biodiversity, ecosystem services and sustainable resource use and alternative

livelihoods. Investments will be directed at the 4 PAs within the landscape and in selected locations that are outside, but adjacent (buffer zones and connective corridors) to the PAs under components 2 and 3. Foundational activities developed under Component 1, will be applied wherever relevant to the entire landscape. Additional information of the landscape and the protected areas therein is provide in Annex 26 of the UNDP Project document.

42. The landscape forms part of the biologically important Annamite Mountain Range, important from a biological perspective as it contains species with highest conservation priority, namely the Francois's Langur (*Semnopithecus francoisi*), Red-shanked Douc Langur (*Pygathrix nemaeus*) and the Black Gibbon (*Hylobates concolor*). Populations of Tiger (*Panthera tigris*), Leopard (*Panthera pardus*), Clouded Leopard (*Neofelis nebulosa*) and Large spotted Civet (*Viverra megaspila*) are present in the landscape, including the Pygmy Loris (*Nycticebus pygmaeus*) and lesser Slow Loris (*N. coucang*), Northern Yellow-cheeked Gibbon (*Nomascus annamensis*) and Hatinh Langur (*Trachypithecus hatinhensis*). The Pine Forest and Hill Evergreen Forest at Xe Sap support *Pinus dalatensis*, previously thought to be endemic to Vietnam, and *Kinabaluchloa* sp., a genus of bamboo not previously recorded from Lao PDR or Vietnam. Xe Sap has a nationally significant population of two species of bears, as well regionally significant population of gaur, one of the more important species for conservation. There is also significant population of dholes and serow and at least one species of muntjac (large antlered muntjac). Additional information of the landscape and the protected areas therein is provided in Annex 3, including list of Red Data Species in the four PAs in the project landscape.

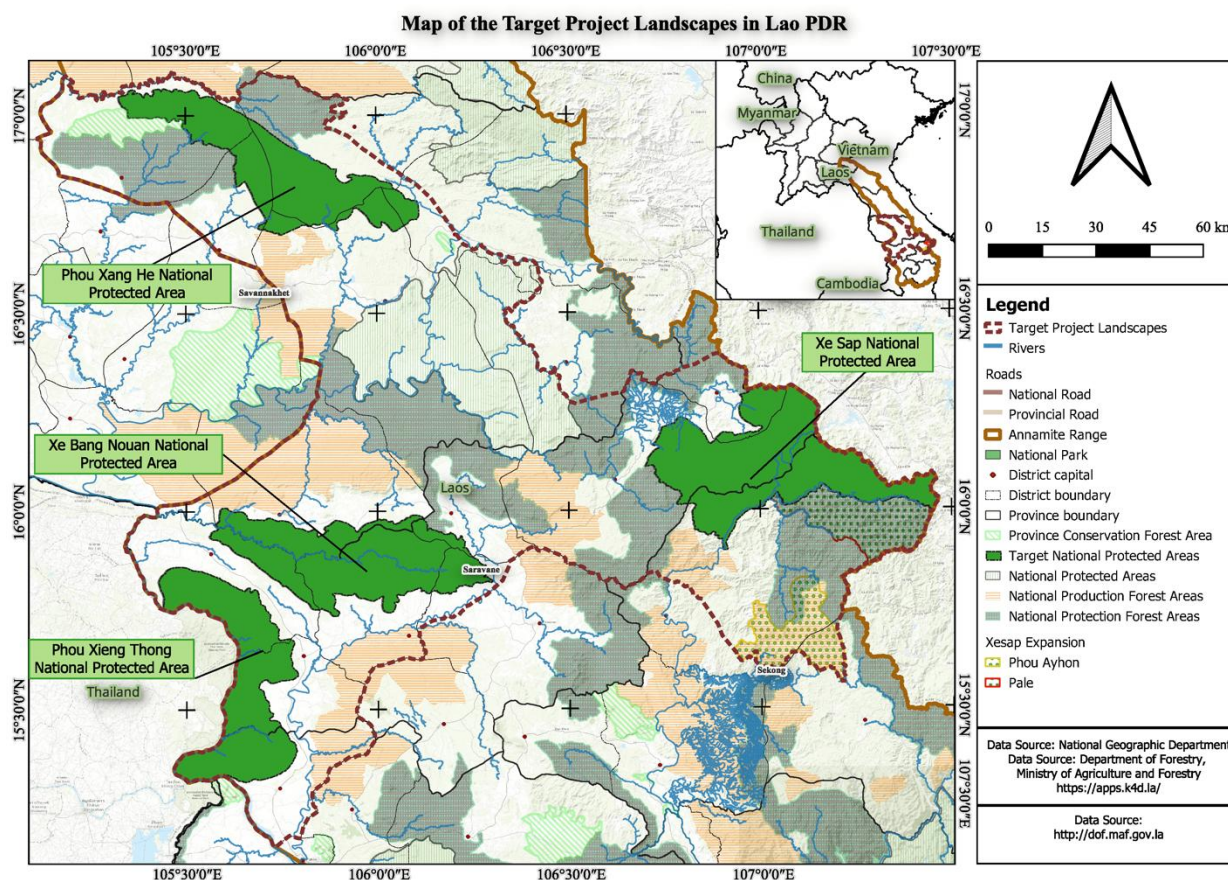


Figure 2: Map of Target Project Landscape

IV. RESULTS AND PARTNERSHIPS

- 43 The overall intent of the Lao PDR Child Project is to operationalize the integrated management of the PFLs to generate multiple benefits including effective conservation and protection of globally threatened species and ecosystems, reduce or stop deforestation and degradation of PFLs, conserve and enhance their ecosystem services and support sustainable local livelihoods from local communities that are dependent on these forests. To achieve this objective, the GEF alternative aims to (i) take into account the interconnectivity of primary forest and other natural ecosystems in key biogeographic regions in the country, and in particular Annamite Range; (ii) ensure that relevant agencies and actors have adequate capacities to promote integrated approaches and tackle the threat to primary forests, biodiversity and natural resources management; and (iii) advocate science based approaches and use of traditional and good practice knowledge systems to promote sustainable forestry, agricultural and livelihood management practices.
- 44 In order to ensure a clear, practical and cohesive implementation strategy, the proposed project will introduce a structured planning and integrated framework for managing the biological landscapes in Lao PDR, based on robust environmental and social standards. This framework will engender a two-pronged, mutually enforcing approach of (i) strengthening management structures for conservation of biodiversity in a large biological landscape, and (ii) demonstrating sustainable economic and livelihood initiatives for tackling the reduction of pressures and threats to biodiversity while strengthening direct and indirect economic benefits. Targeted activities under both approaches will be implemented under a linked national and sub-national level coordinated planning and management umbrella platform, supported by updated legal-regulatory documents and planning guidelines as well as the strengthened landscape-level planning and management mechanisms. Through this approach, on-the-ground initiatives in the landscape will both be guided by, and provide feedback loops into, enabling policy, legal, institutional and regulatory initiatives at the national level, while linking conservation-oriented actions with socio-economic, sectoral and livelihood-focused actions at the landscape level.
- 45 The project will be implemented over a 6-year period that will aim to ensure the following positive intermediate effects:
- Primary forest landscapes (and other biodiversity rich forest systems) and recognized and integrated into forest and land use planning to enhance connectivity, effectively governed that ensures that further loss and ecosystem degradation is curtailed or reversed
 - Inter-sectoral and vertical coordination enables primary forest landscapes to be effectively integrated into area-based development plans
 - Stakeholders, including forest-dependent (ethnic minorities, local communities and vulnerable groups) effectively participate in co-management approaches to build a sustainable forest economy, with improved livelihoods and economic benefits from sustainable agricultural, forestry and pastoral practices
 - innovative financial investments and private sector support for PFLs ensure forest conservation and sustainable livelihoods to IPLCs
 - Knowledge and best practices on conservation of PFLs and benefits to IPLCs generated by the project are shared to enable replication and scaling up; and
 - Project monitoring supports adaptive management and gender mainstreaming
- 46 To achieve this the project entails the promotion of an multi-sector, multi-stakeholder integrated approach to planning and management of primary forest landscapes through the following key principles:
- Promoting a holistic, multi-sectoral and integrated area-based management approach to biological resource governance in key forest ecosystems in the country, as compared to the exclusive protected area centric approach, to facilitate the maintenance of the ecological integrity of the biological landscape and its constituent parts. The project's incremental or catalytic value lies in creation/upgrading, testing and validating policy/regulations/guidelines and practices for effective recognition of primary forest landscapes, in particular relating to ensuring the long-term protection and management of these forests, integration

into forest planning and management and provincial/district/sector development planning;

- Supporting and implementing a participatory/consultative bottom-up planning and implementation approach that focuses on provincial, district and community priorities and decisions that integrate conservation of primary forest landscapes, sustainable forest management, climate risk management and safeguarding livelihood outcomes;
- Strengthening the role of communities (including ethnic minorities), provincial, district and local government institutions, community-based organizations and non-governmental organizations and increasing their potential for becoming agents of change in promoting the protection and management of primary forest landscapes;
- Strengthening capacities of communities, Civil Society Organizations (CSOs), Non-Government Organizations (NGOs) and private sector for implementing effective biodiversity-friendly and culturally-sensitive income generation and livelihood activities;
- Ensuring that in its development and implementation, gender is mainstreamed so that the project contributes to equality and equity, through the creation of equitable opportunities and benefits for both women and men;
- Ensuring an adaptive management approach that progressively identifies and addresses threats to PFLs and associated challenges, including those related to ecological, demographical, climatic, market, technological and economic factors in the biological corridors;
- Ensuring free prior and informed consent (FPIC), in alignment with applicable national policies and UNDP's SES (Standard 6) and patterned after UN-REDD (Lao) FPIC 'draft' guidance document of 2020 as the basis for negotiating investments for local communities, especially ethnic minorities;
- Being selective in terms of identification of locations and nature of interventions to serve as demonstration models for conservation and management of primary forest landscapes and in addressing the nature of challenges that operate therein taking into considerations the existing institutional capacity and resource constraints; and
- Improving awareness and knowledge and strengthening gender mainstreaming and monitoring and evaluation as means to improve primary forest landscapes conservation impacts.

- 47 To achieve this objective the project will utilize 6 strategies (Project Components) with intervention pathways described in the theory of change diagram in **Figure 1** above. The Components (GEF project alternative) are as follows:

Component 1: Enabling environment for ensuring the durable protection of primary forest landscapes.

(GEF Funding: \$807,674; Co-Financing \$3,698,000, Total Financing: \$4,505,674)

- 48 Under this Component, the GEF increment will support enabling conditions for harmonizing planning efforts across multiple stakeholders from different sectors to allow for the mainstreaming of PFLs into planning processes. The enabling policy environment supported by directives and practices will ensure the political recognition and acceptance of PFLs within all branches of governments (as well as private sector and the public) and its integration in the mainstream of government decision-making. Investments will also be made in strengthening existing or creating new multi-level governance and coordination frameworks that operate at the national, provincial, district and village levels to facilitate the mainstreaming of PFLs in planning. Considering that a large proportion of PFLs in the country are located within the Annamite Mountain Range, an integrated management strategy for this part of the Indo-Malaya will also be developed. This strategy, the development of which will be informed by strategic environmental and social assessment (SESA) techniques, will provide decision-makers with clear outcomes and actions necessary to meet these objectives, as well as clear understanding on the respective roles and responsibilities of all stakeholders. The strategy will outline the existence and functionality of available resources and the conditions and constraints for resource use in order to maximize impacts, reduce risks and avoid potentially costly management mistakes. This is particularly important because the Annamite mountains of Lao PDR (and Vietnam) is one of the richest regions of the world in terms of its fauna, flora, landscape, and cultural diversity and is a global biodiversity hotspot harboring several threatened endemic

species. This region is under severe threat from agricultural expansion, encroachment and infrastructure development. While, there are a number of PAs spanning the Lao PDR side of the border, there is limited capacity, and resources and recognition of the value of the primary forests that are outside the PA network. This leads to the fragmentation and degradation of forests and loss of biological species.

Outcome 1: Enabling environment strengthened for integrating primary forest landscapes into forest management and land use planning: This outcome has four outputs:

Output 1.1: Formulate national policy linked to 2035 National Forestry Strategy to formally recognize primary forest landscapes

- 49 Output 1.1 addresses the importance of a robust enabling environment for ensuring durable protection of PFLs in that they are actively considered in gender-sensitive forest management planning and integrated into provincial, district, sector and local level planning systems. Formulating and adopting an PFL policy linked to the draft 2035 National Forestry Strategy (for increasing forest cover to 70% of the country area, managing and protecting existing forests and rehabilitating degraded natural forests) is aligned with the project's theory of change to mainstream PFLs within the national decision-making processes. Incorporating PFLs into land use planning mechanisms (e.g., addressing risks associated with mining, energy development, transportation infrastructure and other development pressures) and capacity building will help strengthen decision-making tools and procedures associated with plans for future development. This will entail the following actions:

1.1.1: **Stock-taking exercise:** Undertaking a stock-taking exercise by hiring of national firm/institution to assess extent to which PFLs are recognized in: (a) existing national policies related to forestry, extractive industry, agriculture and other development sectors); (b) forest and land use planning and management; (c) national, provincial and local decision-making process; (d) government decision-making and budgeting processes.; and (e) assessing failures in recognition of PFLs (institutional failures, inadequate government decision-making in policy and processes). This will help identify key gaps, contradictions and reasons for non-implementation of policy and decision-making processes that drive degradation/deforestation of PFLs so as to identify best policy options for improving PFL integration in policy and government decision-making processes.

1.1.2. **Stakeholder consultations;** building on the outcomes of Activities 1.1.1 and 1.1.2 to provide policy recommendations on how to better integrate the protection and conservation of PFLs with meaningful participation of both men and women and with gender balance target set in the Annex 10 on Gender Action to achieve the goal of 70% forest cover for the country as defined by the NFS through 2035; and

1.1.3: **Development of a Roadmap:** The project will develop a Roadmap of enabling framework (specific policies, strategies, planning guidelines, decision-making processes and budgeting systems) to ensure that PFLs are fully incorporated in the national forest strategy through 2035. It will also guide means to integrate PFLs in economic and sector development planning, land use planning, multi-scale approaches and other appropriate instruments to ensure the effective and efficient integration of PFLs at all levels of decision-making. Political advocacy would be defined to change the domestic politics that surround PFLs and to address the social inequities that often lead to primary forest losses.

Output 1.2: Primary Forest landscapes incorporated into land use planning mechanisms

- 50 As part of the GEF increment, this Output will support the integration of PFLs and their mainstreaming into the respective planning systems in key sectors (e.g. in particular, mining, energy development, agricultural expansion, transportation infrastructure, etc.) either through Environment Impact Assessment (EIA) process, spatial planning, or land-use planning (LUP), etc. This Output will evaluate the best entry point(s) for incorporation of PFLs into these respective sector and development planning systems. The project will provide technical support to develop regulations, guidelines and plans to facilitate the gender-sensitive mainstreaming of PFLs into these planning systems. This Output will support the following activities:
-

1.2.1: Assessing current practices: The project will make an assessment of current practices related to EIA, spatial planning, LUP and other systems to evaluate the effectiveness of these instruments, track record and capacities for using of these instruments for integration of PFL considerations into sector and economic development planning

1.2.2 Improving guidelines for enhancing application of EIAs: The project will improve gender-responsive guidelines to enhance the EIA application relating to projects that impact on biodiversity and PFL, improve underlying EIA review processes, reporting and enforcement

1.2.3. Support spatial assessment capacity, management, and monitoring: Provide support towards ensuring that spatial data will be used systematically, for the project landscape in monitoring sectors' investment, effective landscape management, primary forest conservation planning, and also supporting tracking of the sector progress on mainstreaming PFLs .

1.2.4 Improved land use planning: Provide support for participatory land use planning (PLUP), landscapes mapping, forest land use zoning (FLUZ), forest boundary demarcation, agroecological zoning (AEZ) and the communities action plan with meaningful participation of women with gender balance target set in Annex 10 for forest monitoring and forest land encroachment monitoring.

Output 1.3: Development and roll out of gender-sensitive capacity building program on emerging tools and approaches for primary forest landscape integration into land use planning mechanisms

- 51 Output 1.3 will deliver a program to build the capacity of male and female staff members of government, private sector, NGO and community level stakeholders at national, provincial and local levels to enforce key mandates related to conservation of species, ecosystem and habitats in PFLs, particularly in the sectors related to mining, energy development, transportation and other relevant sectors. The project will deliver training in priority areas in support of an integrated and inclusive approach to management PFLs. It will equip these entities to be able to integrate and mainstream PFLs in the EIA and land use/spatial planning so that active consideration is given to ensure the protection and conservation of the PFLs as well as reduce, avoid and manage any impacts of this development on the forest estate.

1.3.1. Capacity needs assessment: A national consultant will be recruited to undertake a capacity needs assessment (linked to Output 1.2 as well) that seeks to assess extent to which there is gender neutrality of existing training with the intent to enhance institutional capacity to mainstream PFLs through application/use of EIA, land use planning and spatial planning, taking into consideration existing capacity, tools and support systems that are necessary. The capacity needs assessment will focus on a few sector themes, such as mining, energy development, agricultural expansion, transportation infrastructure, etc.

1.3.2. Consultations to develop training plan: With key stakeholders (in particular sector entities and private companies) to better understand their constraints to apply land use and strategic planning, spatial planning, and EIAs to investments. Based on the assessment (Output 1.1.1) develop a gender equality and social inclusion (GESI)-responsive five-year capacity development plan covering techniques and mechanisms for integrated spatial planning, conduct of EIAs and their monitoring, evaluation, and enforcement.

1.3.3 Implementation of the five-year gender responsive capacity building training plan focusing on sector entities, private sector and training institutions to promote integration of PFLs in public and private development and sector plans and for improving social and environmental benefits that might ensue. An institution(s) will be identified (and technical support, equipment, and gender-sensitive training materials and curriculum development to facilitate the institutionalization of the training program

Output 1.4: An integrated Management strategy for Annamite Range developed.

- 52 The intent of this output is in developing an integrated management strategy (IMS) that is gender-sensitive for the Annamite Mountain Range (AMR) of around 7.6 million hectares to provide decision makers with clear outcomes and actions necessary to meet these objectives. This will include the conditions and constraints under which the resource may be used, reduce risks and their impacts in both men and women and avoid potentially costly management mistakes. It is also intended to provide continuity in managerial operations over time by formalizing coordination and administrative arrangements for management of the Annamite Mountain Range and establishing a basis for monitoring

forest activities. The following steps are envisaged to ensure a fully participatory approach, incorporating Strategic Environmental and Social Assessment methodology, to develop and agree on a common IMS for the AMR:

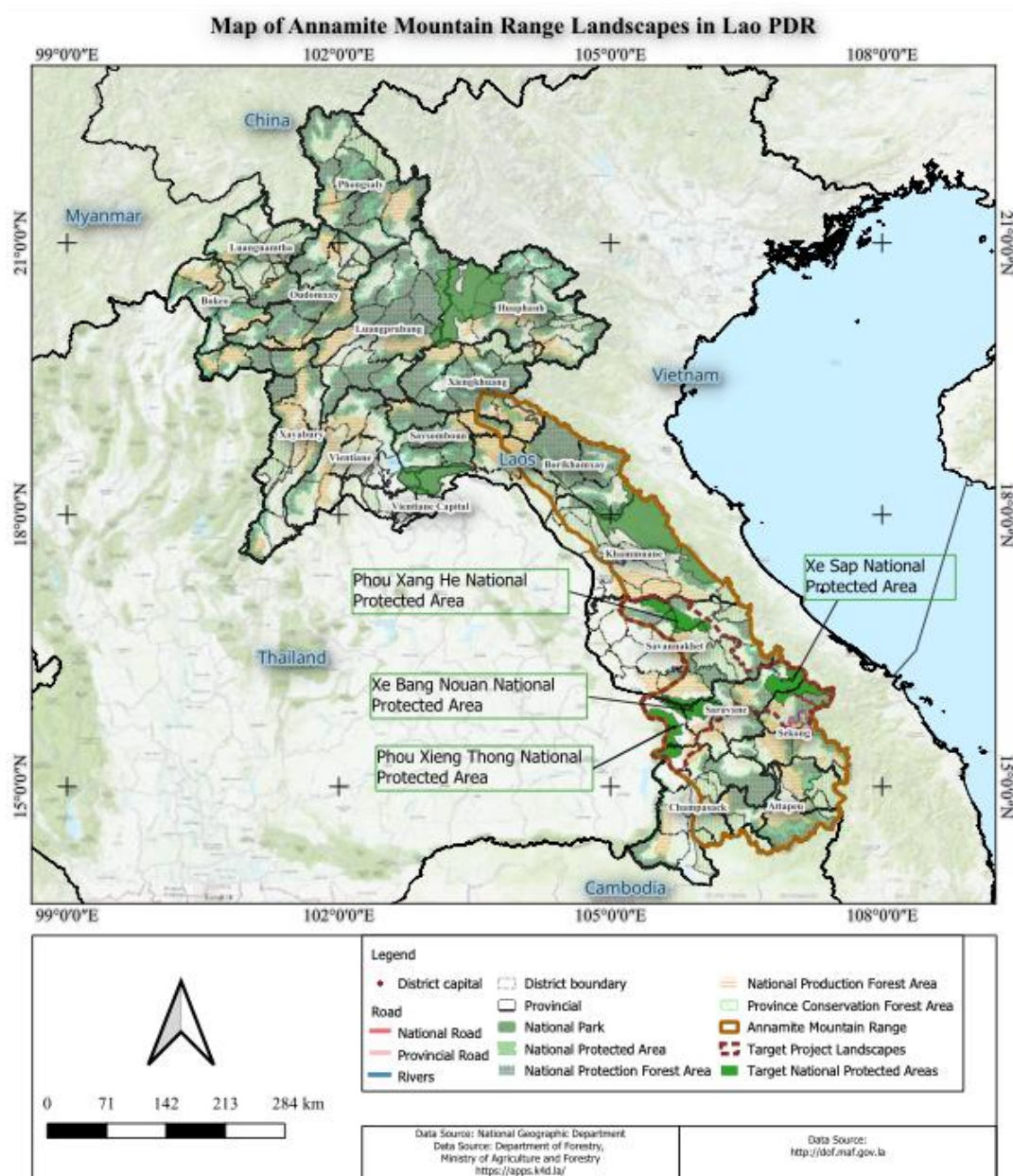


Figure 3: Annamite Mountain Range

1.4.1 Establishment of an Advisory team to guide and oversee the preparation of IMS for the AMR. This advisory team would include key government entities, NGOs and scientist with at least 30% representation by women to guide and oversee preparation of the IMS. The Advisory team would be supported by a small technical team in the preparation of the IMS. The Technical Expert team could include experts in biodiversity conservation, forest planning, legal and policy, institutional, community development, etc.

1.4.2. Conduct of Strategic Environmental and Social Assessment: The SESA will identify and address any potential upstream social and environmental impacts of IMS, including identification of environmental, social, regulatory, technical, institutional and legal measures that need to be addressed in the IMS.

1.4.3 Consultation with key stakeholders such as NGOs, donors, government entities, IPLC groups, and private sector that are currently engaged in activities within the AMR to establish baseline information and undertake a diagnostic assessment of forest ecosystem status, trends and dynamics, governance, tenure, and policy framework and management - consultations will be guided by the project's Stakeholder Engagement Plan and Indigenous People's Plan, and will apply FPIC where IPLC groups are affected

1.4.4 Analysis of economic and other factors affecting: The analysis will, among other, look at forest management; market opportunities for forest goods and services; social surveys, analysis of management scenarios based on inventory data in accordance with national and subnational laws, policies, strategies and plans; and cost-benefit analyses of options.

1.4.5. Development of a common vision for AMR: Through a participatory multi-stakeholder approach develop a common vision for the ARM taking into consideration gender views and perspectives, including main management vision, targets and outcomes, roles and responsibilities, cooperative agreements and opportunities for transboundary cooperation

1.4.6 Setting objectives for achieving different targets and outcomes: Based on the baseline surveys and mapping, agree on objectives, strategies and activities for different zones within the AMR. Forest management objectives will be assigned with clear and measurable targets to be achieved over the period spanned by the forest management plan. The zoning process will include identification of conservation "set-asides" of various types; these may include cultural areas, watercourses, water bodies, landslide areas, conservation and protection zones, community forests, biological diversity conservation zones, wildlife conservation zones, scientific research zones and buffer zones. Geographic information systems and other techniques can be used to assist in forest mapping and zoning and for modelling alternative management options as aids in decision-making.

1.4.7 Drafting of gender-responsive Integrated Management Strategy: Based on output 1.4.5 above, negotiate and agree on main activities and roles and responsibilities of each stakeholder for implementation of the IMS. The plan would include recommendations for new PAs, connectivity linkages, creation/strengthening of protection, production and conservation forests, village conservation forests, Indigenous and Community Conserved Areas (ICCAs), coordination platforms, mainstreaming with other sector or development planning, transboundary cooperation, etc. Integrate with existing strategies such as REDD+, Carbon credit programs, etc. It will also identify means to strengthen the legal recognition of customary rights and increased tenure security to enable genuine co-management, governance systems that enable the participation of IPLCs and vulnerable groups, including recognition of ICCAs establishment of Community Forestry, as well as the identification and recognition of OECMs that is anchored in national regulatory frameworks to enhance tenure security, improved management planning procedures, extension, monitoring, and compliance and potential financing opportunities. The detailed management strategy would involve three plans of differing duration and strategic importance: the strategic or long-term management plan (20–40 years); tactical management plan, a medium-term expression of the strategic management plan (5–10 years) and the operational plan through which the tactical management plan is programmed, implemented and monitored annually. The 3 operational plan will indicate the practical measures to be taken in the years to come. The operational plan will also be used for monitoring purposes.

1.4.8 Public Comment on IMS: The draft IMS will be presented publicly to allow male and female members to react and respond, following gender balance targets set in the Annex 10 on Gender Action Plan:

1.4.9 Finalize IMS and reach approval by government: The IMS would be reviewed and, where necessary, revised periodically in the light of accumulated experience, new information and changing circumstances. Each revision is an opportunity for forest managers to reconsider objectives and methods

Component 2: Strengthened management and governance capacities for empowering local communities for management of Protected Areas

(GEF Funding: \$3,039,351; Co-Financing \$13,430,000, Total Financing: \$16,469,351)

- 53 Under this component, the project will seek to enhance the conservation of protected areas as a means to protect and conserve primary forest landscapes, with participation of local women and ethnic. It will do this by supporting the potential creation of ICCA and/or OECMs (that are voluntary in nature); strengthening collaborative and co-management approaches including gender mainstreaming; and improving PA management outcomes through

updated management planning focusing on increased resilience as well as developing the capacity necessary to achieve the above. In doing all of the above (and in combination with component 3) this will effectively support working on guiding national planning to meet the Kunming-Montreal Global Biodiversity Framework Target 3. Any potential restrictions on community access to land or resources because of the establishment or improved management effectiveness of PAs (including OECMs) will be addressed through application of the project's Process Framework and application of FPIC where indigenous communities may be affected. Where economic displacement risks are unavoidable, a Livelihoods Action Plan will be developed and implemented before the access restrictions come into effect.

Outcome 2: Improved management of primary forest landscapes through inclusive area-based conservation approaches

Output 2.1 Area-based conservation approaches promoted for ensuring improved management of primary forest landscapes

- 54 To complement and pre-define outputs in Component 2 and 3, Output 2.1 is aimed at elaborating an integrated and inclusive area-based landscape management plan for the project landscape (see Figure 2), that includes PAs, primary forests outside PAs, production and protection forests, buffer zones, village management areas, etc.) and potential transboundary linkages for project areas. This will be complemented by strengthened community governance and implementation in the target landscape, integrating existing and new knowledge to reduce threats. The process will also deal with resource degradation and unsustainable natural resource and land and forest use, as well as improve incentives for local community participation and ensure a direct role women and IPs. Open and active dialogue across multiple stakeholder groups will be adopted to build a common understanding of the priorities, co-benefits and resolve conflicting aspirations in the target landscapes, where target setting for biodiversity, ecosystem services and sustainable resource use and alternative livelihoods will be pursued. The design of these activities will involve the identification of diversified nature-based livelihood options that can deliver meaningful economic benefits that can incentivize a shift away from unsustainable and/or illegal use of natural resources (rather than restrict such activities). The priority conservation and economic activities will be designed based on detailed and spatially explicit baseline assessments (e.g. using the rapid biological, social and economic assessment methodology) in Year 1 of the project. The mapping of the biological, social and economic options will help identify, prioritize and inform on-the-ground actions in each target landscape to support nature-positive actions in forestry, agriculture, tourism and other livelihood options. The participatory mapping will lead to drafting of management strategies for the target landscape. Details of these activities are discussed in the next set of outputs under Component 2 (within protected areas) and Component 3 (outside protected areas). While, the project will demonstrate implementation of activities in critical locations within the target landscape to improve management, over the long-term, the mapping and strategic planning exercises and demonstration activities (to be financed under the project and complimentary government and private sector financing) will provide information and learning for long-term management of landscapes in other parts of the country. Under this output, the Project will support the elaboration of multi-stakeholder and multi-sector integrated biodiversity management planning of the target landscape. The planning process will culminate in the elaboration, sharing and adoption of integrated approaches through a participatory process, involving key players (national and provincial institutions, NGOs, civil society, Indigenous Peoples groups, local communities, private sector, etc.), under the supervision of a permanent landscape-level governance and coordination mechanism. Under this output the project will support the following indicative activities:

2.1.1 Rapid Assessment and Mapping of target landscape: Supported by review of existing available information and ground validation), the mapping exercise would include biological, socio-economic, environmental and institutional aspects, including assessment of biodiversity and ecosystem services values and threats and identification of PFLs. It will also assess the extent of land, forest and agricultural land degradation, and opportunities for promotion of biological connectivity within the landscape. The mapping exercise will help identify and prioritize areas for conservation, sustainable land, forest and agricultural productivity improvements, restoration and rehabilitation, community use and threat management, etc.

2.1.2 Consultation with key stakeholders within the landscape: The consultations, which will be conducted in line with the project's Stakeholder Engagement Plan and Gender Action Plan, will be used to identify a common

integrated framework for management of the project landscape (i.e. a landscape management framework). Consultation will include targeted interactions with women, youth and IPs to assess their needs, dependencies and perspectives regarding the management of the landscape. This framework will guide the planning and implementation of investments under subsequent outputs in Component 2 as well as all outputs in Component 3. This landscape framework will help identify and prioritize: (i) biologically sensitive areas for conservation; (ii) areas for sustainable community natural resources management and use, including sustainable harvesting and extraction, community based conservation and forest management, watershed conservation and climate risk management; (iii) degraded areas for community forest restoration and fire management; and (vi) areas for sustainable agricultural development and livelihood improvement.

2.1.3. Integrated Landscape Framework Agreement: Integrated landscape framework agreement will be developed for project landscape (that entails a multi-sectoral shared vision for zoning of the landscape, actions for mainstreaming biodiversity conservation into provincial, district and sectoral plans/policies, etc.) and formally adopted by all relevant entities through appropriate provincial regulatory instruments. The Framework Agreement will also define partnership arrangements with local communities, NGOs, private sector and other key stakeholders, including women and ethnic minorities with the aim of building a truly coordinated and collaborative effort for conservation of biological diversity and ecological habitats in the pilot landscapes.

2.1.4 Identification and validation of prioritized investments: Identified and validated prioritized NbS investments (funded via the project and other complimentary government programs or private-community partnerships) within and outside the protected areas, including village lands. Prioritized investments will cover sustainable forest and land management, improved livelihoods and value chain activities, PAs for expansion and improved management, restoration of agricultural and forest lands, management of threats and encroachments and opportunities for mainstreaming conservation outcomes in PFLs, including specific actions for application of EIA, spatial mapping and land use planning) and the specific needs of women and IPs and opportunities for engagement of the private sector.

2.1.5 Assessing effectiveness of investments: Identify and monitor resilience indicators for assessing effectiveness of integrated landscape planning, management and investments

Output 2.2. Strengthened management of protected areas

- 55 Building on the outcome of Outputs 1.2 and 1.3 and complemented by the mapping exercise in Output 2.1, this Output will facilitate the improved management of four protected areas within the target project landscape, namely Phu Xiang Thong (120,000 ha), Xe Bang Nouan (150,000 ha) Phu Xang He (109,900) and Xe Sap (133,500 ha) covering a total of 513,400 hectares. The project will provide technical and material support for the effective management of the PAs to ensure long-term conservation objectives and to apply new and more inclusive management approaches. In this way, the project aims to fill gaps in current PA management approaches to encompass a more participatory and transparent process of gender sensitive planning and management processes. In addition, the project will provide some incremental support in terms of field and communication equipment; facilitate the strengthening of the PA governance structures that will ensure the participation of all relevant stakeholders in its planning, management and implementation. It will also enhance sustainable natural resource management, protection of headwaters of major streams and riparian areas as well as support benefit sharing arrangements through environmentally compatible natural resources use, ecotourism and sustainable livelihood opportunities. Feasibility analysis for conservation agreements will be carried out. Under this output the project will support the following indicative activities:

2.2.1 Development of Mapping to support Management Plans for individual PAs: Based on the mapping exercise in Output 2.1 and assessment of current management interventions, facilitate dialogue and coordination to develop maps for the project PAs with a catchment overlay to show links between catchment, land uses, riparian areas, PFLs and PAs. This will require an in-depth ecological and resource use inventory, including analysis of forest cover changes in the protected area and rare and endangered species and community resource use.

2.2.2 Support PA management participatory planning processes: The participatory planning processes, which will be informed by the outcome of the scoped SESA, will be used to help in formalization and implementation of the PA Management Plans. The management planning will undertake an assessment and related consultations with men, women and ethnic minorities for improved management of community lands within the PAs and will layout

associated conservation corridors and rules and guidelines for its implementation. The participatory management plan, with define management options for conserving biodiversity will be done that are in agreement with all stakeholders to conserve biodiversity, enhance gender equity and equality, be environmentally and socially beneficial, and prevent any access restriction on local communities, in line with the project's Process Framework

2.2.3. Implementation of key management interventions: Following completion of the scoped SESA process for the individual management plans, key management interventions will be implemented within and immediately adjacent to the PAs. While activities would vary from one PA to another, it would likely include: site-specific plans for soil and water conservation, non-consumptive sustainable natural resources use, fire management, sustainable harvest of medicinal and aromatic plants, and restoration of degraded ecosystems through assisted natural regeneration, within and outside the PAs. It will also include development and implementation of protocols for conservation of key endangered species and their habitats, including monitoring of status of species and ecosystems to facilitate improved conservation management.

2.2.4. Development and implementation of monitoring framework to assess key species population and habitat changes and provide essential field and monitoring equipment for PA management and monitoring management effectiveness. It will also include monitoring of the socio-ecological indicators to measure community capacity to adapt to changes while maintaining biodiversity, state of ecosystem health, ecological values and vulnerabilities, agricultural productivity, status of PFLs, and degraded land that merits rehabilitation/restoration; and

2.2.5. Development of a communication strategy: A communication strategy will be developed for facilitating community and stakeholder participation in effective management and protection of PAs. This will be in addition to the general communication work undertaken under Component five.

2.2.6. Promotion of transboundary cooperation: Transboundary cooperation between Vietnam and Lao PDR, in terms of the existing MOU (dated December 22, 2023) will be actively promoted and supported as will cooperation between Thailand and Lao PDR. This facilitates international cooperation on biodiversity and Protected Area management among the countries is enhanced. Activity 2.2.6 is one of the Lao PDR Child Project's activities that is directly linked with the Indo-Malay Critical Forest Biomes Integrated Program. Specific efforts will be initiated to promote transboundary cooperation such as biodiversity monitoring, capacity building, information sharing, etc. To do this the project will provide support towards setting up functional agreements and protocols for (i) development and implementation of planning for transboundary PAs, ensuring coordinated conservation efforts; (ii) establish joint biodiversity monitoring programs to track the health of ecosystems and species populations across borders; (iii) conduct joint training and capacity-building programs for park/ protected area rangers, local communities, and other stakeholders to enhance skills in protected area management; (iv) create a shared database and regular information exchange mechanisms to facilitate the sharing of data on wildlife, forest cover, and illegal activities such as poaching and logging; (v) strengthen collaboration between law enforcement agencies to combat illegal activities, including poaching and illegal logging, through joint patrols and coordinated enforcement actions; (vi) raising awareness among communities about the importance of protecting transboundary ecosystems.; and (vii) develop coordinated emergency response plans for natural disasters and other emergencies that may impact transboundary protected areas.

Output 2.3. Training to strengthen management and governance capacities delivered.

- 56 Under this Output GEF, incremental support will be provided to strengthen the management capacity of skills of male and female PA staff and enhanced coordination with local communities, including women and ethnic minorities to strengthen co-management and collaborative efforts. This Output will include the following indicative activities:

2.3.1. Undertake assessment to identify current state of knowledge, capacity and tools available for training of PA staff: The assessment will clarify the effectiveness of delivery of existing training, and assess gaps in capacity, trainers, resources and monitoring effectiveness of training. Based on this assessment, the project will design and develop a training program and develop a strategy for resourcing for the training. The training program is intended to enhance capacity of PA staff to improve communication, consultation, planning, management, gender mainstreaming, etc. so as to support working with local communities and promoting co-management approaches.

Where capacity development of park rangers is concerned, the project will apply the guidance in the URSA Global Action Plan for Rangers, wherever practicable.

2.3.2 Develop a survey and monitoring framework: A framework for surveying and monitoring will be developed for PA staff to carry out biodiversity surveys, and threat assessment to assist them in their daily work including their engagement in forest restoration , cross-border coordination (as relevant), community patrolling, assessment of social safeguards (including potential human rights or other security risks to communities posed by PA law enforcement), and monitoring the effectiveness of PA management.

2.3.3 Institutionalization of training: To implement the training developed under activity 2.3.1 an institution that has the competency, skills and resource persons to deliver comprehensive training to PA staff will be identified and tasked with the provision of the developed training..

2.3.4. Implementation of training program for PA staff and local communities: The institution identified under activity 2.3.3 will implement the training program for PA staff and local communities (including women and IPs) following gender balance targets set in Gender Action Plan to improve communication, outreach, collaboration, SMART patrols, monitoring etc. Develop an iterative framework assessing the effectiveness of training to enable review and upgradation of training at five-year intervals.

Output 2.4 Local communities, women and ethnic groups empowered through sustainable livelihood opportunities and collaborative management approaches.

- 57 Complementary to Output 2.2, this Output will help strengthen partnerships with local communities (in particular ensuring that women and IPs are direct beneficiaries) and other important stakeholders to allow their representation in collaborative PA management bodies, including in particular the Protected Area Management Authority (either for individual PAs or for an aggregate of PAs within an individual province). Applying the project's Process Framework, and informed by applicable measures in the project's SES management plans, the intent is to ensure that women, ethnic minorities and other marginalized groups are adequately consulted and represented in these collaborative management bodies and facilitate good regulatory and policy practices related to collaborative management and decision-making. At the local PA level, Community Conservation Agreements will be discussed, negotiated, agreed, implemented, and monitored with key communities in the target landscapes. These agreements will identify specific benefits to the communities, in lieu of commitments from the communities to measurable actions as alternatives to unsustainable practices, and/or to implement activities that contribute to more effective management of the PA. These approaches are already in use in Lao PDR, the lessons of which will be applied in the project context. Furthermore, legal framework for promotion of Community Conservation Agreements will be pursued as means to validate community and IP co-management within the PA and community lands that are located within the PA. The following are proposed indicative activities under this output:

2.4.1. Undertake a stakeholder assessment: The assessment will identify the different stakeholders that are inside or in the vicinity of the PA, the extent to which they are involved in governance of the PA, to what extent- they rely on the forest for livelihoods and income (what types of timber and NTFP are bought and sold by the villagers) and how they presently use the forest and how they are affected by the PA.

2.4.2 Assess capacity and skills of Village Forest Management Units: In addition to assessing the capacities and skills needed for members of a village forest management unit which is the unit to be formally involved in governance related to the PA, it will also be assessed how such units are formed and how they maintained their roles, how the engagement of women can be enhanced. A review of existing units will also look at how these units engaged in forest governance, and determine their understanding of human-nature interaction, and their landscape values and land-use preferences.

2.4.3 Establish the PA values to help guide co-management arrangements: Establish the PA values in consultation with diverse ethical stakeholder groups and determine their preferences for conservation, land use, and livelihood activities. This will result in the identification of measures for inclusion of the interests of all diverse ethnic groups in PA governance. Based on the consultations, as well as different assessments, including an intangible cultural heritage impact assessment, it will be assessed if the existing institutional structures are sufficiently flexible and adaptive to

allow for the inclusion of local communities in PA governance, and if not, how this can be reformed to enhance co-management.

2.4.4 Identification of measures for strengthening PA co-governance: Based on outcomes of Activities 2.4.1 through 2.4.3 above, and following the Process Framework, identify measures for inclusion of the interests of all diverse communities (men, women and youth) and IPs in PA governance. Assess if existing institutional structures are sufficiently flexible and adaptive to allow for the inclusion of local communities in PA governance, and if not, how this can be reformed to enhance co-management. Recommendations to improve PA governance would be based on the best or most suitable- identified local practices that the local communities can easily relate to and increase their familiarity with the forest management methods. This will also inform revision of Forest Management Policy to include specific measures to improve community/women/ethnic groups engagement in participatory land use planning (PLUP) and other project activities.

2.4.5. Implementation of measures for supporting investments in co-management: Following improved and inclusive governance arrangements, this output will identify co-management options for IPLCs, including SMART patrols, improved management of community forest lands within and adjacent to PAs as a means to improve and sustain NTFP benefits (setting sustainable harvest limits, value addition, monitoring and enforcement to exploitation, etc.). Through this output, commitments would be sought from the central and provincial governments to honor these conservation agreements. The project will provide technical assistance, training, extension support and market access to improve benefits to ethnic minorities and local communities. As part of this it will also aim to enhance ecotourism benefits, agro-forestry and multi-cropping systems, biodiversity-friendly agriculture and pastoral systems and nature-based livelihoods, with improved technology, market access and ensuring adequate environmental safeguards as preferred alternatives to over-exploitation, unsustainable resource use and slash and burn agriculture.

Output 2.5 Gap analysis conducted and opportunities to strengthen the protected area network through creation of corridors and other effective area-based conservation mechanisms.

- 58 Under this Output, a diagnostic assessment of primary forest status and dynamics, governance, legal, tenure, and policy framework and management challenges undertaken under Output 2.1 will be supported by additional consultation with technical experts regarding status of PFLs, focusing on improved protection, connectivity, addressing key threats, as well as drivers of loss and degradation. The assessment will describe through, a gender-specific bundle of rights approach a range of customary and governance arrangements under which primary forests are used and governed across the biome. Specific gaps in policy, governance, management, production pattern (as exerted by large extractive industries), capacity, financing, monitoring and reporting will be identified so as to provide recommendations for exploring PA linkages with surrounding PFLs to improve ecological representativeness, connectivity, ecosystem integrity. The gap assessment will use scientific-based decision-making tools (related to species and biological, socio-economic and institutional aspects) in providing recommendations for improving the viability of the PA network. This assessment will also seek ways and means to ensure that community livelihood and social needs can be enhanced through better recognition of the biological, ecological and socio-economic importance of these landscapes. This will require undertaking scientific and social assessment to identify shortfall in protection within the target landscape and its immediate environs and opportunities for bringing socio-economic benefit to local communities, ethnic minorities, women and youth that currently live in these landscapes. A consultancy firm/institution will be tasked to undertake this exercise. An indicative list of activities would include:

2.5.1. Undertaking PA mapping and gap assessments: Using the Lao PDR's three forest categories as a backdrop the gap assessment and PA mapping will result in recommendations for design of a updated PA system focused on maximizing primary forest protection within the Lao PDR forest. The design recommendations should ensure that the PA system is able to withstand stresses (climatic and political) and changes (land-use changes), for instance by enlarging or connecting PAs, with core areas joined by sustainably managed land providing routes or stepping stones (stopping off places) for key species, buffering PAs against outside pressures and make provision of opportunities for interbreeding of species with adjacent populations. The design of network should take into consideration of the socio-economic and productive needs of adjacent communities, in particular because the effects of climate change on agricultural lands will have serious impacts on neighboring forests. Enhancing the network will also look at

changing planning and decision-making at the level of protection and production forests so as to integrate primary forest considerations as well as seek opportunities for introduction and integration of OECMs (including ICCAs or other types of conservation areas outside the realms of protected areas) and options for promotion of co-management so as to improve benefits to local communities, ethnic minorities and women.

2.5.2 Reaching agreement on proposed PA network: Collaborating with key stakeholders, including ethnic minorities, women and forest resource users in making decisions and agreements about PA network, including in particular IPLC managed conservation areas will be supported.

2.5.3 Building political support: To ensure that the feasibility of the proposed network will need to be integrated into the political reality, workshops will be conducted with policy makers, private industry and community groups (including women, ethnic minorities and disadvantaged groups) to build consensus so that a final decision can be made within the realms of science and political realities.

Component 3: Strengthened stakeholder collaboration to improved/inclusive management of primary forest landscapes outside PAs, including buffers and connectivity corridors.

(GEF Funding: \$2,627,200; Co-Financing \$12,140,000; Total Financing: \$14,767,200)

- 59 Building on the mapping and landscape management strategies developed under Outputs 2.1, this component will address key drivers of deforestation and forest degradation, effectively buffering them from further impacting PFLs, in particular those outside PAs. It will focus on primary forest landscapes to improve their governance, management, resilience, and benefit generation potential, in particular because significant PFLs still occur outside PAs in remote mountainous regions of the country. This component will work towards ensuring that PFLs are embedded in their wider matrix landscapes through integrated land use and mainstreaming in industrial and mining plans, development of community forest management, and restoring connectivity between PFLs that are within and outside the PA network with the intent that PFLs in the country are conserved and protected as strategic and long-term measure. Component 3 will also contribute to empowering local community, women, disadvantaged groups and ethnic groups, including women; the private sector, and other stakeholders to engage or invest in forest and agroforestry-positive value chains that maximize local value addition under strict avoidance of any direct or indirect negative environmental and social impacts on loss or degradation of primary forests. Investments will be designed anticipating climate change impacts. All resource management and livelihood strategies will be identified with the full participation and Free, Prior and Informed Consent of local community and ethnic groups and women supported by relevant NGOs and will build on their existing knowledge and practices to ensure social sustainability. The design of livelihood, value chain and community enterprise development interventions will additionally engage private sector actors (small agriculture and tourism entrepreneurs at the community/district level), subject to risk screening applying the UNDP Private Sector Due Diligence screening tool. In this regard, UNDP Private Sector Due Diligence will be engaged in not only in connection with Component 3 but under all of the project's components. The livelihood and value chain activities will be subject to analysis of their technical and economic feasibility, capacity requirements, gender-and safeguard responsiveness and scientific soundness to maximize sustainable generation of GEBs. Outputs that influence resource use conflicts will integrate strong conflict resolution mechanisms and gender perspectives. Following the project's Gender Action Plan, Gender-responsive capacity development for, smallholder producers, SMEs and producer organization groups, extension agents, government officials, and state and private forest managers will be implemented based on carefully tailored capacity needs assessments and capacity development strategies and plans. A private sector engagement strategy, which includes a robust risk-screening framework and monitoring system, would be required to involve larger companies in forest conservation and management.

Outcome 3: Protection of primary forest landscapes mainstreamed in key production sectors, resulting in improved well-being and resilience of IPLCs.

Output 3.1. Create effective collaboration with multiple stakeholders to recognize and integrate primary forest landscapes in development decision-making.

- 60 In consonance with Output 1.2, this Output will create an enabling environment for improving conservation and management for PFLs outside the PA network, particularly in areas bordering PAs. It will also provide for establishment

of ecological corridors to link PAs, enhance management in production and protection forests and create effective collaboration with development entities and industry to ensure that there is strong recognition of PFLs in development and sector decision-making and planning. This output will apply the results of the assessment and mapping of the landscapes undertaken in Output 2.1 and the planning tools developed in Output 1.2 and capacity developed under Output 1.3 to mainstream PFLs in sector and industrial planning (mining, agricultural expansion and infrastructure development) to avoid, reduce or mitigate impacts on PFLs. It will help build capacity of key stakeholders, including national and provincial staff of the respective forestry, environment, agriculture, other relevant agencies, CSOs, key private industry and development entities to implement existing and new environmental regulations, land use and spatial planning tools, environmental guidelines and practices to mainstream primary forest landscapes into decision making tools and planning processes. For Protected Area and Forestry Department staff, training, would focus on tools and methods for identification of biodiversity and ecological sensitive sites, zoning considerations, economic evaluation methodology and tools, and evaluation of effectiveness of sustainable forest and land management approaches. Such training will also focus on interpretation and application of laws related to PAs and forest management, surveillance and monitoring techniques, environmental (or biodiversity) impact assessments, techniques for monitoring land and forest degradation, etc. Training programs and curricula will be developed with, and integrated into regular training programs of key agencies and institutions. After the training programs are implemented, the key stakeholders would participate in the design, implementation and participatory planning and monitoring of landscape conservation and management plans, implementation of sustainable land, forestry and agriculture development programs, etc. In particular, this Output will support the following activities:

3.1.1 Assessment of application of current tools and guidelines related to EIAs, land use and spatial planning to assess effectiveness and current track record for mainstreaming PFLs in sector (particularly in mining, infrastructure and agricultural expansion) and economic development planning to identify specific EIA, spatial and land use planning gaps that need to be addressed.

3.1.2. Facilitate improvement of planning guidelines and procedures for undertaking effective EIAs, spatial and land use planning based on outcome of Activity 3.1.1 above. In particular, this will involve the improvement of EIA, spatial and land use planning guidelines, review and approval procedures and implementation, monitoring and enforcement of compliance

3.1.3. Identify key training requirements of national agencies: Capacity building needs of national agencies and at the provincial level and private sector development entities for effective mainstreaming of PFLs, biodiversity, ecosystem services and gender in sectoral, national, provincial and private sector level planning and management.

3.1.4. Analysis of specific institutional development requirements: Capacity building of for key agencies (environment, forestry and agriculture, local government, NGOs and CBOs) for overseeing, managing, evaluating and monitoring of development and sector plans to ensure that these apply and conform to the updated instruments (Activity 3.1.2) for integration of PFLs into relevant development and sector plans and programs.

3.1.5. Identification of specific arrangements for institutionalization of capacity development programs for undertaking training as defined in Outputs 3.1.3 and 3.1.4 (and linked to Output 1.3), including short-term training programs for key national, provincial and private sector staff identified through the capacity needs assessment exercise. This will entail assessment of capacity and track record of current training institutions to deliver training, including staff capacities and training resources, level of training outreach and methods of training to identify suitable institution(s) to deliver related training on the longer-term. The project will also assess capacity needs and other support needed to enhance the role of the training institution(s) to deliver the training.

Output 3.2 Village Forest management plans for improving management practices and restoration of primary forest landscape edge areas developed and implemented.

- 61 Within primary forest landscapes that are outside the PAs in the selected landscapes, the GEF increment will support activities within a broader range of potential investments for conservation and ecological restoration of habitats to enhance biological diversity and improve connectivity. Supported by the results of Output 2.1, restoration efforts will particularly focus on sustainable forest management, restoration of disturbed primary forests, including those forest areas that are under community management. Consistent with the overall vision of the project, the intent of forest

restoration/ rehabilitation activities in this project is to promote biodiversity friendly forest restoration activities as well as improve ecological integrity and connectivity in the biological landscape. This objective will be achieved by conducting forest restoration activities particularly in disturbed areas that are adjacent or close to the primary forest landscapes and areas where forest connectivity needs to be maintained. In conducting forest restoration, the project will largely make use of native species. In general, the forest restoration strategies adopted will be guided by the following principles and the risk and impact mitigation measures prescribed in the Environmental and Social Management Plan(s) that will be developed before activities start. The preparation of the Forest Management Plans are recognized by the Forestry Law (2007) and the Forestry Strategy (2020) to manage, preserve, develop and use forests within a village jurisdiction area in a sustainable manner in accordance with the Forest Management Planning Guidelines of 2016. The Provincial Office of Agriculture and Environment have the institutional mandate to support this activity, providing technical support and oversight.

- Priority sites to be restored are in or close to primary forests, or those that could positively affect connectivity within the identified primary forest landscape clusters,
- Ensure that forest restoration and rehabilitation activities at the site level fits within the overall environmental, social and economic objectives at the landscape level;
- Activities and restoration initiatives are identified through an ecological assessment and informed participatory process involving key stakeholders., in particular women and IPs
- Activities that will provide a wide range of ecosystem goods and services, including biodiversity and ecosystem benefits, connectivity, land cover, non-timber forest products and ecotourism,
- Activities will offer multiple local benefits and/or improve rural livelihoods (e.g. use of species that can have economic value to the stakeholders like fruits or other valuable species, where suitable), particular on community or private lands;
- Establishing community nurseries and planting of selective native and adaptive species; and
- Be supported by community co-management and monitoring efforts.

62 Forest restoration will be implemented following a sequence of steps described below:

3.2.1 Validation of priority areas for restoration: The landscape mapping exercise (Output 2.1) that identifies key priority areas for restoration will be validated based on the following criteria: (a) disturbed forest areas either within or adjacent to PFLs; (b) areas that can provide significant biodiversity conservation benefits and enhance connectivity; and (c) areas that have potential for recovery based on soil conditions, level of disturbance and ecosystem functions; (d) availability of seedlings, seed sources or planting stock; and (e) community co-management agreements for restoration;

3.2.2 Identification of key drivers of both forest degradation and ecosystem restoration: The information related to the forest degradation and ecosystem restoration drivers, as well as site level data, will be used to explore and test different restoration and incentive options appropriate for the disturbed PFLs, to improve ecosystems services and biological connectivity;

3.2.3 Development of restoration/rehabilitation management guidelines and prescriptions that take into consideration agreement on shared goals and responsibilities of forest restoration as well optimization of the conservation and sustainable livelihood benefits of forest restoration. It will provide guidance on restoration measures to be established within the local context, in terms planning, implementation, restoration, monitoring and maintenance. It will provide guidance on seedling development, planting and silvicultural techniques, protection measures.

3.2.4 Support to Village Forest Management Committees for restoration: Based on site related findings derived from Activity 3.2.1 and 3.2.3 Village management committees or community associations will be supported in undertaking these activities through certificates of stewardship contracts, community-based forest management or conservation agreements. The support will include the identification of stakeholders, including women and ethnic minority needs and institutional strengthening of established arrangements and structures;

3.2.5 Development and implementation of maintenance and monitoring plans. The forest maintenance and monitoring plans will provide: (i) steps for protection of restoration areas, including fire and grazing control, weed

management, soil management, water-harvesting, pest and disease control etc. and (ii) monitoring plan with indicators (survival rates, replanting rates, etc.), monitoring and reporting responsibilities, etc. These activities will be undertaken in partnership with the local forest management committees for evaluation of biological, ecological, environmental, social and economic benefits of restoration activities;

3.2.6 Investigation of potential for collaboration in forest restoration: Review and map through complementary national, provincial, district and private owner initiatives including testing of a new approach and incentives to management of conservation on community owned primary forest landscapes based on ecological assessment, management planning and technical support. Based on the review and mapping identify and engage with potential partners for collaboration in forest restoration aimed at facilitating and setting up long-term cooperation between partners that stretches beyond the project duration.

Output 3.3. Good agricultural practices adopted and producer-public-private partnerships in forest and agricultural value chains facilitated.

- 63 Based on scoped ESIA(s) and the site-specific participatory community consultative and planning framework for target villages within the project landscapes, the GEF increment will support activities in a broader range of potential investments for improving community livelihoods. This will help provide benefits through improved agricultural, forestry and land management practices, biodiversity-friendly livelihood and business enterprise development programs, to diversify incomes and improve farm and non-farm productivity. Implementation of on the ground interventions will be preceded by scoped ESIA(s) and the development of applicable ESMP(s), in line with the SESP. The project will provide technical assistance, training and support implementation of at least 10 value chain and livelihood plans. Through the implementation of these, the project intends to improve benefits to around 2,000 community members, including in particular for women, ethnic minorities and poor members of the community. Although the PPG phase has identified a menu of conservation, sustainable resource use, livelihood and small business development options, the specific project interventions have not yet been fully defined.. This is because the identification of the villages with which the project will engage is to be done during the project's inception phase, in line with the provisions of the Stakeholder Engagement Plan, the Indigenous People's Plan and implementation of FPIC. As the project envisages a fully participatory process, project investments are to evolve from the participatory village planning process so that project investments are defined by community needs and priorities. However, the project expects to include support for: (a) management of conservation areas; (b) community-based biodiversity-friendly land management interventions; (c) biodiversity-friendly livelihood and small business enterprises, and (d) community based agricultural improvement and farming systems, subject to the outcomes of the ESIA(s) and ESMP(s). In the case of livelihood activities, each village has a Village Development Fund (VDF) that is established and supported by the government. The VDF is collected and managed by the Village Authorities, mostly in charge by the village economic development committee. This committee is directly responsible for distributing funds for village and local development activities, particularly those linked to forest conservation, livelihoods improvement, and rural development. The fund is governed by transparent processes, involving community participation in decision-making and management. This is because the fund is typically collected through revenues generated from sustainable forest management/development activities or through external donor contributions. For this project, the VDF is part of a livelihood support program that provides guidance and technical assistance to selected communities/households, enabling them to access VDF resources to improve their livelihoods, reduce forest dependency, and alleviate poverty. The project will not provide direct financial transfers, but will focus on capacity-building to enable the improved management of the VDF and sustainable livelihood initiatives that could be supported through the VDF or co-financed.
- 64 Following the successful demonstration of Sustainable Land Management (SLM), Sustainable Forest Management (SFM) and sustainable agricultural development (AD) activities, the promotion and uptake of such best practices at the community level in selected priority villages would be defined through a consultative and participatory process, in particular focusing on the needs of women, disadvantaged groups and ethnic minorities. It will be ensured that community needs and priorities are recognized based on the principles of free, prior and informed consent (FPIC). Promotion of women and disadvantaged group participation in project decision-making and activities are defined in the Gender Assessment and Action Plan (Annex 10 Section 4) and Stakeholder Engagement Plan (Annex 8 Section 5). The project will provide technical and extension and financing for the promotion and uptake of SLM, SFM and AD practices

through the community planning process. It will be well coordinated and promoted through effective technical support, NGO oversight, regular review of implementation arrangements and the use of monitoring and evaluation information to adjust and refine the system in consultation with the stakeholders. The Output is expected to enhance incomes of local communities from alternative livelihood activities through promotion of SMEs and value chains to supplement their existing income through activities that are more attractive than unsustainable or illegal ones. Based on initial assessment of target villages, options during the project preparation phase, a menu of possible investments and alternative options is presented in Annex 22. The intent is to identify tested/proven NbS models that have been so far been implemented at a limited scale, and scale these up on a broader scale throughout the two landscapes (based on ground conditions) rather than try to promote new options. While, the target village investments will be supported under the project, complementary financing will be also sought through national, provincial, private sector, NGO and donor programs to ensure broader financial support and long-term commitment to improving the economic well-being and quality of life of local communities. Given that private-public partnerships for SMEs and value chains are at a rudimentary state in Lao PDR, this output will support assessments and analysis to select a few SMEs and value chains (based on site conditions, market potential, viability, etc.) that can be supported through the project through investments in capacity building, provision of technical support and extension services that could be financed by private sector or through existing government programs (these will be assessed at the early stages of project implementation). The funds allocated to subcontracted companies is to cover on-the-ground actions including undertaking intended assessments to identify nature-based (forestry, agroforestry activities, etc.) and identify SME and value chains options, assess their viabilities and challenges, design and plan activities for the rollout of value-chain development at the local level , and provide technical support and training to communities to implement activities for establishing local sustainable value-chain. The companies will also assist the local communities/actors in how to , monitor and, assess progress and how to engage in adaptive management. Both demonstration and promotion will focus on the following key activities:

3.3.1 Identification and promotion of biodiversity friendly sustainable forest and land management practices:

Through a participatory process involving project relevant stakeholders, biodiversity friendly sustainable forest and land management practices are to be identified, such as agro-forestry and climate resilient agriculture, including adaptive agricultural practices for short-term crops, multiple story (agroforestry and inter-cropping approaches); organic fertilizer use and IPM, water and soil conservation and climate resilient crops and cropping techniques. The engagement under activity 3.3.1 will, aside from providing local benefits will also act as demonstration sites within the local communities and hereby support the project outreach. Some identified activities might include:

- Cash-crops and fruit trees on land that is currently used by the community, in particular by women, including smart-agriculture/hydroponic gardening to replace current destructive practices of replacing the forest with casava and rubber plantations, etc.
- Honey bee farming
- Where ecologically appropriate replanting some types of bamboo, boom-grass plants and rattan for commercial purposes that could be harvested annually and provide quick returns
- Improved water conservation and management, improved water harvesting techniques, improved drainage and water storage, slope agricultural land technology (SALT), the introduction of drought stress tolerant improved crop varieties etc.;
- Promotion of high value crops as alternatives to slash and burn agriculture, as well as crops for soil fertility improvements, forest fire prevention and suppression, .
- Training and introduction of appropriate tools (e.g. basic tools to improve land preparation) and technologies to support villagers in their participation in biodiversity friendly sustainable forest and land management practices will be provided. Special activities for women and IPs will be organized and implemented. The engagement under this activity would require establishment of production groups that are responsible for different segments of productions, e.g. (i) groups addressing supplying inputs like planting forage to feed/raise pig/chickens, (ii) groups addressing raising and caring for animals, (iii) groups addressing marketing and selling products. This collective group effort and organized production would likely be more effective than single farmer arrangements.

3.3.2 Promotion of micro and small business enterprises: The project would provide support to micro and small business enterprises, through feasibility assessments to initially map, identify and assess viability of a few SMEs and then provide technical assistance, extension, marketing and demonstration that can have potential for scaling up and replication. Women, youth and ethnic minorities will be specifically targeted as part of this activity.

3.3.3 Selection of economically viable culturally acceptable enterprise and value chain products and services: The project will undertake a value chain analysis that includes the mapping of (a) the market potential of the product/service, (b) the customer requirements and (c) the challenges faced by marketers/customers, and viability, including cost/benefit analysis. The objective of this is to identify a few value chains where rural producers and service providers have a competitive advantage and can establish sustainable livelihoods. Based on the value chain analysis, interventions will be designed and supported under the project that could include agricultural and non-agricultural products, ecotourism and small business enterprise solutions. Project interventions will be designed to complement and enhance ongoing interventions by other stakeholders such as the government, other donor agencies, etc.

3.3.4 Implementation of project interventions for value chain promotion: The project will support a few value chains identified under activity 3.3.3 through: (a) capacity building of stakeholders, producers and service providers to help understand customer requirements, increase productivity, learn necessary business skills and development of new products and services. Systems and processes will be developed to capture adequate data and monitor the functioning of the value chain; (b) support community based producer organization and management; (c) collaborate with national, provincial, district and private sector institutions to provide producers and service providers with technical support and infrastructure (small processing, storage and marketing facilities); (d) seek opportunities for branding and marketing that will allow producers and service providers to gain maximum value for their goods and services; (e) assess the feasibility and commercialization of specific products as they relate to the application of modern and appropriate technologies, improved management systems, and value addition (herbal and spice industry and marketing); (f) Geographical indications (GI) registration to the extent relevant; and (g) management of social and environmental impacts associated value chains. The premise applied here is assumed that the development of biodiversity-based or sustainably-based value chains will result in positive actions, namely: value chain development will increase benefits for all the actors along the value chain, second that local communities will benefit from this value addition, and third that the added benefits arising from the commodification of the biodiversity and land productivity will motivate value chain actors to implement more sustainable conservation of these assets. Together, such value chains, if properly managed could support the conservation of forests, privately and communally-owned lands that are managed for biodiversity conservation or maintenance of the sustainability (or fertility) of the productive agroforestry lands

3.3.5 Addressing threats from IAS: This Activity is aimed at focusing on community level avoidance and the management (not eradication) of IAS and as an integrated part of pursuing local options for generate products that can provide economic value to local communities. This will require an assessment of the scale and impacts of threats posed by invasive alien species of plants in selected project intervention areas, so as to define management measures to control and manage the spread of IAS, particular in natural areas and on agroforestry lands. In particular, this activity will be an important support in ensuring the successful engagement with local communities as they seek to identify and explore potential new and useful products, in collaboration with the private sector to create additional income streams for local communities. In addition, the pursuit of increased livelihood options is expected to be an incentive to effectively manage IAS, while ensuring that it does not unintentionally spread the IAS. The social and environmental oversight provided by the project will keep track of this concern.

Output 3.4 Feasibility assessment to recognize OECMs as long-term strategy through CCAs, ICCAs, sacred forests and other categories

- 65 As part of a holistic and comprehensive effort to support its conservation agenda, the project will seek to evaluate the applicability and acceptance of the concept of Other Effective Area-based Conservation Measures (OECMs) as part of a national effort to improve the management of biological resources in Lao PDR. In this context, this output will seek to reach consensus to introduce, and then later promote OECMs through a range of institutional and management mechanisms (including CCAs and ICCAs) that are commensurate with the socio-cultural and political structures that operate in Lao PDR. The intent through this approach is to assess the feasibility and interests for introduction of OECMs

to sites outside PAs that can deliver effective and long-term in situ conservation of biodiversity, support associated ecosystem functions and services, and promote cultural, spiritual, socio-economic and other locally relevant values. OECMs will provide a flexible approach that can be governed by a variety of rights holders and actors, including local communities, government institutions, as well as sectoral actors, private organizations, and individuals. Based on acceptance by the government (and other entities in the country) this Output will introduce a new model for conservation for Lao PDR that can foster inclusive approaches and equitably govern land, forests and water resources to achieve long-term conservation, as well as social, economic, and cultural wellbeing. To facilitate this process, the project will promote in-country dialogue to agree on the introduction of the OECM concept to Lao PDR. If accepted, the concept will be piloted within the target landscapes, where OECMs will be identified and managed (using prevailing management arrangements or introduction of other means such as development of management prescriptions/plans for the individual areas) to test, validate and promote the replication of this approach. The following are indicative activities within this Output:

3.4.1. Establish an extensive OECM dialogue: The project will engage with key government entities, NGOs, community groups and private sector to assess the interest in pursuing the concept of OECM (including CCAs and ICCAs) in the country, through an extensive dialogue process.

3.4.2. National acceptance and recognition of OECMs: Based on acceptance and recognition of OECMs, the project will provide technical support to analyze potential areas (community managed lands, private sector lands, sacred groves, etc.) that can be recognized as OECMs outside PAs using standards developed by the World Database on Protected Areas (WDPA) OECM Taskforce.²⁵

3.4.3. Develop criteria for OECMs: Develop clear criteria that could be applied (as appropriately modified from standards developed by the WDPA OECM Taskforce) for establishment of a range of categories of OECMs for Lao PDR that are community or private sector managed

3.4.4. Develop national policy, regulatory and governance framework for OECMs: The project will review how best to embed OECM into national policy, regulatory and governance frameworks, by focusing (to the extent feasible) on how existing institutional and regulatory frameworks or alternate management systems/practices can accommodate the integration of OECMs within the broader conservation estate in Lao PDR

3.4.5 Prepare a manual/resource book that defines mandatory criteria and guidelines and procedures/protocols for identifying OECMs: To finalize broad categories of OECMs that can be reported for the country a manual/resource book outlining criteria and guidelines as well as procedures/protocols for identifying OECMs will be developed. The manual /resource book would also provide guidance on management, monitoring and enforcement which prevails within existing governance norms within the different forest categories in Lao PDR. The manual will furthermore provide recommendations for management of OECMs to achieve positive and sustained long-term biodiversity conservation or sustainable outcomes.

3.4.6. Define approaches to integrate OECMs within the pilot landscapes:

The project's initial work under this activity will be to define approaches to integrate OECMs within the pilot landscape. Later the project will identify approaches for how the OECM integration can be achieved in the broader national biodiversity conservation agendas so as to achieve long-term sustained in-situ conservation of biodiversity, ecosystem services or other sustainable natural resources outcomes

Component 4: . Strengthen sustainable PA financing and reduce the financial gap and scaling-up investments for primary forest conservation

(GEF Funding: \$680,500; Co-Financing \$3,100,000 Total Financing: \$3,780,500)

- 66 This Component will address the need to leverage and scale up financing for the conservation of PFLs and their buffer zones, in Lao PDR as part of a strategy to broaden this across the entire Indo Malaya Biome. This will involve influencing and mobilizing much greater investment including the pledged commitments, initiatives, and investments by Multilateral Development Banks (MDBs) and Regional Development Banks (RDBs) to support New Zero, Nature+ goals. The component will link to the platform for primary forests to be established under Component 5 as well as to

²⁵ <https://portals.iucn.org/library/node/48773>

platforms developed under the Regional Coordination Project under the Indo-Malay Critical Forest Biome Integrated Program. Numerous investments in forest conservation and governance have already been made in the region, by donors including the GEF, USAID, and the European Union (EU) as well as others. While various programs have displayed tangible results, to-date, they have largely not been effective at transitioning programs to sustainable long-term financing from within the region. The persistence of many conservation successes is still reliant on continued international funding support, which is not guaranteed to persist in the long-term.

Outcome 4: Financial sustainability of primary forest conservation improved

Output 4.1 Conservation financing expanded and diversified

- 67 Under this Output, the project will investigate potential long term and innovative financial instruments that can be applied to conserve and manage PFLs in Lao PDR. In collaboration with the Ministry of Finance on expenditure and Government expenses, the project will identify from where funds could be reallocated (cost savings from investing in nature -> moving towards a greener economy), identification of perverse incentives/subsidies (aimed at companies and smaller wealthier groups of beneficiaries) - i.e. not subsidies where the beneficiaries are local farmers as this would impact large parts of the population. While the identification of these perverse incentives/subsidies is to be undertaken during project implementation in close collaboration with the BIOFIN project to ensure synergies and complementarity and avoid any potential overlap, two areas (i.e. Tax incentives under the Investment Promotion Law and agricultural loans) have been identified as potential candidates for redesign. This will be backed by assessment of relevant institutional structures, processes and ability for mobilizing new resources. Output 4.1 will also seek to use the updated Biodiversity Finance Initiative (BIOFIN) and Biodiversity Finance Plan (BFP) to identify other potential innovative financial instruments and their implementation mechanisms for the conservation of PFLs. Sustainability of such initiatives will be based on the capacity of the local institutions, potential to mobilize resources, potential for private sector involvement, availability of mechanisms to ensure accountability and transparency. Screening and prioritisation of finance solutions and a few most suited finance solutions will be chosen for implementation in consultation with the relevant institutions and other stakeholders. The following are indicative activities under this Output:

4.1.1. Recommendations for reassigning of public financing: In collaboration with the Ministry of Finance on expenditure and Government expenses, identify from where funds could be reallocated (cost savings from investing in nature -> moving towards a greener economy), identification of perverse incentives/subsidies (aimed at companies and smaller wealthier groups of beneficiaries)

4.1.2. Undertake review of taxes and levies to assess feasibility for redistribution: The project's review will be to assess the feasibility of earmarking parts of taxes and levies and redistributing the funding from these specifically towards conservation etc. as part of an Environment Fiscal Transfer. Based on dialogue and agreement with the Government, the project would work on developing the measures for programming these resources , including identification of interventions, etc.

4.1.3. Identify subsidies aimed at villagers' farmers and forests to promote alternatives to unsustainable practices. The project will undertake an assessment of existing government subsidy schemes, such as subsidy-induced agricultural intensification in agriculture, pricing subsidies, tourism and forestry related to determining what their impacts are on the forests. It will also assess subsidies that might have a positive effect on reduction of deforestation. Based on this assessment, the project will entail discussions with key sector entities to produce a report that provides recommendations for reducing harmful subsidies and promote alternatives that can reduce unsustainable practice.

4.1.4. Investigation potential for using PES: Assessing options for preparing a national (standardized) approach for PES which can be used in various settings (situations ecosystems etc.). This will be undertaken in consonance with the regional coordination project that aims to assess 2-3 of the Biome's targeted landscapes of the whole range of ecosystem services provided by forest conservation including water for domestic, commercial and industrial water supply, aquaculture, and hydropower; as well as tourism, recreation and public health benefits; and pollination, soil fertility, disease control, and climate stabilization service for farmers, involving clear providers and buyers with conditional frameworks. The SES risk assessments to be carried out in support of this activity will recommend measures for avoiding asymmetries in access to information and negotiating power to guard against

leaving sellers of ecosystem services worse off than they were before or with no net benefits (where payments amount to less than their transaction costs in managing the resources), or buyers paying above the value of the expected ecosystem services; and also for avoiding or mitigating any adverse impacts on access to resources or land tenure arrangements.

Output 4.2 Feasibility of innovative financing instruments tested and applied

68 Output 4.2 is aimed at supporting the conservation of PFLs (outside PAs) and community and local stakeholder-based nature-positive small enterprise and livelihood improvements for communities that are dependent on primary forests using innovative financial instruments. For this output, the current BIOFIN proposal would be reviewed to pick up 2-3 actions that have potential for testing at the local level. The proposed Biodiversity Finance Plan for Lao PDR is likely to include a mix of potential replicable and scalable financial solutions for filling the funding gap, recognizing that public financing, although limited, which has been the mainstay of biodiversity finance in the past, will need to be supplemented by other sources of funding.

4.2.1 Identification and validation of innovative financial options for conservation: Based on the outcome of the BIOFIN work and resultant BFP, identify 2-3 actions that have best potential for supporting primary forest conservation, focusing initially on supporting community-based conservation efforts. In selecting the mix of financial solutions, the project will likely focus on identifying - new financing sources, re-alignment of financing, avoiding future spending and, delivering better. This would refer to both government and private funding, while they intend to offset the existing biodiversity spending bias towards government's budgetary allocations

4.2.2. Pilot testing of innovative financial solutions: The project will test identified financial solutions in a few pilot areas within the target landscape. The financing made available through these financial initiatives will, in particular support community initiatives for promotion in new forest and agricultural techniques and products, including agro-forestry, nature-based enterprises and forest-based livelihood developments

4.2.3 Identify and implement skills development for a selected number of small-scale community and women-based enterprises that are directly linked to community agreements/commitments to conservation of primary forests and supported by private-public partnerships. Based on the assessment and identification of potentially viable small-scale enterprises, the project will provide technical support, training and extension services in cooperation with private enterprises to design and implement these enterprises. The project will help build capacity of private sector capacities to undertake product viability assessments, improve value addition and marketing,

4.2.4 Develop a strategy for application of successful innovative financial solutions nationally: Based on the outcome from these limited activities from (i) through (iii) above, develop a strategy for widespread application of successful financial actions nationally.

Output 4.3 Capacity building to assess and apply financial instruments for primary forest conservation

69 This Output will entail building institutional capacity and advocacy at the National and Provincial levels for the design and implementation of finance solutions spanning the public and private sector and costing and modeling of biodiversity actions. The indicative activities would include the following:

4.3.1 Identifying financial counterparts in key ministries: To support biodiversity finance the project will identify financial counterparts in key ministries (such as finance, environment or planning) to be technical advisors for other sector, provincial and private sector entities

4.3.2 Conduct BIOFIN methodology and related biodiversity finance training that can be integrated into related civil service curricula to train a broader range of finance personnel. This will entail creating awareness and information on range of potential financing instruments available, making the business case to prioritize solutions, analysis of harmful subsidies, etc.

4.3.3 Develop curriculum and conduct training for key sector institutions that have a mandate for biodiversity/environment conservation and have responsibility for financial management. The project will train, based on a developed curriculum, sector institutions engaged in financial management related to biodiversity/environment conservation. The training will be including in particular tracking and tagging biodiversity expenditures, results-based biodiversity budgeting, mechanisms for leveraging existing sectoral budgets and private

financing for positive biodiversity outcomes, identifying and implementing innovative financial mechanisms, negotiation skills development for accessing financial solutions, etc.

Component 5: Coordination, knowledge management and strengthened effective regional cooperation on durability of primary forests

(GEF Funding: \$1,255,097; Co-Financing \$5,790,000, Total Financing: \$7,044,097)

- 70 This Component will provide the program coordination, synthesis and dissemination of best practice, and regional cooperation to ensure that targeted investments lead to systemic impact at the biome level. It will address the barriers of weak multi-level linkages for the conservation of critical forest biomes and the lack of vision and cooperation on primary forests at regional, national, and subnational levels. It will also address the lack of standardization, methods and monitoring related to primary forests, and the limited information on primary forests and best practices related to primary forest conservation and sustainable management. The project will actively engage in the programmatic stakeholder coordination mechanism (in the form of a regional platform for primary forests) linkages to existing and emerging initiatives, platforms, coalitions, and reporting systems at national, regional, and global levels. The project will also, through targeted technical support and capacity building, support program-level knowledge management, targeted communication and awareness raising, as well as program-level monitoring and evaluation.

Outcome 5: Durability of primary forest conservation strengthened through effective regional cooperation, learning and knowledge management.

Output 5.1. Project communication and awareness strategy and action plan implemented

- 71 This Output will attempt to raising the profile of the Lao PDR primary forests to generate momentum for their long-term conservation. The overall communication strategy and action plan will develop a clear messaging framework and brand identity for the project that communicates the importance of Indo-Malayan primary forests and the program's objectives, outcomes, and impacts. The communication strategy will be aligned with the similar strategy developed for the Regional Coordination Program. The communication strategy and action plan will build on the stakeholder analyses conducted during the PPG phase to identify the key audiences for the program, including policymakers, decision-makers, civil society organizations, indigenous peoples and local communities, women and youth, and the private sector and develop tailored communications plans and materials for each audience, using a variety of channels and formats. This Output will include the following indicative activities:

5.1.1 Undertaking Knowledge, Attitudes and Practice (KAP) surveys to assess (through a representative survey of a target population in the landscape) to elicit baseline inputs for the design of a communication and awareness plan. The KAP survey will be repeated later to determine whether the program is performing in accordance with expectations and to introduce midcourse corrections as appropriate.

5.1.2. Development of gender-sensitive communication and awareness action plans: The communication strategy and action plan, which ensures gender sensitive communication, will so that promote an improved understanding and appreciation of the value and need to conserve PFLs in the country using social media, videos, webinars, brochures, promotional materials, and other creative means. The action plan will, among other, foster partnerships with media outlets and influencers to amplify the program's messaging and engage wider audiences.

5.1.3 Implementation of a gender analysis and mainstreaming action plan: To ensure that gender equality and the mainstreaming of women is center to the project it will ensure so that: (i) a gender and socially inclusive perspective is applied to every set of activities; (ii) research on gender and social roles informs resulting plans and ensures equitable distribution of benefits; and (iii) information is collected and shared across gender and social divides. Training of staff on application of gender mainstreaming in project communication and project activities;

5.1.4. Design of communication materials and programs (local language, best practices, teaching materials for schools, etc.), including documentary films;

5.1.5. Conduct of awareness and outreach activities: The project will heighten the understanding and appreciation of primary forests thorough a subset of awareness raising and outreach activities aimed at reaching a variety of stakeholders at the national, provincial, district and local levels through competitions, website, mass media, video

and film, festivals, etc. This will also include a number of activities, such as (a) Stakeholders Knowledge Exchange Events hosted by the respective provinces and districts; (b) Six month or annual project information bulletin; (c) Exchange visits for local communities to demonstrate the best practices; (d) publications in mass media, conservation, and scientific journals; and (e) Exchange visits with other provinces in the country.

Output 5.2 Implementation of knowledge management activities

- 72 Promotion of integrated and inclusive landscape approaches to forest resource management and use, as well as innovative approaches to conservation of primary forests, forest restoration, sustainable agriculture and agroforestry, tourism and community livelihoods will be facilitated through a set of recommendations that can guide and influence future national and provincial plans, programs and practices. Consultations with stakeholders from government, research organizations, CSOs and others would be expanded to further assess needs and gaps in policy outreach and advocacy. Gender mainstreaming knowledge and skills will be integrated into and inform all aspects of the overall project development strategy. A sustainability/replication strategy will be formulated in the second half of the project based on lessons learned at the project level that will ensure that the integrated planning approaches and models developed and tested in the project landscape and scaled up to other high primary forest locations within the country. This Output would support the analysis, documentation and dissemination of best practices and lessons learned from the project that deliver tangible improvements in biodiversity and primary forest management to provide examples for replication. It would also entail participation of project staff and partners in national and regional workshops, conferences and field visits to improve learning and exchange of experiences. Based on these best practices and lessons learned, the sustainability/replication strategy will provide a basis for actions in other key landscapes and areas, identify required institutional and coordination arrangements, resources and partnership commitments. Key activities under this Output will include:

5.2.1 Documentation and dissemination of case studies, best practices and lessons learned. The project's documentation would be developed by national consultant(s), while dissemination will be undertaken through workshops, KM, websites including relevant sites and platforms of UNDP and the Regional Coordination Program (Output 5.3). The case studies, best practices and lessons learned from the project will include specific case studies that focus on the role of women and IPs.

5.2.2 Development of policy guidance notes and consultation with policy makers. To address current constraints and gaps in existing policies and legislation to promote integrated and inclusive planning approaches for primary forest landscapes, the project will, together with policy makers, develop policy guidance notes related to the projects intervention implemented under the various project components.

5.2.3 Technical reports, publications and other knowledge management products: Based on the project's case studies, best practices and lessons learned the project will develop various Technical reports, publications and other knowledge management products (including popular versions for use by community groups in local languages) The dissemination of the developed material will be done through the established distribution channels identified in the communication strategy and will include relevant sites and platforms of UNDP and the Regional Coordination Program (Output 5.3).

5.2.4 Provincial level workshops to facilitate dissemination: Workshop to help disseminate field lessons and help inform about planning and policy changes to promote integrated planning relevant to primary forest landscape conservation practice will be undertaken. The project will support workshops at the landscape level (Years 5-6) to share lessons and experiences and a national workshop at the end of Year 6 to facilitate the sharing of lessons more widely, but importantly to be able to further develop and refine successful approaches for replication nationally.

5.2.5 Institutionalization of best practices: Efforts would be made to institutionalize some of the best practices through promotion of sectoral and/or national regulatory instruments, training and staff engagement for integration of primary forests into socio-economic development in order to expand knowledge and support.

5.2.6 Inclusion of public engagement pages on national and provincial websites and social media platforms; To link information about the project and its products, to the broader public the project will develop a specific public information sharing platform which links to national and provincial websites and social media platforms

5.2.7 Preparation of a replication and scaling up strategy. The project will, based on project experiences and best practices for promotion of integrated landscape planning and management develop a replication and scaling up strategy. The strategy will include promotion of the conservation of primary forest landscapes, but more importantly outline how national institutions engaged with the project can ensure the continuation of the project-initiated activities in the long term.

5.2.8 Preparation of an Implementer's Manual and Lessons Learned Guide. An Implementer's Manual and Lessons Learned Guide (with contributions from project partners) will be developed. The guide will capture the process of project implementation, and describes Integrated primary forest landscape management approach, use of spatial planning as tool to promote more sustainable primary forest management

5.2.9. End of project national seminar on outcomes of integrated gender sensitive primary forest landscape management practices in Lao PDR

Output 5.3. Participation in, and contribution to Integrated Program (IP) Community of Practice ensured

- 73 Members of the project team and government officials will participate in the Indo-Malay Regional Coordination Program to exchange knowledge and lessons. These engagements will facilitate coordination and collaboration with the Regional Coordination Program on strategies for conservation of PFLs, financing instruments, collection of data, etc. The lessons learned through the monitoring program (see Component 6) will be shared with other participating countries so as to enable integration back into project activities. This Output will include the following indicative activities:

5.3.1 Hosting Regional Cooperation Events: In collaboration with the Regional Coordination Program, the project will host regional meetings and exchanges in the area of integrated landscape planning for forested areas, application of spatial planning tools, policy, regulations and planning that is most applicable Indo-Malayan Realm and beyond. Under this activity participants from Lao PDR will also engage in visits between countries to support dialogue and knowledge sharing platforms on lessons learnt and best practices to support transfer of knowledge for improved implementation of relevant project activities.

5.3.2. Participation in relevant IP supported regional and global events: The project will ensure that participants from Lao PDR attends Regional Coordination Program supported regional and global events for information and lessons sharing and learning. The project will explore options for financial support to allow women and men from project communities to attend regional meetings to share grassroots level experiences at these high-level meetings to highlight vulnerabilities of communities to climate change impacts to strengthen ecosystem-based adaptation and opportunities, promotion of primary forest conservation and sustainable financing to implement conservation and socio-economic activities

5.3.3 Promote knowledge sharing and best in connection with the knowledge document development etc. described under output 5.2 the project will ensure dissemination through relevant sites and platforms of UNDP and the Regional Coordination Programme. Furthermore, dissemination will be done practices through formal and informal networks, study visits and improved communication channels. Collaboration between Indo-Malayan countries that implement similar programs (in particular those supported through the IP program is paramount in establishing partnerships to promote these knowledge exchange programs.

5.3.4 Participation in events to promote sharing of information on monitoring and evaluation of the IP program
The project will ensure that participants from Lao PDR attends Regional Coordination Program supported regional and global events for information and lessons sharing and learning related to monitoring and evaluation.

Component 6: Project Monitoring, evaluation and reporting ensured

(GEF Funding: \$269,229; Co-Financing \$project suppo, Total Financing: \$1,449,229)

- 74 The project will develop and implement a monitoring and evaluation (M&E) system to track the environmental and socio-economic benefits it generates. The M&E system will adhere to the policies of UNDP and GEF, and will be aligned

with the NBSAP and KMGBF frameworks. The system will provide valuable insights to support decision-making by government resource managers and private sector stakeholders.

Outcome 6: Monitoring to support adaptive project management

Output 6.1. Project monitoring and reporting.

- 75 The project will design and operate a monitoring and evaluation system to track environmental and socio-economic benefits generated by the project. The M&E system will follow UNDP and GEF M&E policies. The system can be used to inform decision-making by government resource managers and private resource users. Establishment of the M&E system will be guided by the following activities:

6.1.1 **Conduct Inception workshop** in line with UNDP-GEF guidance within two months of the approval of the project and conduct of project steering committee/Project Board meetings at least twice a year for the first two years and at least once a year thereafter.

6.1.2 **Project reporting** including the annual PIR and UNDP annual reports

6.1.3 **Monitoring gender and safeguard compliance:** Monitor the implementation of the Gender Action Plan, stakeholder engagement plan and undertake a review of the Social Environment Safeguard and project risk

6.1.4 **Reporting on Results Framework:** Track and report on all project indicators including indicators relevant for the Regional Coordination Project.

6.1.5 **Project evaluations:** Carry out independent mid-term-term review and independent terminal evaluation (per standard UNDP-GEF guidance) and implement mid-term and terminal evaluation recommendations

Incremental Cost Reasoning

- 76 To meet the incremental costs of measures to achieve agreed global environmental benefits” in the GEF focal area, Table 2 provides incremental cost reasoning as to the reform or additionality that will be promoted through the project.

Table 2: Incremental Cost Reasoning

Baseline	Alternative to be put in place	Project impact including GEBs
Enabling environment for ensuring durable protection of Primary Forest Landscapes		
(a) No formal policy and directives to support the promotion of primary forest integration into sectoral and provincial and national planning systems and support integration into environmental safeguard practices, particularly in energy, infrastructure and agricultural expansion investments (b) Lack of institutional coordination arrangements for the promotion of primary forest conservation (c) Limited information for monitoring, reporting and verification of the management effectiveness of the protected area network and primary forests (d) Limited recognition and capacity for identifying, planning and development of integrated conservation networks that include PAs, community forests, production and protection forests (e) Lack of clear policy and strategy for conservation and management of the high	(a) Strengthened/new policies that promote the management of primary forests (supported by MOF/MAE program to strengthen policies, strategies and legislation for management of forests) (b) Improved governance and coordination arrangements at the landscape level to reduce competing demands on primary forests and harness support for collaborative efforts to conserve primary forests (partly supported through DOF/MAE program to strengthen policies, strategies and legislation for management of forests) (c) Improved guidelines and practices to identify best options for management of primary forests (partly supported through DOF/MAE program to strengthen policies, strategies and legislation for management of forests) (d) Capacity for integrated approaches for biodiversity conservation developed and strengthened	(a) National policy for management of primary forests linked to 2035 National Forestry Strategy of 2035 develop and approved (b) Multi-sectoral institutional coordination systems developed for promoting integrated planning and management of forested landscapes) Criteria, guidelines, methodology and procedures approved for incorporation of primary forests into sector policies and plans (c) Improved capacity of institutions for identification, mapping, reporting, planning and management of primary forests (d) A gender-responsive integrated management strategy developed and approved for the Annamite Mountain range that provides guidance for interventions, targets and outcomes to be achieved conserve primary forests

biological value primary forests in the Annamite Mountain range\	(e) Clear policies and strategies defined for management of the Annamite Mountain range	and the attendant biodiversity, species and ecosystems
Strengthened management and governance capacities for empowering local communities for management of Protected Areas		
(a) Lack of an enabling framework for strengthening ecologically representativeness, connectivity and ecological integrity within a landscape context: (b) Lack of suitable models that promote integrated conservation approaches that include PAs, production and protection forests, community forests, private and community production areas (c) Insufficient skills to adopt, develop and apply effective or sustainable PA management, including use of indicators and criteria, code of conduct and standard operation procedures, best practice and knowledge and skills (d) Limited environmentally-friendly solutions for incentivizing local community participation and benefit from co-management approaches	(a) Improved skills, capacity and commitment for improving the management of protected areas (partly supported by DOF/MAE program for protection and development of protection forests, production forests, protected areas and village forests) (b) Integration of PAs within a larger landscape approach to access viability of a protected area network (c) Improved collaboration with LCs and IPs in PA management planning and decision-making, co-management governance and benefit sharing (partly supported by DOF/MAE program for protection and development of protection forests, production forests, protected areas and village forests) (d) Improved plans and capacity for restoration of degraded areas	(a) Participatory integrated and inclusive landscape management strategy for 2,022,792 hectares of multiple use area developed and approved (b) Improved management effectiveness of four protected areas covering 513,400 hectares (c) At least 20 approved co-management plans for management of village and PA forests developed and approved with co-management arrangements with IPLCs
Strengthened stakeholder collaboration to improved/inclusive management of primary forest landscapes outside PAs, including buffers and connectivity corridors		
(a) Protection of primary forest landscapes outside PAs constrained by lack of incentives, proven models and commitment (b) Lack of clarity regarding the status of primary forests within a wider regional context result in the lack of mainstreaming in large scale industrial and mining plans, forest management, agricultural expansion and road development (c) Lack of adequate financial incentives and diversified economic opportunities for generating income s and livelihoods result in clearing of forests for shifting cultivation and agriculture (d) Lack of capacity for planning local sustainable nature friendly livelihoods to provide alternatives to unsustainable resource use practices (e) Delay in finalization of villagers' rights to agricultural land with the three forest categories is a long-standing issue which has not yet been conclusively resolved	(a) Recognition of primary forests as integral to sector and industrial planning to avoid, reduce or mitigate impacts on primary forest landscapes. (b) Improved capacity of national and provincial staff, key private industry and development entities to implement existing and new environmental regulations, land use and spatial planning tools to integrate primary forests (partly supported by DOF/MAE program for building awareness and capacities regarding the economic value of forests to local communities) (c) Improved capacity and financing to promote sustainable livelihoods and benefits to local communities (partly funded by OXFAM promotion of climate smart agricultural activities and DOP/MAE program to support improved nature-based activities and support value chain development and market access for rural communities) - -	(a) At least ten sector (private and public) entities incorporate primary forests in their planning, governance and monitoring systems (b) A number of community groups participating in conservation restoration activities (c) At least 3,500 hectares of land and ecosystems under restoration (d) At least 50,000 hectares of landscapes (outside PAs) under improved practices to benefit biodiversity (e) At least 8,000 direct beneficiaries disaggregated by gender (f) At least 10 project facilitated Value chains to improve community engagement and livelihoods (g) 4,763,456 metric ton of CO₂e Greenhouse Gas Emissions Mitigated over 20 years

Strengthen sustainable PA financing and reduce the financial gap and scaling-up investments for primary forest conservation		
(a) Current financing for conservation is largely from the public sector (b) Limited private sector engagement and financing is an impediment to promotion of support for co-management of primary forests (c) Nature is being viewed as an externality by business and finance sector in Lao PDR (d) lack of incentives for corporate sector to integrate nature and biodiversity as a core risk and internality in business operations (e) Inadequate and sustainable community-private sector participation in promotion of nature-based sustainable solutions	(a) Diversification of funding sources for supporting conservation outcomes (b) Increased focus on private sector financial instruments to support co-management and livelihood in support for primary forests (c) Improved capacity of institutions, including at sub-national level to generate increased financial resources and promote public-private partnership in support of conservation outcomes	(a) At least two new financial solutions developed and tested in project landscape to conserve primary forests (b) At least five private-public partnership for supporting community conservation actions -
Coordination, knowledge management and strengthened effective regional cooperation on durability of primary forests		
(a) Primary forests remain poorly appreciated due to lack of baseline information for decision-making (b) Awareness and understanding about biodiversity, ecosystem service values and threats to primary forests limited at all levels and in all sectors, which constrains engagement and behavior change. (c) No comprehensive efforts to raise awareness of the benefits and need for conservation of globally threatened primary forests and attendant endemic species, habitats, ecosystem management and threat reduction (d) Lack of effective information sharing, coordination and sharing of experiences hinders collaborative actions for conservation outcomes at the national and regional levels	(a) Increased awareness and knowledge sharing promote community and stakeholder conservation actions (partly supported by DOF/MAE program for building awareness and capacities regarding the economic value of forests to local communities) (b) Results and lessons learned from project are made available to a wide national and global audience (c) Increased level of information available to support a coordinated and collaborative regional effort to protect primary forests, biodiversity and ecosystems (d) Resource use in primary forests ecosystems are effectively managed in accordance with rules, regulations and self-enforcement by local communities -Communities have information and improved knowledge of ecological and economic values of improving sustainable management of primary forests (partly supported by DOF/MAE program for building awareness and capacities regarding the economic value of forests to local communities)	(a) At least 30% improved awareness among local communities on importance of primary forests and value to their livelihoods among beneficiaries (b) At least five lessons of best practices in primary forest conservation available for public access (c) At least 20 initiatives demonstrate active participation and knowledge exchange at the regional level for primary forest conservation in (d) Improved collaboration among south-south countries as measured by the number of collaborative bi-country or multi-country events for information sharing, training and programs under implementation

Alignment with UNSDCF, UNDP Strategic Plan and Country Program

- 77 United Nations Sustainable Development Cooperation Framework (UNSDCF): The project has aligned, and designed, 3its activities, outputs and outcomes to fully support the UNSDCF in terms of (i) adopting an integrated and multidimensional approach to maximize synergies, provide positive impacts and manage potential trade-offs; (ii) leaving no one behind to reduce inequalities and vulnerabilities including impacts of climate change and environmental degradation; (iii) promoting a human-rights based approach to development; (iv) ensuring gender equality and women's empowerment; (v) using resilience as a key principal to guide the design of integrated approaches that reduce risks; (vi) ensuring sustainability through protection of nature, supporting inclusive growth and human well-being; (vii) promoting accountability by aligning project activities with national priorities and strengthening national and local institutions, (viii) building transparency and enabling active and inclusive local community engagement and participation in decision-making; (ix) building capacities of people, organizations and society to sustain development results; and (x) ensuring coherent policy support.

- 78 UNDP Strategic Plan 2022-2035): The project is aligned with the strategic plan in promoting structural transformation to green, inclusive and digital transitions; leaving no-one behind through a rights-based approach centered on empowerment, inclusion, equity, and human development, and strengthening institutions to prevent, mitigate and respond to crisis, conflict, natural disasters, climate and social and economic shocks.
- 79 UNDP Lao PDR Country Programming (2022-2026): The project is aligned with Output 2.1 that promotes State authorities to develop policies and guidelines that improve natural resources management, disaster risk management and resilience to climate change. Output 2.2. to support local authorities, enhance capacities to implement integrated natural resources management and Output 2.3 that ensures that vulnerable rural communities participate in protected area management and conservation of ecosystems and wildlife and increase resilience to natural hazards-induced disasters and climate change.

GEF Core Indicators

- 80 Through proposed project interventions, the following GEF Core Indicators are expected to be achieved

Table 3: Project Core Indicators

1	Terrestrial protected areas created or under improved management (hectare)	513,400
3	Area of land and ecosystems under restoration (hectare)	3,500
4	Area of landscapes under improved practices (hectare)	50,000
6	Greenhouse Gas Emissions Mitigated (metric ton of CO ₂ e) over 20-years	4,763,456
11	People benefiting from GEF-financed investments disaggregated by sex (count)	8,000 (4,000 women)

C.I.1: Improved management will be achieved in the project PAs (i.e. Phou Xanh He/Xe Bang Nouan/Xe Sap/Phou Xieng Thong respectively 109,000ha/150,000ha/133,500ha,120,000ha) totaling 513,400 hectares. The management effectiveness will be measured using METT surveys at PPG/Mid-term/End-of-project.

C.I.3: Total area 3,500ha will be achieved via 1) support for assisted natural regeneration of degraded forest areas (1,500ha) near PAs and primary forest areas and 2) restoration of degraded agricultural lands through SLM activities, particularly in villages within the PAs or buffer zones (2,000ha). Target areas will be validated when mapping and surveys are conducted.

C.I.4 The project's engagement in Annamite Range Strategy and integration of PFLs into national guidelines for land-use planning/policies as well as capacity development of sector entities to integrated PFLs into land-use, forest/development planning decisions will result in that 50,000ha of forested landscapes (outside PAs) comes under improved management to benefit biodiversity.

C.I.6: Mitigation benefits are calculated using the ExAct tool. Based on assessments, there are approximately 57,760ha/41,240ha/60510ha of PFLs in production forests/protection forests/conservation forest respectively and 63,240ha of primary forests outside of the 3 forest categories. The deforestation in the four different categories is expected to decrease (one level in the ExAct tool for example from low to very low etc. please see Annex17) resulting in the mentioned mitigation benefit.

C.I.11: The direct beneficiaries will be benefiting from improved agriculture, forestry and livelihood activities. The number of beneficiaries will mainly be from the project's targeted villages (app.20 with average population of 400 persons/village), plus Government staff and other stakeholders engaged in capacity building.

- 81 The project is complementary with the following key international program priorities as follows:

- Kunming-Montreal Global Biodiversity Framework (GBF): Goal A (Maintain ecosystem integrity, connectivity, resilience; halt extinctions; maintain genetic diversity by 2050) through promotion of integrated landscape approach and expansion of conservation outcomes and co-management intends to improve conservation of primary forests and maintain genetic diversity; Goal B (Biodiversity is sustainably

used and managed and nature’s contributions to people, including ecosystem functions and services, are valued, maintained and enhanced, with those currently in decline being restored, supporting the achievement of sustainable development) by provision of sustained ecosystem goods and services through creation of awareness, enhancing sustainable NTFP and marine products use tied to improved value chains and livelihoods to create opportunities for local community participation in achieving conservation outcomes; Goal D (Ensure adequate implementation, including finance, capacity, technology and science) through promoting an integrated, participatory and inclusive landscape/ seascape planning and management approach to resource governance and use and Target 2 through reducing degradation by improved and sustainable management of forests and restore 3,500 hectares of degraded landscapes; Target 3 by improving management effectiveness of 513,400 hectares of PAs; Target 10 by ensuring improved ecosystem services delivered for agriculture, agroforestry, and forest management; Target 11 by enhancing the contribution of landscapes to economic benefit of local communities; Target 14 through integrated and cross-sectoral planning to avoid activities that impact biodiversity and ecosystems; Target 19 to improve financing for conservation actions to support co-management models in resource use and the development of small business and value chain programs; Target 21 through improving awareness and sharing information in particular related to effectiveness of biodiversity and ecosystem conservation and Target 22 by ensuring full and inclusive participation of all stakeholders (including women, youth and disadvantaged groups in decision making, access to information and benefit sharing from project interventions.

- Sustainable Development Goals, namely SDG 2 (End Hunger) to facilitate promotion of sustainable land management activities, small-scale enterprises and livelihood operations to help improve nutrition and food security. SDG 5 (Gender Equality) to ensure that project investments are targeted at enhancing the role of women in decision-making, enhance economic benefits to women and promote gender equality. SDG 13 (Climate Action) by promoting climate resilience through enhanced conservation outcomes, ensuring sustainable natural resources use that reduces climate negative impacts on critical ecosystems and support diversification of incomes and livelihoods; and SDG 15 (Life on Land) through enhancing conservation outcomes through enhancing public, private and community conservation.

Linkage with Regional Coordination Program

1. As a child project under the I-M CFB IP – RCP, the proposed project has been designed to align closely with and contribute to the outcomes of the Regional Coordination Project (RCP). The specific alignment of Outcomes between the RCP and this project is presented in Table 4 below.

Table 4: Linkages with the Regional Coordination Project under Indo-Malaya Critical Forest Biome Integrated Program

	RCP1.1	RCP1.2	RCP2.1	RCP2.2	RCP3.1	RCP3.2	RCP3.3	RCP4.1	RCP5.2	RCP5.4	RCP5.6	RCP5.7
Outcome 1	Enabling regional policy and action plan for I-M PFs	Demand-driven gender responsive KM related to enabling environment										
Outcome 2			Improved transboundary cooperation	Gender-driven KM, technical support and capacity related to PAs								
Outcome 3					National OECM identification (Including CCAs, ICCAs)		Responsive KM technical support and capacity-development outside PAs as well as in buffer zones delivered.					
Outcome 4						Partnerships for minimizing PF loss in agriculture, forest, etc.		Stock-taking on innovative options for sustainable financing				
Outcome 5									Effective gender, and IP&LC responsive multistakeholder linkages for the I-M CFB IP established	Integrated knowledge and learning hub on Indo-Malayan primary forests operationalized	Communication and advocacy strategy on Indo-Malayan primary forests implemented. ^{5.4}	Effective results-based adaptive management supported by participatory monitoring and evaluation
Outcome 6	Dialogue on Learning and Best Practices								Feedback of M&E systems into global IP targets			

- 81 The major change from the child project concept note to the current proposal, is the target areas proposed in the concept note was **6 areas**, namely National Protected Areas (NPA)-Nam Xam, Yothnammo-Phousamsoum, Phou Xang Hae, Xe Ba Nuan, Phou Xieng Thong and a provincial Protected Area- Phou Chom Voy with total areas of **571,078 ha**. However, in the current project document the Nam Xam, Yothnammo-Phousamsoum NPAs and the provincial Protected Area- Phou Chom Voy were omitted due to a change in the Governments Strategic approach for the project. The NPAs- Phou Xang Hae, Xe Bang Nuan, Phou Xieng Thong (remain unchanged from the concept note) and Xe Sap were introduced to replace the NPAs and provincial PA mentioned in the Concept note. This has resulted in a revised project area of **513,400 ha**. The change was made because the grouping of the target sites would ensure a better the cost-effective in operation during the implementation phase. Moreover, by selecting Xe Sap, the project sites are more connected to the southern Annamite range. Furthermore, the substitution with the Xe Sap has resulted in similar coverage of primary forest overall based on the data review from [Forest Landscape Integrity Index](#). In addition, it was identified during inception workshop for preparatory phase that the omitted sites proposed in the concept note overlapped with other actors' project interventions. In this connection it would be noted that consultation on the project's readjustment was held with the Indo-Malay Critical Forest Biome FAO/IUCN team. In addition, one of the core indicators – Greenhouse Gas Emissions Mitigated (metric ton of CO2e) decreased 6,387,974 (concept note) to 4,763,456 (current project document). The main reason for the decrease was an overestimation of the expected change in forest degradation without the project. The current estimate is thus more conservative. Finally, the PIF mentioned co-financing from community organizations did not materialize as expected. At the same time the Government Co-financing contribution increased resulting in that 97.2 percent of the original USD 42.7 million was obtained (i.e. USD 41.5 Million). Aside from these changes the project by and large remains unchanged including the overall objectives and components of the project.
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Resources required to achieve the expected result

- 82 The implementation of the project will require \$8,974,312 in grant funding from the GEF, which will be split between the project outcomes as listed below. In addition to the purely financial resources, additional resources will be required from various sources through the project's implementation. These are described for each outcome below.
- 83 Outcome 1: GEF Grant: USD807,674. Achieving Outcome 1 will require human resources from various government agencies that will participate in the development of policies, guidelines and practices for integration of PFIs in planning at national, provincial and local levels. Outputs 1.1, 1.2 and 1.3 will be key in providing the foundational environment to permit achieving the main outcomes of the project and hence will need engagement of a wide range of stakeholders and will therefore require financial resources to not only engage suitable consultants (see budget note 6) but also to conduct comprehensive engagements with stakeholders. While funds have been allocated to hosting engagement workshops, government partners will be required to provide the human resources to attend and actively contribute to the discussions to ensure that the needs of different sectors are adequately accounted for. In addition, substantial involvement of national government and provincial staff, local communities, stakeholders, private sector, NGOs and donor will be required to develop the Annamite Mountain Management Strategy.
- 84 Outcome 2: GEF Grant: USD 2,907,300. Similarly, to Outcome 1, achieving the desired results from Outcome 2 will require human resources from stakeholders within the target landscape provinces, including staff from provincial government departments, as well as community leaders and the private sector – all of which will need to be represented in the consultations to develop the landscape strategies. The time contributions from these stakeholders will be spread out over the first year, with more intense contributions in the early stages of establishing the management interventions in the four PAs and more intermittent engagement for ongoing implementation, leadership and adaptive management of the resulting systems. This Component will be heavily dependent on consulting services.
- 85 Outcome 3: GEF Grant: USD 2,627,200. The delivery of Outcome three will be heavily dependent on consulting services to identify and develop sustainable community conservation, sustainable natural resources use and livelihood activities. Human resources will be drawn from the provincial and district sector agencies and provincial and district entities to plan, guide, implement and monitor these activities. It will draw on human resources for community organizations, including the Forest Management Committees, other village level groups, private enterprise and NGOs to support and complement the work under the project. It would also require resources from consultants and sector agencies to train farmers in improved production techniques. However, to fully realise the impact of these mechanisms, the project will require buy-in from private sector and community partners, who have indicated support for the approach in which they will be actively involved in the establishment of sustainable livelihood models.
- 86 Outcome 4: GEF Grant: USD 680,500. innovative finance mechanisms. However, to fully realise the impact of these mechanisms, the project will require buy-in from private sector and community partners, who have indicated support for the approach in which they will be actively involved in the establishment of sustainable investment models and PPPs. Moreover, representatives from public, private and community groups will need to provide human resources to implement these new financial models. Manpower from sector entities and private sector will be required to assess viability of introduction of PES, providing long-term guidance and collaborative decision making on how funds are to be solicited are reinvested for the mutual benefit of all involved. The project will help facilitate these inputs during the project duration through the hosting of workshops and meetings with the long-term maintenance of these decision-making and management systems for the PES model requiring finance mobilised through the PES contributions.
- 87 Outcome 5: GEF Grant: USD 1, 254,097; Achieving Outcome 5 requires knowledge contributions from various parties, including the projects PMU and supporting consultancies, as well as academic and research institutions and from the CFB Regional Coordination and Technical Support Program.

- 88 Outcome 6: GEF Grant: USD 269,229 Resources required for Outcome 6 can be framed under two main categories – those budgeted direct under this outcome, and those budgeted separately for M&E (see below). First, the further development, implementation and monitoring of the gender and safeguard frameworks will require contracting several experts as well as conducting comprehensive community consultations. These engagements will require support from Provincial officials. Monitoring of project progress will require human resources from the M&E expert, gender and the national project coordinator. Significant budget is also required for travel for on-the-ground monitoring.
- 89 Cross Cutting across all Outcomes above, the project management will require financial resources for a number of contractual positions, including the National Project Coordinator, Finance and Administration Assistant, and part-time safeguard, gender and project monitoring expertise. UNDP will provide project delivery support, particularly for the procurement of interLocal Consultants, with resources being shared for two UNDP staff.

Partnerships:

- 89 The project success hinges on dynamic, strategic and multi-sector partnerships across government ministries/agencies, national/international non-government organizations, donor agencies and local communities, including ethnic minorities. Hence, a strategic project aim is to identify and engage all relevant actors who plays key roles in providing technical support and extension, undertake management planning and interventions and ensure that adequate measures are in place to reduce the risk of the primary forest degradation and unsustainable exploitation of these resources. Government agencies at the national/provincial/local levels are critical to the development and implementation of the practices for protection and management of the primary forests. This particular with regards to management of agriculture, agro-forestry, livelihoods, catchment protection and impact-management of public and private investments activities. Private sector is critical as possible partners for enhancing conservation-friendly practices in their investments and supporting livelihood opportunities for local community members and thus can play salient roles in the success of the project.
- 90 Furthermore, the project will work towards leveraging private sector technical support and investment, in particular for establishment of smallholder (household) tree plantations/agro-forestry in private village land in PFAs and Production Forest Areas (PtFAs) as one of the many eligible activities under Village Forest Management. The project will also seek linkages with the private sector to promote sustainable tropical forest products that have a market both within and outside the country. Additionally, this will also require support to assess market demand for forest and non-forest products, technical support for product development, value addition and market access. Also, opportunities exists for the private sector to support micro, smallholder, family or farmer investments at the village level in agro-forestry, multi-cropping systems, improved and innovative climate smart agricultural practices, provision of support for nursery development, forest restoration, access to harvest, market and trade of forest product. The Private Sector has also skillsets to provide contract services for forest restoration investments (seed collection, nurseries, site preparation, planting, weeding, tending, silviculture, harvesting, transport, marketing, trade, etc.). Public and Private Sector collaboration on the further training, piloting and up-scaling of international standards in plantation forests in PFAs, Other Forest Areas and in forest products processing facilities to meet international sustainability and legality standards required of discerning international forest products markets. The private sector can also provide investment for supporting nature-based tourism and tourism concessions, marketing and promotion (websites, events, familiarization trips, etc.), etc. With regard to the project's private sector engagement, as outlined in the ESMF (Annex 9a) private sector actors will be subject to risk screening applying the **UNDP Private Sector Due Diligence** tool.
- 91 There were several projects identified during project design that are ongoing in the current project's target areas on which the project can collaborate and build on. In Xe Sap and Phou Xieng Thong NPAs, WWF have on-going which focuses on forests and biodiversity protection and fisheries. UNDP has engaged with WWF early on during project design and the potential contributions of WWF have been outlined on the Stakeholder Engagement Plan. UNDP can capitalize on the experiences, lesson learned and best practices from WWF's work in Xe Sap to maximize the project's impact in protecting primary forests and strengthening NPA management.
- 92 In Xe Bang Nuan and Phou Xang Hae National Protected Areas, a JICA's REDD+ project (GCF pipeline) will work with villages inside the NPAs, however, which villages has not yet been determined. Therefore, through DOF's facilitation,

UNDP and JICA have been coordinating on how to complement/support each other during implementation. The two projects are considered as top priorities for MAE in the two NPAs.

- 93 Further, Oxfam's project in Savannakhet province on agriculture and climate resilient is complementary to UNDP's project in supporting enhancing livelihoods of communities who reside within and adjacent to the NPAs of Phou Xang Hae and Xe Bang Nuan. UNDP will collaborate with Oxfam in exchanging information, support each other in the areas by dividing activities between the two entities but complement each other, e.g., Oxfam may focus on livelihoods side and UNDP could focus on the strengthening management and expanding NPAs. These will ensure sustainable management of the NPAs.
- 94 Likewise, in Saravan province where UNDP will work closely with IFAD (through MAE)'s project on nutrition and value chains of agricultural production in the province which closely link to UNDP's project, especially under Component 2 and 3 on enhancing livelihoods of communities focusing on value chains and access to market.
- 95 Of particular relevance to the current project will be its collaboration and coordination with the Regional Coordination Project of the Indo-Malay Critical Forest Biome Integrated Program (Table 4 above). Other main partnerships are reflected in Table 1 above.

Table 5: Co-financing Arrangements

Co-financing source	Co-financing type	Co-financing amount	Included in project results?	If yes, list the relevant outputs
Ministry of Agriculture and Environment – Department of Forestry	Grant	24,000,000	No	
Ministry of Agriculture and Environment – Department of Forestry	Grant	600,000	No	
Ministry of Agriculture and Environment/ – Department of Planning and Cooperation	Grant	15,000,000	No	
OXFAM	Grant	1,600,000	No	
UNDP	In-Kind	432,051	No	
TOTAL		41,632,051		

*Currency conversion rate for EUR to USD is 0.935 (according to UNROE on 1 May 2024)

Risks and Assumptions:

- 90 In accordance with UNDP SES policy, the Social and Environmental Screening procedures (SESP) has been applied during the PPG phase. The analysis identified a range of potential social and environmental impacts associated with the project. The SESP template details the specific social and environmental risks that apply (Please see Annex 5). The significance of each risk, based on its probability of occurrence and extent of impact, has been estimated as being low, moderate, substantial or high. A summary of the risk significance under each SES principle and standard, and the project-level safeguard standards triggered by the relevant project interventions/activities, are shown in Table 6 below.
- 91 Two risks were identified as 'Substantial', dealing with the issues related to the risk of potential economic displacement and infringement of human rights related issues concerning ethnic minorities. There are eight risks classified as 'Moderate'. The project has prepared the following risk management documents: (i) an Environmental and Social Management Framework (ESMF) Annex 9a; (ii) a Comprehensive Stakeholder Engagement Plan (SEP) Annex 8; (iii) a Gender Action Plan (GAP) Annex 10; (iv) an Indigenous People Planning Framework (IPPF) Annex 9c; (v) a Process Framework Annex 9b; and (vi) a UNDP's Risk Register Annex 6. In terms of the 'Substantial' risks, comprehensive environmental and social impact assessment will be required in order to identify and assess impacts and develop management mechanisms to mitigate identified risks. This will include Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP). Several other sub-plans will also be developed, as needed, including a Livelihood Action Plan, and Indigenous Peoples Plan. The project will establish a Project Level

Grievance Redress Mechanism (GRM) within the first six months of the project, in order to receive and facilitate resolution of any complaints and grievances. The GRM will be established at the project sites and at the national level to address grievances that are escalated to higher levels. Information about the GRM will be widely disseminated, and a system for tracking complaints will be established. Interested stakeholders may raise a grievance at any time to the Project Management Unit, UNDP or the GEF. Please Annex 9a ESMF and section 6 for further references to the GRM

- 92 While the project landscape has been identified, exact locations for on-the-ground activities have not been specified at the present stage of project development. The relevance of these risks may vary across sites, and the significance or likelihood of the risks or impacts identified by the current SESP (Please see Annex 5) will not necessarily be uniform across all locations. Further screening is required to identify risks' site-specific significance, and to effectively target any required further impact assessment or management. The Project will pay attention to social inclusion and gender-responsiveness in the process of meaningful/FPIC consultations and make sure marginalize groups are engaged in project activities. The Project's design has integrated the requirements triggered by the UNDP Social and Environmental Standards (SES) in order to ensure that any potentially adverse effects can be avoided or mitigated during implementation, and that the anticipated positive social and environmental outcomes are achieved. However, as project locations and proposed project activities specific to those locations will be defined and/or confirmed during the first six months of the project the project's ESMF (Annex 9a) establishes a framework that guides the screening and categorization, level of impact assessment, required institutional arrangements, and processes to be followed for components or activities of the project that will be further specified during the first year of project implementation. Also as part of this work, once the initial project activities are fully specified and exact locations selected, further screening will be required to ground truth the existing SESP and to determine whether additional social and environmental impacts may be present that will require further assessment and management. Over the course of the project, further project activities, which have not yet been included in the existing SESP, nor subsequent updates, may be proposed. The additional risks as associated with the GEF CEO ER is provided in Table 6.

Table 6: Description of Environmental and Social project risks, Risk rating and mitigation measures

Identified Risks	Risk rating	Management Measures
Environmental and Social Risks		
Risk 1: Enabling regulations, policies, and land planning activities (Components 1 and 2) aimed at ensuring the integration of primary forest landscapes in the mainstream of government decision-making may restrict current access to resources, leading to economic displacement and changes to customary rights to land, territories and/or resources (Standard 5.2 and 5.4), which could have adverse impacts on the livelihoods and food security of communities, including vulnerable groups. Economic displacement could also be caused by activities related to forest restoration or introduction of alternative livelihoods.	Substantial	A policy-level, scoped Strategic Environmental and Social Assessment (SESA), structured around analytic and participatory components (at the national level), will be prepared to support upstream processes that could have environmental and social effects (Component 1), including economic displacement and its linkages to other adverse effects in the social organization and belief/ritual systems of communities. Scoped SESA at the land management plan level will be adapted to each context, identifying social and environmental issues, analyzing their trends and expected evolution, analyzing individual and cumulative impacts of the proposed interventions and their trends, and consulting relevant stakeholders. The policy-level SESA Action Matrix will include recommendations for strengthening the legal framework and institutional capacity to address the social and environmental priorities. Scoped SESA at the planning level would recommend mitigation and enhancement measures. In line with the project's SESP, on-the-ground activities that have potential social and environmental risks and impacts (determined through SESP screening) will be subject to further assessment through scoped ESIA(s), with mitigation measures described in scoped ESMP(s). Risk-associated activities will not start until the ESMPs have been completed and their public disclosure period has been completed.

		Under Output 3.2, Activity 3.2.3 and Activity 3.24, the Project will develop a Livelihoods Action Plan (LAP) - guided by the Livelihoods Action Framework that was developed during PPG (and the Process Framework where economic displacement may occur in protected areas) - to articulate measures needed for addressing the restriction of access and any other impacts on natural resources use that could have an effect on local livelihoods. LAP will include restoration/rehabilitation management guidelines and prescriptions that take into consideration agreements on shared goals and responsibilities of forest restoration, conservation and sustainable livelihood benefits. The Project will establish and maintain a suitable mix of protection and other sustainable conservation and maintenance measures. A participatory approach detailed in the Stakeholder Engagement Plan and Indigenous People's Plan(s) will be applied to ensure that the project will avoid producing inequitable or discriminatory adverse impacts on affected villagers, especially ethnic groups, the most vulnerable, women and/or other marginalized groups. Any activities triggering the requirement for Free, Prior and Informed Consent will not start until this has been implemented.
Risk 2: Project activities (1.1.3; 1.4.2; 2.1.2; 2.3.1-2; 3.2.3-4) may lead to discrimination against ethnic minority groups (within a village with mixed different ethnic groups), other vulnerable or marginalized groups or other key stakeholders (women, youth, people with disabilities) (P.5), leading to their exclusion from decision-making processes and project activities, thus preventing them from accessing the project's benefits	Substantial	The project conducted a survey to screen for the presence of specific ethnic groups in each of the four general project areas, which has been captured in the project's documentation (See Ethnic Minorities Planning Framework-EGPF). However, additional surveys will be undertaken at the specific project site before the commencement of project activities so that any identified culture and language barriers can be accurately addressed. The Project's ESMF, SEP, EGPF, GAP, GRM and FPIC process have been developed to ensure that marginalized groups and other key stakeholders (women, youth, ethnic groups, people with disabilities, etc.) are fully engaged and represented. The Project Management Unit together with relevant experts recruited by the project related to gender, stakeholder and project safeguards will oversee the implementation of project activities. The Project will also ensure that the local community is engaged in a culturally appropriate manner and maintain harmonious relationships between various stakeholders. During implementation, risks will be monitored as part of the ESMF on how to effectively engage minority ethnic groups in a culturally appropriate and gender-responsive manner. It includes instructions on how meaningful consultation, including FPIC processes, would be carried out to promote the inclusion of ethnic groups. Where indicated, an Ethnic Groups Development Plan will be developed, following the Framework developed during the PPG.
Risk 3: Project interventions (Component 2, Activity 3.3.8 and Output 5.2) may not fully integrate or reflect the views of women and girls (P.10) and may not guarantee equitable opportunities for their involvement in natural resource management and capture of project benefits.	Moderate	A comprehensive gender analysis specific to the Project was conducted during the PPG to support the development of the Stakeholder Engagement Plan (SEP), Gender Action Plan (GAP) and Grievance Redress Mechanism (GRM). Implementation of these plans and mechanisms will guarantee equitable opportunities for women's involvement. The Project will work closely with local authorities and communities, including Lao Women's Union (LWU) to promote the effective engagement and presence of women, girls and ethnic groups in project activities and provide programmes to strengthen the role of women in project areas. The Project will give women the opportunities to engage

		in various project activities, including capacity-building to promote the presence of women. During implementation, sensitization on the importance of cultural differences, diversity, gender and the mainstreaming of women into project activities, particularly the Project's on-the-ground activities, will be an integral part of any project stakeholder engagement, starting with the stakeholder consultations during the project design/PPG phase and continuing throughout the project cycle. A Gender Expert will be contracted to support the PMU with monitor the effectiveness of gender mainstreaming across the project's lifespan and to provide gender training.
Risk 4: Some of Component 2 and Component 3 activities may limit women's ability to use, develop and protect natural resources (P.11) and may reinforce existing gender-based inequalities related to access to natural resources and benefits.	Moderate	An Environmental and Social Impact Assessment (ESIA) will be conducted to better understand their constraints to apply land use and strategic planning, spatial planning and to develop a gender equality and social inclusion (GESI)-responsive six-year capacity development plan covering techniques and mechanisms for integrated spatial planning (1.3.2). The GESI plan will ensure that a gender and socially inclusive lens is applied to every project activity and that the challenges and needs of vulnerable groups are duly captured. Under Activity 1.3.3, the project will implement the six-year gender-responsive capacity building training plan and will focus on gender-and safeguard responsiveness and scientific soundness to maximize sustainable outcomes, as well as sector entities, private sector and training institutions to promote integration of PFLs in public and private development and sector plans and for improving social and environmental benefits. The GAP includes baseline gender indicators, which will be used to monitor gender mainstreaming activities and progress in gender issues. During implementation, regular gender monitoring and review will be conducted to update the GAP and account for gender-differentiated impacts. Strategies related to reducing GBV, sexual exploitation and abuse and sexual harassment (SEAH) are incorporated into the ESMF and GAP and will be integrated into the overall project management systems. The Project also includes gender and cultural sensitivity training as part of a capacity-building programme to build awareness of and knowledge about GBV/SEAH and improve the recognition of cultural diversity among the project management and implementation team.
Risk 5: The Project activities associated with alternative livelihoods (Output 21; Activity 2.4.3; Output 3.1, Output 3.2 and Output 3.3) may have an impact on intangible Cultural Heritage, disturbing sacred /spiritually significant forests/sites, thus weakening bonds between ethnic communities and their ancestors,	Moderate	An intangible Cultural Heritage Impact Assessment (CHIA) will be carried out in accordance with UNDP's SES guidance on Standard 4 and the UNESCO Recommendations on Strengthening Heritage Impact Assessment in Lao PDR, dated 04 January 2023. The assessment outlines recommendations for policies and plans, project-level impacts and impacts related to physical planning, intangible heritage includes practices, expressions, knowledge, skills, as well as the instruments, objects, artifacts and cultural spaces associated with ethnic groups and local communities. The project will also follow the six principles²⁶ stated in the UNESCO Declaration on Ethical Principles in Relation to Climate Change (2017) and

²⁶ UNESCO Ethical Principles that guide decision-making and policy-making at all levels and help mobilize people to address climate change are (1) prevention of harm; (2) precautionary approach; (3) justice and equity; (4) sustainable development; (5) solidarity; (6) scientific knowledge and integrity in decision-making.

and breaking down traditional values and cultural diversity.		will apply the UNESCO Guidance and Toolkit for Impact Assessment in a World Heritage Context (2022) to document PA values and existing practices within the project's area of influence as well as consult/engage with knowledge bearers, practitioners, and ethnic group leaders to understand their cultural practices, traditions and values. The results of the CHIA will lead to the development of a Culture Heritage Management Plan (CHMP) that describes the process for establishing the PA values, including culture/tribal significance/value (sacred forests, water sources, ancestors' forest land, ritual grounds, etc.), as well as understanding of human–nature interaction. This will also include the stakeholders' joint agreements on their preferences for conservation, landscape values and priority issues. The CHMP will help guide forest co-management with the communities and enhance co-management arrangements with existing institutional structures. The ESMF provides guidance and measures for respecting and recognizing the rights of ethnic groups and the SEP includes measures for culturally appropriate engagement in line with UNESCO's ethical principles and recommendations for cultural heritage assessment. Project staff/contractors/consultants will receive orientation and training on ethnic groups and cultural sensitivity prior to contacting the community and other stakeholders. The Project will pay special attention to ethnic and gender sensitivity, taking into account gender perspectives of ethnic groups and incorporating them into the communication strategy, and will also communicate regularly with stakeholders.
Risk 6: Project on-the-ground activities under Component 2 and 3 (2.1.4; 2.2.3; 3.3.1) will be vulnerable to the impacts of climate change, which may expose villagers/farmers vulnerability to the impact of climate change – including extreme weather events such as flood, storm and drought hazards (2.1 and 2.2) thereby reducing local resilience and adaptation potential.	Moderate	A climate and value change assessment was also conducted during the PPG, the results of which are fully integrated into the project design and climate change mitigation and adaptation measures. (See Annex 15 to the prococ). Climate vulnerability assessments will be conducted and risks will be monitored via project risk management. Natural disaster risks (wildfires, floods, droughts, etc.) and their management will be further assessed and monitored throughout the project cycle. Climate vulnerability and resilience are integrated into the project design (also consult Question 1 on how the Project mainstreams sustainability and resilience). The Project will adopt local traditional knowledge and local advice on how to integrate climate resilience into the project design and implementation and will assess this risk throughout the project cycle. ESMF has included emergency response to climate hazards.
Risk 7: Project activities associated with law enforcement and monitoring framework (2.2.3; 2.3.2) could lead to human rights abuse by poorly trained rangers (3.8), especially in social, cultural, and conflict management skills.	Moderate	Undertake assessment to identify current state of knowledge, capacity and tools available for training of PA staff (2.3.1). The Project will develop a training program to enhance the capacity of PA staff to improve communication, consultation, planning, management, gender mainstreaming, etc. to support working with local communities and promoting co-management approaches. Under activity 2.3.3, institutional training will be provided so there will be resource persons to deliver comprehensive training to PA staff. Under

		2.3.4 the project will implement a training program for PA staff, local communities and ethnic groups, incorporating human rights elements. The URSA Global Action Plan for Rangers should be used as a guide in safeguarding the rights and welfare of both rangers and the communities with whom they interact.
Risk 8: Promoting small agriculture and tourism entrepreneurs at the community/district level, as well as livelihood support programme under components 2 and 3 (e.g. 2.4.5) could unintentionally involve child labour (7.3).	Moderate	During stakeholder consultations and assessments for various aspects of project activities, the project will communicate national and international labor standards. The project will take strict measures to prevent child labor and ensure that working conditions meet national and international standards including occupational health and safety measures and proper working conditions. This risk will be further assessed during the ESIA and measures will be included in the ESMP
Risk 9: There is a risk that alternative livelihood activities to be introduced at demonstration sites (3.3.1–8) may have adverse impacts on environmentally sensitive areas or biodiversity (S1.1), leading to habitat loss, modified forest landscapes, ecosystems and ecosystem services, fragmentation, and hydrological changes	Moderate	The Project will carry out a scoped ESIA in the area of influence of the project for potential unintentional adverse impacts on biodiversity stemming from the projects livelihood activities. The Project will identify and assess potential biodiversity risks. It will also report on suitable methods to promote biodiversity-friendly sustainable forest and land management, agroforestry, climate-resilient agriculture, adaptive agricultures, organic fertilizer, water and soil conservation and climate-resilient crops and cropping techniques. An Environmental and Social Management Plan (ESMP) will be prepared to address the potential impacts on biodiversity while ensuring sustainable resource use. The Project's ESMP will be developed based on the ESIAs carried out at the demonstration sites. The ESMP will be based on consultations and scientific basis and will outline, as needed, specific actions to avoid, minimize and mitigate any adverse impacts on biodiversity and sensitive areas. The ESMP will also seek to employ the most suitable methods to support the management of conservation areas, community-based biodiversity-friendly land management interventions, biodiversity-friendly livelihood and small business enterprises, and community-based agricultural improvement and farming systems.
Risk 10: Some of the project Outputs Activities (2.1; 2.2.2, 2.2.3 and 3.3.1) may facilitate illegal wildlife trading and may lead to extraction of unsustainable natural resources such as honey, wild orchid and other NTFPs. These activities may also have an impact on endangered species, introduce invasive alien species (IAS), change soil and forest landscape formation and other unintended impacts may also increase.	Moderate	Project Activity 3.3.5 aims to address threats from IAS and undertake (a) an assessment of the scale and impacts of threats posed by IAS of plants in selected areas; (b) identification and testing of evidence-based techniques for IAS eradication; and (c) community participation to eradicate selected species in selected areas. The Project ESMF includes awareness measures regarding current illegal activities, including a negative list for IAS and illegal or harmful agricultural chemicals (herbicides and pesticides). The Project will provide useful lessons in strengthening institutional and technical capacities for transboundary conservation between Lao PDR and Vietnam and support partnerships with local communities to effectively combat illegal wildlife trade. These lessons will be useful for

		the promotion of transboundary cooperation between Lao PDR and Thailand and Vietnam under the GEF 8 project. Concerns for IAS encroachment into the project areas have been integrated into the project design. IAS management will be included in project guidelines and training in relation to on-the-ground project activities (restoration and otherwise). Through an IAS screening process, the Project will ensure that only native species will be used during improved forest restoration, management and biodiversity conservation activities proposed in the Project.
Risk 11: Involvement of Private sector partners (1.3.3) with weak ESS policies (P.4) may cause social or environmental harm in the project areas, including violations of human rights.	Low	Under the Integrated Landscape Framework Agreement (2.1.4) the project will identify and define partnership arrangements with the private sector and other key stakeholders. All private sector partners to be engaged through the project – either directly or as co-financiers, will be subject to risk screening applying UNDP's Private Sector Due Diligence policy Under the Assessing effectiveness of investments (2.1.5) output, the project will use resilience indicators for assessing effectiveness of integrated landscape planning, management and investments. This includes assessing suitable market demand for forest and non-forest products, technical support for product development, value addition and market access. The project will conduct human rights due diligence on the identified companies and ensure that they have good track records and adhere to the right principles in the company charter. The Project will ensure that private sector parties have suitable skillsets to provide contract services for forest restoration investments The project will not engage and/or support any companies that have caused or potentially harm local communities and ethnic groups.

93 It also sets out the additional safeguards measures that apply to the project during the inception phase, including but not limited to:

- i. Developing a **Strategic Environmental and Social Assessment (SESA)** assess impacts and risks from policy advice and reform, and from risks derived by upstream works;
- ii. **Development of an Environmental and Social Impact Assessment (ESIA)** to assess impacts from investment activities
- iii. Screening of project activities and specific interventions/outputs not yet fully specified, using the SESP, to ensure that associated impacts are adequately managed;
- iv. Developing scoped Environmental and Social Impact Assessments (SESA), with their respective **Environmental and Social Management Plans (ESMP)** for implementation of project investments plans.
- v. Development of an Indigenous Peoples Plan (IPP) for addressing needs and concerns of ethnic minorities
- vi. Ensuring adequate consultation and consensus with affected stakeholders; and,
- vii. Livelihood's assessment to assess the project's impact on the socio-economic and livelihoods conditions of project affected peoples at the demonstration sites as outlined in Component 1 and 2 (to be incorporated into the **Livelihood Action Plans** – part of the ESMPs to be developed in Year 1).
- viii. Finalization of the Process Framework and Grievance Redressal Mechanism

94 The relevance of the identified risks may vary across sites, and the significance or likelihood of the risks or impacts identified by the current SESP will not be uniform across all locations. Further screening is required to identify site-specific risk significance, and to effectively target any required further impact assessment or management.

95 Further risks and associated mitigation measures as described in the GEF CEO ER is provided in Table 7:

Table 7: Additional Risks as defined in GEF CEO ER

RISK CATEGORIES	RATINGS	ASSESSMENT AND MITIGATION MEASURES
CONTEXT		
Climate	Moderate	A climate risk analysis was undertaken at PPG stage, Due to a combination of political, geographic, and social factors, Lao PDR is recognized as vulnerable to climate change impacts and hence there is potential that climate change can affect PFLs. To overcome this, the project will focus on livelihood interventions to promote climate-smart agriculture and livelihoods; and PA management plans will incorporate sections on adaptation to climate change.
Environment and Social	Substantial	Refer SESP document (Annex 5 of the UNDP Project Document)
Political and Governance	Moderate	Limited awareness and knowledge might result in low political support for integrated natural resources management approaches to manage and mainstream PFLs in development planning. There might also be some reluctance and pushback from sectors which do not want restrictions placed on the use of the land and land resources. This risk will be addressed by engagement of the concerned sectors in the landscape planning exercises, developing a communication strategy targeted at these sectors highlighting the benefits of expansion of integrated landscape planning. To increase their buy-in members of working groups will be invited serve in the technical advisory group, and to participate in the regional platform established in component 6.
INNOVATION		
Institutional and Policy	Moderate	The Lao PDR Forestry Strategy to 2035 and Vision to 2050 aims to achieve 70% forest coverage and expand protection and conservation forests demarcation to include much of the primary forest areas and critical biome forest contributing to the Global Biodiversity Framework 30x30 target. The project intends to support this effort by bringing additional primary forests, not currently protected under the necessary protection they require to remain intact.

Technological	Moderate	The project design has assessed the threats, drivers and pressures (including those beyond the realm of the project) and established a set of transformational pathways for overcoming barriers to implementing nature based solutions for delivering transformational change; a robust Theory of Change; and logically coherent program results framework. This provides a technically strong framework within which the design of the project has been framed. Integration of PFLs into forest and sectoral planning will help deliver environmental, economic and social co-benefits have been established through multi-sectoral means at forest landscape levels to ensure that investments are defined through an integrated and cross-sectoral lens to provide multiple benefits across various sectors
Financial and Business Model	Moderate	The conflicts in Ukraine and Middle East and its effect on global energy and commodity prices, is adding to existing rapidly rising inflation in many countries, that might discourage government, private sector and other financiers from investing in environmentally friendly green business opportunities or from achieving durable outcomes. It might also discourage private industry (associated with mining, agricultural plantation and other activities) to investment in environmental solutions to reduce their footprint on the PFLs, from meeting their agreed obligations. The project will monitor and continue discussions with the government to ensure that commitment can be achieved by the public and private sectors by demonstrating the economic value of good practices.
EXECUTION		
Capacity for Implementation	Moderate	The institutional capacity to carry through the necessary policy forms in a timely manner to integrate PFLs may be insufficient in LAO PDR The project will address this through institutional strengthening and capacity development
Fiduciary	Moderate	Given, some limited financial and procurement capacity with the Lao PDR institutions, the project will likely be implemented (based on agreement reached with the GEFSEC Program Manager) to provide UNDP CO oversight in financial management and procurement. In addition, UNDP CO will conduct spot checks and audits as per the applicable policies. Regular financial reports would be kept, including a tracking system for co-finance contributions. The PMU will include a full-time financial management and administrative support

Stakeholder	Moderate	A Stakeholder Engagement Plan has been developed for the project to define stakeholder roles and responsibilities at all stages of the project cycle, and the ability of project-level interventions to deliver transformational change and tangible benefits within the lifespan of the project. The gender action plan and SEP will ensure that the stakeholder processes are gender sensitive and socially inclusive, including women, youth and disadvantaged groups. A Grievance Redressal Mechanism will ensure that risks and discrimination can be reported and addressed in a timely and satisfactory manner. Refer Annexes added to GEF project portal
Organizational	Moderate	Slow-down in implementing project activities due to turnover of staff may delay the expected schedule. Ensure proper onboarding of all new staff by introducing their job responsibilities and providing necessary coaching and training.
Reputational	Moderate	Deficiencies in communication and relationship with stakeholders may generate conflict of interest and risk foreseen project results. An effective communication strategy will be developed to raise awareness among the stakeholders and the community in general aware of the project's activities.
Overall Risk Rating	Substantial	Rated as substantial, in particular in account of the risk associated with potential restriction of access, human rights and IPs

Stakeholder Engagement

- 96 During the PPG phase, the project objectives, and potential activities/interventions were introduced to identified stakeholders, including Community Management Committees (CMC), district and national agencies, and private sector representatives. In addition, extensive field consultations were undertaken within the proposed project landscape and the 4 protected areas contained. A consultation report has been developed and results are also summarized in the Gender Analysis and Action Plan (GAAP), where the Action Plan can be found in Annex 10 Section 5 of the UNDP Project Document. A full list of stakeholders consulted during project design has been recorded via attendance lists (Please refer to Annex 8,

Section 3, Table 1).²⁷ The project also developed a preliminary Stakeholder Engagement Plan (SEP) (see Annex 8 Section 5 of the UNDP Project Document), to ensure that all groups of people, including those who are marginalized and underrepresented, participate in and benefit from the Project, including their contributions to assess potential social and environmental impacts and the development of adequate management measures. As necessary, the Stakeholder Engagement Plan will be updated during Project implementation based on project experience and lessons learned.

- 97 The project will develop a Communication and Knowledge Management Plan in the early part of project implementation. The objective of this plan will be: (a) to reach out to the project's main stakeholders, including in particular local communities to inform them about the project and the expectation of their basic roles and responsibilities; (b) to take advantage of their experience and skills; and (c) to secure and safeguard their active participation in different project activities to reduce obstacles in its implementation and in its sustainability post-completion. The approach is based on the principles of fairness and transparency in selection of relevant stakeholders and, through consultation, engagement and empowerment, ensure: (i) better coordination between them from planning to monitoring and assessment of project interventions; (ii) access to relevant information and results; accountability; (iii) application of the grievance redress mechanism as required; and (iv) sustainability of project interventions after its completion.

Identification, Roles and Responsibilities of Stakeholders:

- 98 Stakeholders are identified in Table 8 and Annex 8 (Section 5, Table 2) of the UNDP Project Document, along with their potential roles and responsibilities. The Communication and Knowledge Management Plan will identify goals and guiding principles, target audiences, community needs, tools and key messages. The following initiatives below will be taken to ensure participation of stakeholders in project activities.

Table 8: Stakeholder Engagement (for more detailed information on the project stakeholders please see Annex 8)

Stakeholder type	Stakeholder list	Possible contributions and roles in the project	Involvement in project outcomes/outputs
Government ministries	Ministry of Agriculture and Environment: Department of Forestry (DOF),	MAE has the role as a secretariat for the government and for macro-management of agriculture, forestry, primary agricultural processing, technical science research, biotechnology, agricultural and forest biodiversity and rural development across the country. Coordinating with other sectors to provide updated information on their implementation related to forest restoration and water source protection/biodiversity, especially on greenhouse gas emissions from deforestation and forest degradation, and promote carbon credit trading, under the green sustainable direction, as well as efforts on climate change adaptation of local communities DoF will be the Implementing Partner responsible for executing this project. Specific tasks include: • Project planning, coordination, management, monitoring, evaluation and narrative as well as financial reporting. • Overseeing the management of project risks as included in the project document and new risks that may emerge during project implementation. • Procurement of goods and services, including human resources. • Financial management, including overseeing financial expenditures against project budgets. • Approving and signing the multiyear workplan.	"Involved in all/most outcomes and outputs"

²⁷ See Annex 8 of the ProDoc, (Stakeholder Engagement Plan)

Stakeholder type	Stakeholder list	Possible contributions and roles in the project	Involvement in project outcomes/outputs
		- Approving and signing the combined delivery report at the end of the year; and, - Signing the financial report or the funding authorization and certificate of expenditures.	
	MAE: Department of Planning and Cooperation (DOPC)	- Overseeing progress of project implementation including financial management - Periodic report of project progress to MPI - Represent MAE to support UNDP in coordinating with other government sectors, development partners including CSOs and private sectors for networking and co-financing	Outcome 6: Output 6.1
	MAE: Cabinet, Division for the Advancement of Women and Mother & Child	Provision of technical support to PMU, PAF and DAFO for the implementation and monitoring of the Project Gender Action Plan	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.3 - Output 1.4 Outcome 2: - Output 2.4 Outcome 5: - Output 5.1 - Output 5.2 - Output 5,3 Outcome 6: - Output 6.1
	MAE: Department of Agriculture Extension and Cooperative (DAEC),	Provision of technical support, technology for cultivation, livestock raising and processing; organize farmers in groups or cooperatives	Outcome 3: Output 3.3
	MAE: National Agriculture and Forestry Research Institute (NAFRI)	Provision of insights on scientific research and technology related to agriculture, forestry, ecology and eco-technology, rural development, improve, select and produce seed, timber species, livestock, aquatics as well as produce them commercially including disseminate successful research outcomes to the public	Outcome 1: - Output 1.1 - Output 1.4 Outcome 2: - Output 2.1 Outcome 3: - Output 3.3
	Ministry of Finance (MOF): Department of External Finance	Coordination of project implementation (account management, fund replenishment, fund flow and implementation support).	Outcome 4: - Output 4.1 Outcome 6: - Output 6.1
	Ministry of Finance (MOF): Department	Coordination of project implementation (donor relation, project approval and implementation support).	Outcome 6: Output 6.1

Stakeholder type	Stakeholder list	Possible contributions and roles in the project	Involvement in project outcomes/outputs
	of International Cooperation (DIC)		
	Ministry of Industry and Commerce (MOIC): The Department of Energy Business (DEB),	MOIC oversees the management of all energy-and mining related activities in Lao PDR. DEB is responsible for private sector investments in the power sector. Additionally, it is involved in negotiating project development agreements, concession agreements and power purchase agreements. These could be major impacts of deforestation and forest degradation. DEB will have a great consultation on impacts of deforestation and forest degradation.	Outcome 2: - Output 2.1 Outcome 3: - Output 3.1
	Ministry of Industry and Commerce: Department of Mines Management (DOMM)	DOMM will have a great consultation on impacts of deforestation and forest degradation associated with mining activities.	Outcome 2: Output 2.1 Outcome 3: Output 3.1
	MOIC: Department of Renewable Energy Management (DOREM)	DOREM will have a great consultation on impacts of deforestation and forest degradation associated with renewable energy activities.	Outcome 2: Output 2.1 Outcome 3: Output 3.1
	Ministry of Finance (MOF), Department of External Finance	MOF will be a key partner in the assessment of financial solutions, seek opportunities for re-programming government financing for NbS, investigation options for introduction of conservation related taxes and levies and capacity building in NCA, VES and related aspects	Outputs 4.1, 4.2 and 4.3 and Component 1
	MOIC: includes Department of Trade and Handicraft Promotion (DTH) and its environment division	DTH plays a key role in promoting managing and monitoring of the work of the processing industry and handicrafts.	Outcome 3: - Output 3.1 - Output 3.3
	MOIC: Department of Foreign Trade (DFT).	DFT is responsible for import and export, domestic and international trade,	Outcome 3: - Output 3.1 - Output 3.3
	MOIC: Department of Small & Medium Enterprise Promotion (DOSMEP)	(MSMEs) promotes industrial zones and farms to grow and be effective in the production of goods for domestic distribution and export, as well as implementing the policies of Lao PDR government in industrialization and modernization to ensure the effective use of natural resources, save energy, and reduce the impact on the environment. Contributing in updating the achievement on poverty reduction and promote the country's environmental sustainability in the service and industrial sectors through increasing productivity, more efficient and utilization of resources and reducing impacts on environment and worker's health and safety in the country.	Outcome 3: - Output 3.1 - Output 3.3
	MAE	Provision of oversee to PONRE and DONRE for monitoring the environmental and social impacts of the project intervention	Outcome 1: - Output 1.2 - Output 1.3 - Output 1.4 Outcome 2:

Stakeholder type	Stakeholder list	Possible contributions and roles in the project	Involvement in project outcomes/outputs
			Output 2.1
Community-level stakeholders	- Village Development Committees - Village leaders - Natural resource user groups - Women's groups - Other vulnerable or marginalized groups - CBOs such as farmer groups, village credit groups, forest management committees, women's groups, etc.	- Community mobilization in preparation, implementation of village level rules and regulation for Primary Forests management and protection and livelihoods development - Participation in mapping and use planning - Selection of appropriate interventions - Development of village management plans - Delivery of program components - Beneficiaries of capacity building and on-the-ground interventions	Outcome 1: - Output 1.2 - Output 1.4 Outcome 2: - Output 2.2 - Output 2.4 - Output 2.5 Outcome 3: - Output 3.2 - Output 3.3 - Output 3.4 Outcome 4: - Output 4.2 Outcome 5: - Output 5.1 - Output 5.3
	Village Mediation Committee	Serve as an independent committee at village level for Grievance redress.	Outcome 6: Output 6.1
Ethnic People	<u>Mon Khmer ethno linguistic group:</u> - Hamong - Katang - Makong - Brou - Katou - Ta Oy - Tri - Others <u>Lao Tai ethno linguistic group:</u> - Phouthai	- Participation in use planning - Participation in selection of appropriate interventions for Primary Forest management - Participate in selection of appropriate and relevant interventions for alternative livelihood development - Beneficiaries of capacity building and on the ground interventions	Outcome 1: - Output 1.2 - Output 1.4 Outcome 2: - Output 2.2 - Output 2.4 - Output 2.5 Outcome 3: - Output 3.2 - Output 3.3 - Output 3.4 Outcome 4: - Output 4.2 Outcome 5: - Output 5.1 - Output 5.3
Development Partners	Asian Development Bank (ADB)	- Provision of technical advice on forest management, particularly production forest - Sharing of lessons learned from baseline and related projects	Outcome 1: - Output 1.1 - Output 1.2 Outcome 3: - Output 3.4
	BMZ (Federal Ministry for Economic Cooperation and Development of Germany)	- Provision of technical advice on forest management particularly on land use planning - Sharing of lessons learned from baseline and related projects	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 3: - Output 3.4

Stakeholder type	Stakeholder list	Possible contributions and roles in the project	Involvement in project outcomes/outputs
	European Union (EU)	- Provision of technical advice on forest management - Sharing of lessons learned from baseline and related projects	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 3: - Output 3.4
	Food and Agriculture Organization (FAO)	- Provision of technical advice on forest management and alternative development - Sharing of lessons learned from baseline and related projects	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 3: - Output 3.4
	International Fund for Agricultural Development (IFAD)	- Provision of technical advice on forest management and alternative development - Sharing of lessons learned from baseline and related projects	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 3: - Output 3.4
	World Bank (WB)	- Provision of technical advice on forest management and alternative development - Sharing of lessons learned from baseline and related projects for instance LLL Project and RED+ Project with DoF	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 3: - Output 3.4
Non-Governmental Organizations (NGOs) and/or Civil Society Organizations (CSOs)	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	- Provision of technical advice, particularly on land use planning - Delivery of training and assets - Social mobilization - Monitoring of ecological conditions	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 2: - Output 2.1 - Output 2.5 Outcome 3: - Output 3.4
	International Union for the Conservation of Nature (IUCN)	- Provision of technical advice, particularly on the application of customary laws for forest management - Delivery of training and assets - Social mobilization - Monitoring of ecological conditions	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 2: - Output 2.1 - Output 2.5 Outcome 3: - Output 3.4

Stakeholder type	Stakeholder list	Possible contributions and roles in the project	Involvement in project outcomes/outputs
	Lao Wildlife Conservation Association (LWCA)	- Provision of technical advice, particularly on wild life conservation - Delivery of training and assets - Social mobilization - Monitoring of ecological conditions	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 2: - Output 2.1 - Output 2.5 Outcome 3: - Output 3.4
	Wildlife Conservation Society (WCS)	- Provision of technical advice, particularly on wild life conservation - Delivery of training and assets - Social mobilization - Monitoring of ecological conditions	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 2: - Output 2.1 - Output 2.5 Outcome 3: - Output 3.4
	Worldwide Fund for Nature (WWF)	- Provision of technical advice, particularly on rattan and bamboo forest conservation and value chain development - Delivery of training and assets - Social mobilization - Monitoring of ecological conditions	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 2: - Output 2.1 - Output 2.5 Outcome 3: - Output 3.4
	Environmental Working Group of Lao Civil Society organizations	- Delivery of training and assets - Provide advice to PMU in community engagement/participation/development support for vulnerable and ethnic groups	Outcome 1: - Output 1.1 - Output 1.2 - Output 1.4 Outcome 2: - Output 2.1 - Output 2.5 Outcome 3: - output 3.2 - Output 3.3 - Output 3.4
	GBV Working Group of Lao Civil Society organizations	- Provision of human resources for the training in on gender issues and gender action and learning system - Advise the project on specific GBV situation, GBV related services (counselling, shelters, first-aid...) available at provincial level on GBV issues - Provide GBV support in emergencies for GBV survivors	Outcome 3: - Output 3.1 - Output 3.2

Stakeholder type	Stakeholder list	Possible contributions and roles in the project	Involvement in project outcomes/outputs
Private sector	Land concession owners related to agriculture and tree plantations. (Banana Company, Lao Thai Hua Rubber Company, Asia Tech Company Ltd, etc.)	- Consultation for market information - Engagement with for the development of design standards and analytics considerate of the impacts of forest management and climate change	Outcome 1: - Output 1.1 - Output 1.2 Outcome 1: - Output 2.1
	Energy companies	Engagement with for the development of design standards and analytics considerate of the impacts of forest management and climate change associated with hydro power, lignite power and wind power investment and operation	Outcome 1: - Output 1.1 - Output 1.2 Outcome 1: - Output 2.1
	Mining companies	Engagement with for the development of design standards and analytics considerate of the impacts of forest management and climate change associated with mining investment and operation	Outcome 1: - Output 1.1 - Output 1.2 Outcome 1: - Output 2.1
	Companies/business owners in the identified value chains	- Linking producers to markets - Provision of embedded technical support to producers. - Contribute on creation of value added to selected value chain commodities	Outcome 3: - Output 3.2 - Output 3.3 - Output 3.4
Provincial entities	Provincial Agriculture and environment Office (PAEO), Division of Forestry	- Communicate with and facilitate district teams in project implementation at district level - Report to provincial vice-governor and keep Provincial Agriculture and environment Office and relevant agencies informed of and updated on the status of project implementation - Attend some district meetings to discuss and provide strategic advice to resolve operational issues that arise	"Involved in all/most outcomes and outputs"
	Provincial Industry and Commerce Office (PICO)	Promotion of processing industry and handicrafts for domestic markets as well as for export	Outcome 3: - Output 3.1 - Output 3.3
	Provincial Agriculture and environment Office (PAEO)	Oversee the monitoring of the environmental and social impacts of project interventions at the provincial level	Outcome 1: - Output 1.2 - Output 1.3 - Output 1.4 Outcome 2: - Output 2.1
District entities	District Office of Agriculture and Forests (DAFO)	Provide direct implementation support and oversee implementation process at district level	"involved in all/most outcomes and outputs"
	District Office of Industry and	Promotion of processing industry and handicrafts for domestic markets as well as for export	Outcome 3: - Output 3.1 - Output 3.3

Stakeholder type	Stakeholder list	Possible contributions and roles in the project	Involvement in project outcomes/outputs
	Commerce (DICO)		
	District Office of Environment and Natural Resources (DONRE)	Oversee the monitoring of the environmental and social impacts of project interventions at the district level	Outcome 1: - Output 1.2 - Output 1.3 - Output 1.4 Outcome 2: - Output 2.1
	District Office of DOHA	Provision of leadership and advice to the village authorities in community mobilization in project interventions at the village level	Outcome 2: - All outputs Outcome 3: - All outputs
	District Lao Women's Union (LWU)	Provide direct support in engagement and promote participation of female project beneficiary members in project implementation – in a manner that promote the voice and decision making of female members in subproject design and implementation, including participatory monitoring and evaluation	Outcome 3: - Output 3.1 - Output 3.3

Project inception workshop:

- 99 Project stakeholders will participate in the multi-stakeholder inception workshop within three months of the start of the project. The purpose of this workshop will be to create awareness amongst stakeholders of the objectives of the project and to define their individual roles and responsibilities in project planning, implementation and monitoring. The workshop will be the first step in the process to build partnership with the range of project stakeholders and ensure that they have ownership of the project. It will also establish a basis for further consultation as project implementation commences. The inception workshop will address a number of key issues including: assisting all partners to fully understand and take ownership of the project; detail the roles, support services and complementary responsibilities of project partners in terms of implementation of activities to support primary forest conservation; discussion of gender equity and social inclusion principles and how they will be applied during implementation, and discussion of the roles, functions, and responsibilities within the project structure, including reporting and communication lines, monitoring and conflict resolution mechanisms.

Awareness and Engagement Strategy and Action Plan:

- 100 This Plan will facilitate improved awareness and engagement of stakeholders (in particular local communities and ethnic minorities) of the project and its contents; and it includes details on best practices to use with particular stakeholder groups. The project will regularly review and update the Plan to ensure that all stakeholders are informed on an ongoing basis about the project's objectives, activities, progress, and opportunities for involvement. The project will develop and maintain public pages and other locally adaptable communication means (Output 5.1) for sharing and disseminating information on primary forest biodiversity conservation, good agricultural practices, sustainable resource use and livelihood practices, etc. Activities in the Communication and Knowledge Management Strategy to engage stakeholders and stakeholder groups include:

- **Quarterly meetings with key stakeholders.** On an annual basis, the Project Board will hold meetings that involve key stakeholders to discuss achievements, challenges faced, corrective steps taken, and future corrective actions needed for the implementation of planned activities. Results-based management and reporting will be informed by stakeholder inputs during such meetings.
- **Sharing progress reports and work-plans.** Copies of annual and quarterly progress reports and work plans will be circulated to stakeholders to inform them about project planning, implementation and outcomes, as well as through public forums, including web based.

- **Participatory approach for involving local communities.** Such an approach will be adopted to facilitate the active participation of local communities and ethnic minorities, either as a group or through their own organizations, including men women, and youth group representatives as well as vulnerable groups in the planning, implementation and monitoring of project activities. To ensure participation of local communities and ethnic minorities, the project will seek to develop Memorandum of Understanding (MOU) with community and ethnic minority groups before implementing key project activities.
- **Stakeholder consultation and participation in project implementation.** The national awareness and engagement plan will be developed and implemented immediately and reviewed at annual meetings with stakeholders to assess its effectiveness.

South-South and Triangular Cooperation (SSC/TrC):

101 The GEF project will coordinate closely, through information sharing and access to learning and best practices, in particular with the Indo-Malaya Critical Forest Biome Integrated Program Regional Coordination Project (PRC) emanating from similar projects in particular between Lao PDR, Papua New Guinea and Thailand to promote a coordinated regional agenda on primary forests, alignment of reporting and monitoring of primary forests and support transboundary coordination. This cooperation would be further strengthened by the participation of project staff in regional learning programs that would help to actively solicit experiences from member countries under this program. The PRC Program provides an unique platform for cooperation on research and development, capacity building and networking to share information, knowledge and cross-cutting experiences on a number of issues that is relevant to the Indo-Malaya Critical Forest Biome (IMCFB). Through the mechanisms developed by the PRC, the Lao PDR child project will cooperate with ongoing initiatives, in particular with the ASEAN Secretariat to collaborate on forest policy and strategy, with key regional stakeholders provisionally include the Wildlife Conservation Society and the World Wide Fund for Nature (WWF) that are involved in many projects, including in Lao PDR in the IMCFB. Other collaborative efforts that would be supported through the PRC will include with the Critical Ecosystem Partnership Fund (CEPF); CIFOR-ICRAF (Centre for International Forestry Research – International Agroforestry Centre), and RECOFTC (Centre for People and Forests) which supports IP&LCs management of forests both inside and outside of PAs in many countries within the biome. The project will facilitate dissemination of its knowledge products, success stories and lessons learned through ongoing South-South and global platforms, including the UN South-South Galaxy knowledge sharing platform and PANORAMA. In addition, to bring the voice of Lao PDR to global and regional fora, the project will explore opportunities for meaningful participation in specific events where UNDP could support engagement with the global development discourse on Primary Forest conservation. The project will provide regional cooperation opportunities with countries implementing initiatives on conservation of Indo-Malaya Critical Forests in geopolitical, social and environmental contexts relevant to the proposed project in Lao PDR.

Gender equality and Women's Empowerment:

102 Lao PDR has made significant progress in the recognition of women's rights and gender equality and has promoted the acknowledgement of human rights and the importance of ensuring equal opportunities for men and women in all fields. Commitments have been made at the international and national level for implementing legal instruments throughout the country to promote gender equality and women empowerment in all development processes. International and National commitments include: the **Gender Equality Law (2019)**). While the Lao PDR Constitution (1991) specifically advocates equality for women the Gender Equality Law provides specific focus on that both women and men regardless of age, ethnicity, socio-economic status, etc. have equal rights to politics, economy, culture, education and sport, health, labor and social welfare, sciences, technology, information and environment, nation protection and security, foreign affairs, family relation and grievances; the **Ninth Five Year Socio-Economic Plan 2021-2025 of the Lao PDR Government** sets out the gender balance target of 10% and 20% in representation of women in village and district levels governance respectively, while the . Promote female participation in vocational training including agriculture and livestock raising training, while the **MAE Gender Equality Strategy in the Agriculture, Forestry and Rural Development Sector 2016-2025** sets out the gender balance the target of 45% in the female farmers and female headed households participation in technical training and access to technology, 50% of female representation in production groups and access to credit fund with low interest, promotes 25% of representation of female officers and farmers in decision making bodies.

103 Despite progress over the recent decade, gender differences in Lao PDR, are still a challenge, and are frequently wider among vulnerable groups. Increasing women's economic participation and addressing disadvantages among vulnerable groups and regions remain two main challenges for Lao PDR. The proposed project will promote an environment that will help overcome gender biases, promote women's empowerment and foster inclusion and equal opportunities. Gender considerations will be fully mainstreamed into project implementation. A gender action plan was prepared at the PPG stage (Annex 10 Section 5) which aims to make the project's interventions more socially inclusive, by ensuring a close fit with local contexts, culture and livelihoods. The objectives of the gender action plan will be to promote gender equity in all practices aimed at addressing primary forest degradation in the target landscape. Given the significant role of women in agricultural and rural livelihood. The Gender Action Plan will, to ensure that they are active participants in decision-making on integrated natural forest resource management, as well as monitor the progress of project outcomes disaggregated by gender. T The action plan is guided by a subset of over-arching principles including:

- Pursue efforts to mainstream gender and promote gender equality and empowerment of women in project actions;
- Capitalize on opportunities to address gender gaps and support the empowerment of women in order to help achieve global environmental benefits
- Support partnerships to ensure gender-responsive resource management, including land, water and forests
- Ensure integration of gender equality into strategies, plans and management frameworks
- Promote women's participation and leadership in all forms of decision-making

104 Dedicated support to women farmers, women entrepreneurs and support to youth participation and trainings will be embedded in the project strategy. The project will also gather gender-disaggregated data for evaluation purposes and use gender sensitive indicators (particularly around beneficiaries) to facilitate planning, implementation and monitoring. In terms of ensuring gender mainstreaming, several practical steps will be undertaken. The project team and partners are committed to delivering following:

- Targets for inclusion of women in training and capacity building initiatives among policy makers, sectoral staff and community members (minimum 30%)
- At least 30% representation of women in Village Forest Management Committees (VFMCs)
- Gender balanced approach to selection of the farmers and resource users to benefit from tailored assistance that will facilitate accessing livelihood and value chain demonstrations.
- Ensure women are not at a disadvantage in the selection and contracting process for local technical and administrative personnel (e.g., gender-responsive interview and hiring practices).
- At least 30% of staff recruited by and for the project will be women.
- At least 50% of livelihood investments targeted to women
- At least five project best practices and lessons relate to gender mainstreaming

105 Implementation strategies to deliver these targets will be designed and implemented by the project team in conjunction with key project partners. This will be done through the clear setting of targets in project agreements and regular monitoring of progress. The cooperation of the Division of Advancement of Women and Mother and Child, Cabinet of MAE, the Association for Development of Women and Legal Education (ADWLE) and NGOs will be solicited to guide, oversee and support the implementation of the gender action plan in the project area.

Knowledge Management²⁸

²⁸ Agreement on intellectual property rights and use of the logo on the project's deliverables and disclosure of information: To accord proper acknowledgement to the GEF for providing grant funding, the GEF logo will appear together with the UNDP logo on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GEF will also accord proper acknowledgement to the GEF. Information will be disclosed per relevant policies, notably the UNDP Disclosure Policy^[1] and the GEF policy on public involvement.

106 Component 5 (Outputs 5.1, 5.2 and 5.3) addresses knowledge and its management and is conceived as a key-crosscutting element of this project that will be addressed in all components. Key knowledge products will be identified in during the preparation of the communication and awareness strategy, along with their means of access and sharing among key stakeholders. Knowledge will be distributed and shared using the existing information systems within MAE as well as other existing platforms to the extent possible. This will include national web-based platforms, the UN South-South Galaxy knowledge sharing platform, PANORAMA and the platforms developed by the Regional Cooperation Project. The communication strategy overall will support collecting, packaging and sharing information and knowledge about the practices promoted by the project, the processes involved in these, and the short and medium-term results from implementation of the project activities. This knowledge and information will be shared with State and community level authorities to further guide future programming around similar issues and widely disseminated to the rest of Lao PDR. By the end of the project, it is expected that local land users, farmers and other key decision-making stakeholders within in the target landscapes, will be better skilled and more knowledgeable on practical solutions to monitor and address impacts of unsustainable land use practices on biodiversity and food and water security challenges they are faced with, and how to tackle them at farm and landscape levels. Emphasis on the importance of local community knowledge in terms of land and forest habitat management, with consideration of both genders and marginalized groups.

Innovativeness, Sustainability and Potential for Scaling Up:

107 **Innovativeness:** (i) Policy development related to PFLs is a main project innovation in that it, for the first time helps the Government of Lao PDR recognize primary forest conservation as an explicit priority in national policy and help establish the enabling conditions to explicitly target the maintenance and improvement of remnant natural forests. It also supports the formulation and adoption of the planned primary forest landscapes policy linked to the draft 2035 National Forestry Strategy. The inclusion of PFLs in forest policy will enable forest planning to ensure that PFLs are integrated into the planning and management of plantation and protection forests, for instance by including PLF zoning considerations. It will help in the identifications of thresholds for valuing PFLs for conservation (and exclusion from conversion to other uses), as well as help in the development of management guidelines aimed at maintain and enhance the identified conservation value in PFLs. Furthermore, it will improve governance through an open and transparent based approach, improved understanding of the range of values of PFLs and the cost and benefits of protecting it, and reducing conflict between competing aims of resource use. (ii) Integration of PFLs in land-use planning mechanisms and capacity building will help strengthen decision-making tools and procedures associated with plans for future development of forested landscapes that takes into consideration the economic and environmental values of PFLs. (iii) Integrated multi-sectoral and multi-dimensional approach: Building on the biome-wide diagnostic assessment of forest ecosystem status and dynamics, governance, legal, tenure, and policy framework and management challenges to be undertaken under the Regional Coordination project, the Lao PDR project will complement this effort by developing a participatory management strategy for the Annamite Mountain Range that lies within Lao PDR as means to help frame the government's long-term vision. This will provide a framework for a landscape-scale integrated approach to conserve the significant extent of primary forest landscapes within the target landscape. The strategy will describe through a gender-specific bundle of rights approach the range of customary and formal land tenure and governance arrangements under which primary forests in the Annamite Mountain Range, as well and subsequently elsewhere in the country are used and governed across the biome. The analysis will also consider the gender aspects of policies guiding forest management and consideration. (iv) Gender aspects: It also provides a framework to recognize customary rights of IPLCs to enable genuine co-management of PAs and forests, including potential for recognizing Indigenous and Community Conserved Forest Management Areas, strengthen gender responsiveness and women's empowerment. (v) Business Model: As a means for ensuring long-term sustainability of the efforts to conserve and manage PFLs, the project seeks to identify innovative financial solutions to realign current public financing, reassess means for redistribution of taxes and levies, assess subsidies that have a negative impact and promote those that have a positive impact on the environment, seek to assess potential for promotion of payment for environment services (PES) schemes, etc. Most importantly, the project will be innovative in that it would facilitate the recognition of the priorities of the Government acclaimed Green Growth Strategy 2030 that aims to halting the loss of primary forests, promoting integrated landscape-based approaches to forest management and conservation, and enhancing sustainable forest-based livelihoods.

108 Sustainability: The institutional and political sustainability will be ensured through the creation of a robust enabling environment for ensuring the durability of the primary forests (Output 1.1) that will ensure that it is integrated into forest management planning, provincial, district and sectoral land use planning (Output 1.2), It promotes a long-term sustainable approach to management of large multiple use forest landscapes through a multi-sectoral and coordinated approaches (Output 2.1), the learning and experience of which can be promoted to other areas in the country. The integrated, participatory and inclusive planning approach employed by the project is aimed at obtaining multiple development dividends, empowered rural communities, conscientious and effective managers of natural resources, with increased capacities to manage their land, access financing and enhance their livelihoods. The methodology and tools developed for an integrated approach, coupled with enhanced co-management with local communities and enhanced livelihoods (Outputs 2.4, 3.2 and 3.3) will be an incentive for community commitments to conservation outcomes and present a politically acceptable long-term solution to engage local communities as guardians of primary forests. Socio-economic sustainability will be enhanced by improving livelihoods of local communities, through the adopted improved management of their land and forest resources and securing ecosystem services, value addition and sustainable resource uses. As the project will be informing and technically supporting the private sector on improving their management practices that take into consideration active primary forests as part of their business plans, this will be another line of contribution of the project to ecological sustainability. Environmental sustainability will be enhanced through improved PA management (Output 2.4), gap assessment to strengthen the PA network (Output 2.5) and potential for introduction of policy and guidance for creation of OECMs (Output 3.4). The financial sustainability will be ensured through the innovative financial solutions that would be tied to the BIOFIN generated recommendations (Outputs 4.1 and 4.2) and which can generate additional resources for primary forest conservation. The local development agencies and administrations as well as provincial administrations are expected to enhance capacities and skills for integrated planning and promotion of co-management approaches that they could likely support under their investment plans and programs beyond the life of the project.

109 Scaling up: The project is scalable in its design, and will employ mainstreaming, replication and linking of results with ongoing national initiatives in order to achieve greater impact. Its objective is to demonstrate the effectiveness of integrated spatial planning for large primary forest landscapes, together with its scalable tools and practices, initially in the project area and later countrywide. The decision-making tools and structures for integration of primary forests in land use planning, environmental impact assessments and co-management models, as well as integrated approaches and generated experience will be institutionalized, disseminated and therefore could be replicated in other regions. The project will closely coordinate with other ongoing interventions in particular in the Annamite Mountain range, as well as transboundary initiatives for scaling up.

Digital Solutions²⁹:

110 Digital solutions are embedded across the project strategy. Introduction of Annamite Mountain Strategy will include strengthened data collection and sharing among key sectors and further development of the forest databases and ability to provide local communities and stakeholders to have access to data. The operationalization of integrated landscape planning, will be driven by data and supported by digital platforms that will help facilitate linkages between ecosystem and environmental protection and economic performance that will enable decision-making on potential NbS. The landscape planning envisaged under the project can benefit from digital frameworks to guide cross-sectoral and multiple stakeholder collaboration on sustainable use of forests, agricultural and other land-based resource use. The project will also strengthen collaboration between the agriculture and tourism and conservation sectors, including leveraging digital capabilities and systems in monitoring, control and surveillance, thus enhancing the reach and capabilities of measuring the effectiveness of conservation action. The project strategy emphasizes the inclusion of women, youth and socially marginalized groups, including capacitating local community-based organizations to engage in the digital world more effectively. Easily available digital project management tools can be applied to facilitate effective communication and information sharing among

²⁹ Please see the [Guideline “Embedding Digital in Project Design”](#).

stakeholders. And the application of digital solutions will be incorporated into the project sustainability plan under Activity 5.2.7

V. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

- 112 The project has been designed to reflect the most cost-effective approach. A number of strategies were evaluated during the project formulation stage to identify those strategies and activities that demonstrate this cost-effective approach. The cost-effective approaches that have been applied to the project are the following:
- 113 *Defining a holistic approach to project formulation:* The project adopts an integrated spatial approach that connects land, forest and productive systems and their various interactions to maximize opportunities for synergies, such that selected actions and interventions generate multiple benefits. This is to be accomplished through development and implementation of well-designed integrated and inclusive landscape plans, that include specific actions for conservation of primary forests conservation (improved protected area management with defined conservation management practices, sustainable resource use areas, non-consumptive use areas, set-asides to facilitate restoration and recovery of disturbed habitats), sustainable community resource use and management and livelihood improvement measures in agriculture, tourism, small-scale enterprises, etc. and the improved management of land and forest-based activities (based on an integrated landscape conservation approach).
- 114 *Sequencing of activities:* Project design and sequencing of project activities ensures that foundational activities are completed first (under Outcome 1), such as (i) establishing functional foundational governance and coordinating mechanisms at the national and landscape levels; (ii) policy and regulatory changes for establishing integrated landscape management and clarifying institutional responsibilities for landscape planning, management and oversight; and improved policies and practices that facilitate mainstreaming biodiversity into sector, and forest and investment planning; and (iii) capacity improvements developed to provide the necessary groundwork for later demonstration of integrated planning and management in the selected locations within the landscape under Outcome 2 and 3. The project includes subsequent documentation, dissemination of best practices and knowledge management in Outcome 5 to lay the ground work for scaling up of integrated planning and management landscapes in the country and feedback mechanisms to influence further policy and legislative changes, as appropriate.
- 115 *Improving efficiency, effectiveness and coordination of management and enforcement actions:* The effective, efficient and coordinated use of existing national, provincial, local and NGOs capacity and resources (including manpower, budgets, equipment, etc.) based on individual agency mandates. This will ensure that landscape activities are defined within existing budgetary and institutional constraints that operate in the country and is considered a more cost-effective and sustainable strategy for management of landscapes and parts within, rather than rely on unreliable external funding that cannot be sustained beyond the project period.
- 116 *Models to demonstrate benefits:* Project design ensures selectivity in the identification and development of on-the-ground demonstration models (under Outcomes 2 and 3) focusing mainly on trialing of integrated planning and management, environmentally sustainable forest, agriculture and land resources use, livelihood best practices, trialing of community-based value chain best practices, so as to ensure cost-effectiveness in terms of avoiding duplication and ineffective spread of activities.
- 117 *Building on existing lessons and best practices:* As a measure to ensure cost-effectivity, project design focuses on use of available resource to the extent possible building on the existing provincial and district management planning approaches. Rather than hire expensive external consultants, project-supported staff would work closely with provincial and district level land sector staff in collaboration with local communities and local partners will make use of available information and expertise to develop plans that follow the “No Regrets” principle adopted by national policies. This results in plans that have higher levels of participation and buy-in. While they may be simpler than plans drafted by external experts, they would be more likely to be accepted and implemented by local communities. It would also build and replicate lessons from on-going and other national initiatives.
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118 *Data management systems:* The project will focus on the development of standardized but simple information collection and databases at landscape level (rather than on costly GIS systems) is also a proven and effective way to collect and share data. The Knowledge Management and Communication Strategy in particular makes use of free and widely available forms of communication in the country.

119 *Co-financing Cost-effectiveness:* The total GEF investment for this project will leverage a minimum of at least 4 times in cofinancing, with additional associated financing inputs anticipated during project implementation.

Project management:

120 The project will be coordinated at the national level in Vientiane, but project activities will take place in the provinces of Champasak, Saravan, Savannakhet and Sekong in the Southern part of Lao PDR. There will likely be a single project office in Savannakhet province, but project staff will work closely through the Provincial Offices of Agriculture and Forests sectoral staff in each of the four provinces and with district staff.

121 The CO will undertake financial audits with DOF/MAE and PAFOs annually and where possible these audits will be grouped with other Country Office audits to ensure economy of scale. All audit reports will be uploaded in CARDS and HACT SharePoint, and agreed to actions between DOF and CO addressing any audit recommendations will be undertaken within the fiscal year.

122 During the design phase, UNDP and DOF identified projects with which collaboration during implementation could occur, some of which provided co-financing letters to UNDP. Please see the Partnerships section above. The project will be coordinating with these projects and exchanging information/lesson learned and ensuring complementarity in the on-the-ground interventions. This will be done through consultation, participation in workshops, training, annual review meetings (and other meetings), and coordinated implementation of activities as relevant.

123 On the implementation modality, contingent upon GEF approval, it will be CO Support to National Implementation Modality (NIM) given that the application of NIM may compound wider administrative challenges faced by the Government of Lao PDR and potential delays in implementation, as well as increased transaction costs. CO Support to NIM will enable the project to overcome barriers related to highly complex and time-consuming government processes, particularly at sub-national level and will mitigate the risk of project extensions being required. Therefore, the GEF Agency (UNDP) expects to play a supportive execution role on this project, and may provide at the request of the Government of Lao PDR and approval by GEF, the following execution support services, including a) Identification and recruitment of project personnel; b) Procurement of goods and services; c) Provision of financial support services and payment processing; d) Administration and logistics; and e) ICT services. The cost of the execution support (USD 132,051) will be internalized by UNDP as part of its in-kind co-financing and no charges to the GEF project budget will be charged to cover said cost. Furthermore, it should be noted that the decision-making authority on the execution support tasks remains in the hands of the executing agency, the Ministry of Agriculture and Environment. For information please see the UNDP ProDoc Annex 2d for the Agency's justification note

VI. PROJECT RESULTS FRAMEWORK

Contribution to the Sustainable Development Goal (s): SDG 2; SDG 5; SDG 13 and SDG 15							
Intended Outcome as stated in the UNSDCF/Country Program Results and Resource Framework: United Nations Sustainable Development Cooperation Framework (UNSDF) 2021-2026, By 2026, people, especially the most vulnerable and marginalized, and institutions will be better able to sustainably access, manage, preserve and benefit from natural resources and promote green growth that is risks informed and disaster and climate resilient							
Applicable Output(s) from the UNDP Strategic Plan: CPD Output 2.1. Output 2.2. Output 2.3.							
Project title and Quantum Project Number: Generating multiple benefits through strengthened protection of primary forest landscape in Lao PDR							
	Objective and Outcome Indicators	Data Source	Baseline	Mid-term Target	End-of-Project Target	Data collection Methods	Assumptions/Risks
Project Objective: Promote nature-positive development to reduce ecosystem degradation and generate multiple benefits through strengthened protection of primary forest	<u>Indicator 1: Mandatory GEF Core Indicator 11: # direct project beneficiaries disaggregated by gender (individual people)</u> ³⁰	NA	0	2,000 (of whom at least 1,000 are women)	8,000 (of whom at least 4,000 are women)	Copies of complete training certifications, consultancy and subcontractor reports, training feedback forms KPA surveys, etc.	<u>Assumptions:</u> - Comprehensive training program designed and implemented and national capacity exists to conduct training effectively -Government agencies consider it their priority and staff and communities willing to participate -The local administrations, CBOs, private sector and communities would work in close collaboration <u>Risks:</u> -Lack of capacity in government, private sector and communities to meet obligations related to project. - Lack of involvement from resource users with continued unsustainable practices

³⁰. This indicator captures the number of individual people who receive targeted support or assistance from a given GEF-financed project or program and/or who use the specific resources that the project maintains or enhances. Direct beneficiaries are all individuals receiving either: (a) Targeted support. This includes individuals whom can be identified as receiving direct support or assistance, can be counted individually and are aware they are receiving support in some sort and/or use the specific resources. This implies a high degree of attribution to the project; or (b) High intensity of support. This means receiving a high level of support/effort provided per person, assessed on a continuum with broad levels from Low to Medium and High, where only high intensity of support qualifies as direct beneficiary as per Table 1 (page 26) of the GEF's [Guidelines on the Implementation of the GEF-8 Results Measurement Framework](#)

landscapes (PFLs) in Lao PDR	<u>Indicator 2: Mandatory GEF Core Indicator 1:</u> Terrestrial protected areas created or under improved management (hectares)	WDPA database Department of Forestry (DOF), Ministry of Agriculture and Environment (MAE) information regarding management plan status	513,400 hectares exists within 4 PAs, but management is lacking capacity, financing and agreed management actions	Management plans under preparation/ update in all 4 PAs.	Management plans approved for 513,400 hectares within 4 PAs and under implementation	GEF METT Scorecard, Management Plans, Government notifications Implementation progress reports	<u>Assumptions</u> - Government and sector agencies consider it priority to support integrated planning through landscape approach -Community and government willingness to support PAs -Communities living within PA agree to follow sustainable use principles -Technical support, knowledge and capacity exists for undertaking restoration <u>Risks:</u> -Demonstration of impacts of conservation and sustainable management measures time consuming and costly and hence uptake uncertain -Lack of financial resources for ensuring sustainability of investments
	<u>Indicator 3: Mandatory GEF Core Indicator 3:</u> Area of land and ecosystems under restoration (hectare)	Measured by: Number (#) ha of restoration	0	Restoration efforts initiated in 500 hectares	3,500 hectares of ecosystems under restoration (individual targets for SLM, SFM etc. to be broken down further)	Survey reports of status of restoration effectiveness Progress reports Measurement of survival/cover rates of established areas, growth rates and health of rehabilitated areas	<u>Assumptions</u> -Technical support, knowledge and capacity exists for undertaking restoration - Government and sector agencies consider it priority to support restoration activities _Communities directly see benefits from restoration activities <u>Risks:</u> Community short-term needs over-ride interests in restoration and protection -Inability to hinder disturbance in restored areas might negatively affect efforts at restoration
	<u>Indicator 4: Mandatory GEF Core Indicator 4:</u> Area of landscapes under improved practices (hectare)	Measured by: Number (#) ha	0	Improved SLM, SFM and conservation activities initiated in around 5,000 hectares	50,000 hectares under improved management in PA corridors and buffer zones	Agreements reached with communities to implement improved	<u>Assumptions:</u> - Communities see direct benefit in supporting prevention and control of

				in PA corridors and buffer zones		conservation and sustainable resource use practices; Management plans approved for target sites; and Verified monitoring data from established monitoring system	threats on biodiversity and land and forest productivity -Willingness of communities to engage in alternate sustainable activities <u>Risks:</u> -Benefits of land and forest management approaches costly and time consuming might negate efforts -Communities might not see any direct economic benefits to engage in SLM and FSM
	<u>Indicator 5: Mandatory GEF Core Indicator 6: Greenhouse Gas Emissions Mitigated (metric ton of CO₂e)</u>	Benefits generated through promotion and adoption of SFM, SLM and PA management and forest loss avoided, and sustainable land practices in agroforestry as measured by FAO-EXACT tool	0	MTR: Monitoring system and methodology established and validated for monitoring and staff trained	4,763,456 mt CO ₂ e over 20-year period	Progress reports in terms of forest, land and agriculture restoration survey reports etc. -FAO-EXACT tool	<u>Assumptions:</u> -Success of forest, agriculture and other conservation actions, restoration efforts, etc. - local communities take action to conserve their natural resources, including forests, agricultural lands, , etc. <u>Risks:</u> opportunities for livelihood improvements may likely constraint community engagement
Project component 1	Enabling environment for ensuring durable protection of Primary Forests Landscapes						
Project Outcome ³¹ 1 Enabling environment strengthened for integrating primary forest landscapes	<u>Indicator 6:</u> Number of policies, planning and decisions for integration of Primary Forests in 2035 National Forestry Strategy	Review of these specific tools for integration of PFs at national and provincial level, to assess targets, indicators and priority actions for PF integration	Current forestry, land use and economic planning and decision-making systems do not prioritize the integration of PF, neither integrated model of conservation	0	1 (Roadmap for enabling policies, strategies, planning guidelines, decision-making processes and planning systems defined with timelines to ensure PFs are fully incorporated in the	Plans, regulations, strategies and guideline documents Project progress reports	<u>Assumption:</u> -Key agency willingness to support recognition of PFs - The national government will develop appropriate legislative, policy, institutional and technical measures that facilitate integration of PF. <u>Risks:</u>

³¹Outcomes are medium term results that the project makes a contribution towards, and that are designed to help achieve the longer-term objective. Achievement of outcomes will be influenced both by project outputs and additional factors that may be outside the direct control of the project.

Project Component 2	Strengthening management and governance capacities for empowering local communities for management of Protected Areas						
Outcome 2: Improved management of primary forest landscapes through inclusive area-based conservation approaches	<u>Indicator 9:</u> Number of participatory integrated and inclusive landscape management strategy for multiple use areas developed and approved	Government announcement (Government Gazette or others)	0	0	1 participatory integrated and inclusive landscape management strategy covering 2,022,792 hectares	Published integrated management strategy one landscape	<u>Assumptions.</u> -Provincial and communities entities recognize the value of integrated approaches -Communities are willing to engage in actions that benefit conservation <u>Risks:</u> -Priorities of local communities might shift if development benefits take long to manifest - Plans are developed by not used, particularly by resource users - Provincial and district Planning bodies that build capacity are not effective in implementation
	<u>Indicator 10:</u> Improved management effectiveness of four protected areas using METT tool kit	Surveys of PA staff, communities and NGOs to assess status of PA management	Baseline METT scores established as follows: Phou Xanh He – 42 Xe Bang Nouan – 43 Xe Sap – 61 Phou Xieng Thong - 57	At least 5-point average increase in PA management effectiveness Phou Xanh He – 47 Xe Bang Nouan – 48 Xe Sap – 66 Phou Xieng Thong -62	At least 15-point average increase in PA management effectiveness Phou Xanh He – 57 Xe Bang Nouan – 58 Xe Sap – 76 Phou Xieng Thong - 72	<i>METT scorecards</i>	<u>Assumptions.</u> -PA management entities will to use new tools in conservation -Adequate capacity exists with PA management to develop and implement PA management plans <u>Risks:</u> -Lack of financial resources for ensuring sustainability of investments - Plans are developed by not used
	<u>Indicator 11:</u> Number of LCs/IPs with approved co-management plans for management of village and PA forests facilitated by the project	Provincial/local planning documents or registrations	0	At least 5 villages with approved co-management plans for management of village and PA forests	At least 20 villages with approved co-management plans for management of village and PA forests	Consultancy and subcontractor reports, socio-economic survey reports.	<u>Assumptions.</u> -Communities see direct benefit in supporting improved SMA plans -Willingness of communities to engage in sustainable activities -Government entities willing to invest time and efforts to support community programs <u>Risks</u>

							-Benefits of biodiversity conservation and management requires hard labor and continued efforts thus limited uptake -Communities might not see any direct economic benefits to engage in sustainable resource management if gestation periods for benefit access is lengthy
Outputs to achieve Outcome 2	Output 2.1 Area-based conservation approaches promoted for ensuring improved management of primary forest landscapes Output 2.2. Strengthened management of protected areas Output 2.3 Training to strengthen management and governance capacities delivered Output 2.4 Local communities, women and ethnic groups empowered through sustainable livelihood opportunities and collaborative management approaches Output 2.4 Gap analysis conducted and opportunities to strengthen the protected area network through creation of corridors and other effective area-based conservation mechanisms						
Project component 3	Component 3: Strengthen stakeholder collaboration to improved/inclusive management of primary forest landscapes outside PAs, including buffers and connectivity corridors						
Outcome 3 Protection of primary forest landscapes mainstreamed in key production sectors, resulting in improved well-being and resilience of IPLCs.	<u>Indicator 12:</u> Number of sector entities incorporate PFs in their planning systems	0	0	At least 3 sector or provincial and local plans incorporate PFs	At least 10 sector or provincial and local plans incorporate PFs		<u>Assumptions</u> -Political commitment to change -Key agency willingness to support and use new tools and protocols <u>Risks</u> -Long delays in Government approval of revised policy and legislation might stifle progress
	<u>Indicator 13:</u> Number of community groups participating in conservation restoration activities	Provincial/local planning documents or registrations or registrations	0	At least 10 number of community groups participating in conservation restoration activities	At least 20 number of community groups participating in conservation restoration activities	Project progress reports Community survey and restoration reports	<u>Assumptions</u> -Technical support, knowledge and capacity exists for undertaking restoration - Government and sector agencies consider it priority to support restoration activities _Communities might not directly see benefits from restoration activities <u>Risks:</u> -Community short-term needs over-ride interests in restoration and protection

	Indicator 14: Number of projects facilitated Value chains to improve community engagement and livelihoods	0	0	At least 5 value chains under implementation to incentivize LCs/IPs incomes	At least 10 value chains under improvement to strengthen and incentivize LCs/IPs incomes with at least 10% increase in incomes	Project progress reports Community survey and income evaluation reports Livelihood reports	<u>Assumptions</u> -There is adequate community interest and support in promoting economically important and sustainable activities - Adequate technical support and extension services available to support diversification of livelihoods <u>Risks</u> -lack of market access might stifle opportunities for income generation
Outputs to achieve Outcome 3	Output 3.1. Create effective collaboration with multiple stakeholders to recognize and integrate primary forests in decision-making Output 3.2 Village management plans for improving management practices and restoration of primary forest landscape edge areas developed and implemented Output 3.3. Good agricultural practices adopted and producer-public-private partnerships in forest and agricultural value chains facilitated. Output 3.4 Feasibility assessment to recognize OECMs as long-term strategy though CCAs, ICCAs, sacred forests and other categories						
Project component 4	Component 4: Strengthen sustainable PA financing and reduce the financial gap and scaling-up investments for primary forest conservation						
Outcome 4: Financial sustainability of primary forest conservation improved	Indicator 15: Number of new financial solutions developed and tested in project landscape	0	0	0 BIOFIN assessment and BFP completed	At least two new nature-friendly financial solutions tested	BIOFIN assessment and BFP Progress reports Evaluation Reports	<u>Assumptions</u> -BIOFIN generated BFP is available in a timely manner -Viable financial solutions for biodiversity are available -Private sector interested in supporting community actions <u>Risks</u> -Private sector is motivated by profits rather than conservation
	Indicator 16: Number of private-public partnership for supporting community conservation actions	0	0	1	At least 5 private-public partnership for nature-positive activities within community conservation areas in the project landscape	Project progress report Partnership agreements/ MOUs	
Outputs to achieve Outcome 4	Output 4.1 Conservation financing expanded and diversified Output 4.2 <i>Feasibility of innovative financing instruments tested and applied</i> Output 4.3 Capacity building to assess and apply financial instruments for primary forest conservation						
Project component 5	Component 5: Coordination, knowledge management and strengthened effective regional cooperation on durability of primary forests						
Outcome 5: Durability of primary	Indicator 17: Percentage increase in awareness and attitudes towards improved	0	KAP survey established to be undertaken in Year 1 and establish level of awareness and	At least 10% improvement in community awareness and attitudes towards biodiversity	At least 30% improvement in community awareness and attitudes towards	KAP survey reports	<u>Assumption:</u> - Gender and Social Inclusion Mainstreaming Plan followed

forest conservation strengthened through effective regional cooperation, learning and knowledge management.	biodiversity conservation and protecting ecosystem services in participating communities		subsequent surveys to assess change in awareness	conservation and protecting ecosystem services as measured by KAP (Knowledge, Attitudes and Practices) survey	biodiversity conservation and protecting ecosystem services as measured by KAP (Knowledge, Attitudes and Practices) survey		and benefits distributed equitably. -Stakeholders willing to actively participate in the review process.
	Indicator 18: Number of best practices and lessons being applied			At least 2 project best practices and lessons are accessed and being documented	At least 5 project best practices and lessons are accessed and being documented and scaled up	Project progress reports Best practice reports	Assumptions -Project management will be able to identify, document and disseminate the best practices -Mid Term Review and End of Project Evaluation of the project will also contribute to identifying the best practices -Best practices on sustainable resource management readily available to resource users
Outputs to achieve Outcome 5	Output 5.1. Project communication and knowledge management strategy and action plan implemented Output 5.2. Implementation of knowledge management activities Output 5.3 Participation in, and contribution to Integrated Program Community of Practice ensured						
Component 6	Project Monitoring, evaluation and reporting ensured						
Outcome 6: Monitoring to support adaptive project management	Number of Mid-term reviews and Final Evaluation completed on time and scored marginally satisfactory or above		0 Mid-term reviews (>MUS) 0 Final Evaluations (>MUS)	1 Mid-term reviews (>MUS) 0 Final Evaluations (>MUS)	1 Mid-term reviews (>MUS) 1 Final Evaluations (>MUS)	Number of Mid-term reviews and Final Evaluation completed on time and scored marginally satisfactory or above	<u>Assumption:</u> -National and local administration commitments to assessment - National and local administration recognize and committed to manage social and environmental risks - Information available to enable appropriate level of evaluations - Adequate expertise available for update of tracking tool and reviews <u>Risks</u> -Willingness of government and communities to take corrective actions following

							evaluations might not be forthcoming
Outputs to achieve Outcome 6	<i>Output 6.1. Project monitoring and reporting</i>						

VII. MONITORING AND EVALUATION (M&E) PLAN

- 121 Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the UNDP POPP (including guidance on GEF project revisions) and [UNDP Evaluation Policy](#). **The UNDP Country Office is responsible for ensuring full compliance with all UNDP project M&E requirements including project monitoring, UNDP quality assurance requirements, quarterly risk management, and evaluation requirements.**
- 122 Additional mandatory GEF-specific M&E requirements will be undertaken in accordance with the [GEF Monitoring Policy](#) and the [GEF Evaluation Policy](#) and other [relevant GEF policies](#)³². The M&E plan and budget included below will guide the GEF-specific M&E activities to be undertaken by this project.
- 123 In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed – including during the Project Inception Workshop - and will be detailed in the Inception Report.

Minimum project monitoring and reporting requirements as required by the GEF:

- 124 Inception Workshop and Report: A project inception workshop will be held within 2 months from the First disbursement date, with the aim to:
- a. Familiarize key stakeholders with the detailed project strategy and discuss any changes that may have taken place in the overall context since the project idea was initially conceptualized that may influence its strategy and implementation.
 - b. Discuss the roles and responsibilities of the project team, including reporting lines, stakeholder engagement strategies and conflict resolution mechanisms.
 - c. Review the results framework and monitoring plan.
 - d. Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP and other stakeholders in project-level M&E.
 - e. Update and review responsibilities for monitoring project strategies, including the risk log; SESP report, Social and Environmental Management Framework (where relevant) and other safeguard requirements; project grievance mechanisms; gender strategy; knowledge management strategy, and other relevant management strategies.
 - f. Review financial reporting procedures and budget monitoring and other mandatory requirements and agree on the arrangements for the annual audit.
 - g. Plan and schedule Project Board meetings and finalize the first-year annual work plan. Finalize the TOR of the Project Board.
 - h. Formally launch the Project.
- 125 GEF Project Implementation Report (PIR):
The annual GEF PIR covering the reporting period July (previous year) to June (current year) will be completed for each year of project implementation. UNDP will undertake quality assurance of the PIR before submission to the GEF. The PIR submitted to the GEF will be shared with the Project Board. UNDP will conduct a quality review of the PIR, and this quality review and feedback will be used to inform the preparation of the subsequent annual PIR.
- 126 GEF Core Indicators:
The GEF Core indicators included as Annex 16 will be used to monitor global environmental benefits and will be updated for reporting to the GEF prior to MTR and TE. Note that the project team is responsible for updating the core indicators status. The updated monitoring data must be shared with MTR/TE consultants prior to required evaluation missions, so these can be used for subsequent ground-truthing. The methodologies to be used in data collection have

³² See <https://www.thegef.org/projects-operations/policies-guidelines>

been defined by the GEF and are available on the [GEF](#). The required Protected Area Management Effectiveness Tracking Tool (METTs) has been prepared and the scores are included in the GEF Core Indicators.

- 127 Independent Mid-term Review (MTR): An independent mid-term review (MTR) will be completed by the mid-point of the project. The terms of reference, the MTR process and the final MTR report will follow the standard templates and MTR guidance for UNDP-supported GEF-financed projects available on the [UNDP Evaluation Resource Center](#). The MTR must be submitted to the GEF by the mid-point of the project but no later than 48 months after CEO Endorsement. To meet the submission deadline, final MTR reports must be completed and submitted to BPPS NCE team no later than 2 months in advance of the submission deadline to allow sufficient time for internal review/clearance that is required prior to submission.
- 128 Provisions must be taken to complete and submit the MTR within the submission deadline. Therefore, the MTR process must start no later than 8 months before the expected date of submission of the MTR.
- 129 The MTR will be ‘independent, impartial and rigorous’. The evaluator(s) that UNDP will hire to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be reviewed. Equally, the evaluators should not be in a position where there may be the possibility of future contracts regarding the project under review. The GEF Operational Focal Point and other stakeholders will be actively involved and consulted during the MTR process. Additional quality assurance support is available from BPPS/NCE.
- 130 The final MTR report will be publicly available in English and will be posted on the UNDP ERC by the MTR submission date included on cover page of this project document. A management response to MTR recommendations will be posted in the ERC within six weeks of the MTR report’s submission to the GEF.
- 131 Terminal Evaluation (TE): An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terms of reference, the evaluation process and the final TE report will follow the standard templates and TE guidance for UNDP-supported GEF-financed projects available on the [UNDP Evaluation Resource Center](#). TE must be submitted to the GEF no later than 6 months after the Completion Date. This is a hard deadline that, if not met, can only be extended through a formal extension request. To meet the submission deadline, final TE reports must be completed and submitted to BPPS NCE team no later than 2 months in advance of the deadline to allow sufficient time for internal review/clearance that is required prior to submission.
- 132 Provisions must be taken to complete and submit the TE within the submission deadline. Therefore, TE must start no later than 8 months before the expected date of submission of the TE (or 11 months prior to the estimated operational closure date).
- 133 The evaluation will be ‘independent, impartial and rigorous’. The evaluator(s) that UNDP will hire to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. Equally, the evaluators should not be in a position where there may be the possibility of future contracts regarding the project being evaluated.
- 134 The GEF Operational Focal Point and other stakeholders will be actively involved and consulted during the terminal evaluation process. Additional quality assurance support is available from BPPS NCE.
- 135 The final TE report will be publicly available in English and posted on the UNDP ERC by the TE submission date included on cover page of this project document. A management response to the TE recommendations will be posted to the ERC within six weeks of the TE report submission to the GEF.
- 136 Per the GEF Terminal Evaluation requirements, for cancelled full-sized projects, Terminal Evaluations are required if the GEF grant expenditure exceeds more than US\$ 2 million.

- 137 **Final Report:** The project's final GEF PIR along with the terminal evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the Project Board during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up. In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans.
- 138 **Monitoring Plan:** The project results, corresponding indicators and mid-term and end-of-project targets in the project results framework will be monitored by the Project Management Unit annually, and will be reported in the GEF PIR every year, and will be evaluated periodically during project implementation. If baseline data for some of the results indicators is not yet available, it will be collected during the first year of project implementation. Project risks, as outlined in the risk register, will be monitored quarterly.

Table 9: Monitoring Plan:

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
Track results progress	Project objective Promote nature-positive development to reduce ecosystem degradation and generate multiple benefits through strengthened protection of primary forest landscapes (PFLs) in Lao PDR	Indicator 1 <u>Mandatory GEF Core Indicator 11</u> : # direct project beneficiaries disaggregated by gender (individual people) ³³	MTR: 2,000 (50% women) TE: 8,000 (50% women)	Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment, reporting benefits from SLM, SFM, livelihoods, Value Chain development, capacity development etc.	(a) Verify annually (b) Reported in DO tab of the GEF PIR annually c) Reported in the UNDP Annual Report	PMU Office, VFMs, provincial staff	<i>Reports from consultants; Socio-economic surveys, Project progress reports, Independent evaluations</i>
		Indicator 2 <u>Mandatory GEF Core Indicator 1</u> : Terrestrial protected areas created or under improved management (hectares)	MTR: Management plans prepared for 4 PAs TE: 513,400 hectares within 4 PAs under implementation	Improved management of PAs as measured by PA staff using METT scorecard	(a) Verify at MTR and TE b) Reported in DO tab of the GEF PIR annually. c) Reported in the UNDP Annual Report.	NPC (PMU Office)	<i>METT scorecard</i>

³³. This indicator captures the number of individual people who receive targeted support or assistance from a given GEF-financed project or program and/or who use the specific resources that the project maintains or enhances. Direct beneficiaries are all individuals receiving either: (a) Targeted support. This includes individuals whom can be identified as receiving direct support or assistance, can be counted individually and are aware they are receiving support in some sort and/or use the specific resources. This implies a high degree of attribution to the project; or (b) High intensity of support. This means receiving a high level of support/effort provided per person, assessed on a continuum with broad levels from Low to Medium and High, where only high intensity of support qualifies as direct beneficiary as per Table 1 (page 26) of the GEF's [Guidelines on the Implementation of the GEF-8 Results Measurement Framework](#)

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
		Indicator 3 <u>Mandatory GEF Core Indicator 3:</u> Area of land and ecosystems under restoration (hectare)	MTR: Restoration efforts initiated in 500 hectares TE: 3,500 hectares of ecosystems under restoration	Forest, agricultural and grazing lands are under restorative management leading to regeneration of vegetation and soil fertility Report on size and GPS location of restoration sites. Photographic time-laps from restoration sites showing restoration progress. GIS mapping and verification.	(a) Verify at project inception and assess at midterm and end of project. (b) Reported in DO tab of the GEF PIR annually (c) Reported in the UNDP Annual Report <i>(GIS only data collected prior to MTR and TE)</i>	PMU, PA and forest staff, contractors Project Management Unit responsible for aggregating and manage the data (M&E specialist lead supported by Gender and Environment and Social Safeguard Specialist)	Consultant reports, Subcontractor reports, and Office reports from local government partners, and other partners.
		Indicator 4 <u>Mandatory GEF Core Indicator 4:</u> Area of landscapes under improved practices (hectare)	MTR: Improved SLM, SFM and conservation activities initiated in around 5,000 hectares in PA corridors and buffer zones	Land under improved management following BDFA and SLM practices through direct SLM and conservation practices and principles interventions, replications and	(a) Verify at project inception and assess at midterm and end of project. (b) Reported in DO tab of the GEF PIR annually	Project Management Unit responsible for aggregating and manage the data (NPC Lead supported by Gender and Environment and	Consultant reports, Subcontractor reports, and Office reports from local government partners, and other partners.

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
			TE: 50,000 hectares under improved management in PA corridors and buffer zones	policy interventions	(c) Reported in the UNDP Annual Report <i>(GIS only data collected prior to MTR and TE)</i>	Social Safeguard Specialist)	
		Indicator 5 <u>Mandatory GEF Core Indicator 6:</u> Greenhouse Gas Emissions Mitigated (metric ton of CO ₂ e)	MTR: Monitoring system and methodology established and validated for monitoring and staff trained TE: 4,763,456 mt CO ₂ e over 20-year period	Greenhouse gas emission mitigated by project instigated changes in forest and land management aimed at improving the above and below carbon stock in the agricultural landscape	(a) Verify at project inception and assess at midterm and end of project. (b) Reported in DO tab of the GEF PIR annually. (c) Reported in the UNDP Annual Report.	Project Management Unit responsible for aggregating and manage the data (Project Technical Advisor - Lead supported by Gender and Environment and Social Safeguard Specialist)	Data from indicators 2, 3 and 4 above
	Project Outcome 1: Enabling environment strengthened for integrating primary forest landscapes into forest management and land use planning	Indicator 6 Number of policies, planning and decisions for integration of Primary Forests	MTR: Number of policies, planning and decision reviewed and gaps and opportunities for integration of PFs identified and clarified with Government	The policy and planning documents are successfully negotiated and publicly gazetted	(a) Verify at project inception and assess at midterm and end of project. (b) Reported in DO tab of the GEF PIR annually. c) Reported in the UNDP Annual Report.	Project Management Unit (National Technical Advisor – lead supported by Gender and Environment and Social Safeguard Specialist)	Documentation from Ministry of Agriculture and Environment

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
			TE: Roadmap for enabling policies, strategies, planning guidelines, decision-making processes and planning systems defined with timelines to ensure PFs are fully incorporated in the national forest strategy through 2035				
		Indicator 7 Strengthened capacity for integrating primary forests into decision-making at national and provincial levels	MTR: Increase in national and provincial capacity for integration PFs in EIA and planning process as measured by a 10 % increase TE: Increase in national and provincial capacity for integration PFs	Institutional capacities and agency understanding related to PFLs and to their implication to landscape management is measured using tailored Capacity Development Scorecards (based on the UNDP SDC template).	MTR and TE	PMU's NPC lead with support from NTA and Gender and Environment and Social Safeguard Specialist)	UNDP Capacity Development Scorecard at MTR and TE

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
			in EIA and planning process as measured by a 20% increase				
		Indicator 8 Integrated management strategy for Annamite range developed and adopted	MTR: Management strategy under preparation TE: Integrated management strategy for Annamite range developed and adopted	The integrated management strategy documents are successfully negotiated and publicly available and approved by Project Board	One	PMU's NPC lead with support from NTA and Gender and Environment and Social Safeguard Specialist)	Completed and approved Annamite Management Strategy
	Project Outcome 2: Improved management of primary forest landscapes through inclusive area-based conservation approaches	Indicator 9 Number of participatory integrated and inclusive landscape management strategy for multiple use areas developed and approved	MTR: Mapping and planning ongoing for project landscape TE: One participatory integrated and inclusive landscape management strategy covering 2,022,792 hectares	The integrated landscape management strategy documents are successfully negotiated and publicly available and approved by Project Board	One	PMU's NPC lead with support from NTA and Gender and Environment and Social Safeguard Specialist)	Approved landscape management strategy for project area

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
		Indicator 10 Improved management effectiveness of four protected areas using METT tool kit	<i>MTR</i> : At least 5-point average increase in PA management effectiveness <i>TE</i> : At least 15-point average increase in PA management effectiveness	The effectiveness of management of the individual PAs assessed for 30 characteristics based on legal, management, capacity, planning and monitoring of PAs using METT scorecards	MTR and TE	PMU's NPC lead with support from NTA and PA management staff	Updated METT scorecards
		Indicator 11 Number of LCs/IPs with approved co-management plans for management of village and PA forests facilitated by the project	<i>MTR</i> : 5 number of villages with approved co-management plans for management of village and PA forests <i>TE</i> : 20 number of villages with approved co-management plans for management of village and PA forests	Number of LCs/IPs (gender and youth disaggregated) obtaining verification from technical experts on the effectiveness of their respective co-management plans and implementation capacities for successfully delivering on expected outcomes	a) Verify at project inception and assess at midterm and end of project. b) Reported in DO tab of the GEF PIR annually. c) Reported in the UNDP Annual Report.	NPC Reporting from engaged village planning entities including local extension services, consultant surveys and progress reports	Village Management Plans and MOUs for co-management
	Project Outcome 3: Create effective collaboration with multiple	Indicator 12 Number of sector entities incorporate PFs	<i>MTR</i> : At least 3 sector or provincial and	Number of revised sector plans in project landscape areas that now	a) Verify at project inception and assess	PMU, (NPC) with support from consultant surveys and planning experts	Sector plans and annual investment reports

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
	stakeholders to recognize and integrate primary forest landscapes in development decision-making	in their planning systems	local plans incorporate PFs <i>TE:</i> At least 10 sector or provincial and local plans incorporate PFs	integrated PFLs and sustainable resource uses in their sectoral plans	at midterm and end of project. b) Reported in DO tab of the GEF PIR annually. c) Reported in the UNDP Annual Report		
		Indicator 13 Number of community groups participating in conservation restoration activities	<i>MTR:</i> At least 10 number of community groups participating in conservation restoration activities <i>TE:</i> At least 20 number of community groups participating in conservation restoration activities	Participation lists from project trainings and extensions, people participating in restoration works and involved in maintenance of restored areas via project reporting or through reporting to the project.	a) Verify at project inception and assess at midterm and end of project. b) Reported in DO tab of the GEF PIR annually. c) Reported in the UNDP Annual Report	Project Management Unit (NPC) supported by NPA	Restoration plans and restoration monitoring reports
		Indicator 14 Number of project facilitated Value chains to improve community engagement and livelihoods	<i>MTR:</i> At least 5 value chains under implementation to incentivize LCs/IPs incomes <i>TE:</i> At least 10 value chains	Report of people participating in value chain activities and reporting economic benefits	a) Verify at project inception and assess at midterm and end of project.	Project Management Unit (NPC) supported by consultants working on VCs	Value chain survey reports Socio-economic reports

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
			under improvement to strengthen and incentivize LCs/IPs incomes with at least 10% increase in incomes		b) Reported in DO tab of the GEF PIR annually. c) Reported in the UNDP Annual Report		
	Project Outcome 4 Financial sustainability of primary forest conservation improved	Indicator 15 Number of new financial solutions developed and tested in project landscape	<i>MTR:</i> BIOFIN assessment and BFP completed <i>TE:</i> At least two new nature-friendly financial solutions tested	Biodiversity Financial Plan	Verify at project inception and assess at midterm and end of project	Project Management Unit (NPC) and gender and M&E specialist	BFP report
		Indicator 16 Number of private-public partnership for supporting community conservation actions	<i>MTR:</i> <i>St least 1</i> <i>TE:</i> At least 5 private-public partnership for nature-positive activities within community conservation areas in the project landscape	Private-public partnership frameworks assessed and validated	a) Verify at project inception and assess at midterm and end of project. b) Reported in DO tab of the GEF PIR annually. c) Reported in the UNDP Annual Report	Project Management Unit (NPC) and gender and M&E specialist	Private-public MOAs Progress reports Community survey reports
	Project Outcome 5: Durability of primary forest conservation strengthened	Indicator 17 Percentage increase in awareness and attitudes towards	<i>MTR:</i> At least 10% improvement in community awareness and	Level of knowledge, attitude and practice of public, government,	a) Initial survey undertaken during year 1. New scorecard survey will	Project Management Unit (NPC) supported by M&E specialist and Gender specialist	KAP reports prepared within the first year of the project and during the last year of the project.

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
	through effective regional cooperation, learning and knowledge management.	improved biodiversity conservation and protecting ecosystem services in participating communities	attitudes towards biodiversity conservation and protecting ecosystem services <i>TE</i> : At least 30% improvement in community awareness and attitudes towards biodiversity conservation and protecting ecosystem services	farmers and other key stakeholder groups on the environmental and economic benefits of conservation of PFLs as indicated by results of the KAP surveys	be performed prior to <i>TE</i> . b) Reported in DO tab of the GEF PIR in the last project year. c) Reported in the UNDP Final Report		
		Indicator 18 Number of best practices and lessons being applied	<i>MTR</i> : At least 2 project best practices and lessons are accessed and being documented <i>TE</i> : At least 5 project best practices and lessons are accessed and being documented and scaled up	The establishment of the knowledge documentation and dissemination platform, number of people having access to KM products reported on an annual basis.	a) Verify at project inception and assess at midterm and end of project. b) Reported in DO tab of the GEF PIR annually. c) Reported in the UNDP Annual Report.	Project Management Unit (NPC) supported by M&E specialist and Gender specialist	Document case studies Dissemination events reports Project progress reports

Monitoring Activity							
	Results Monitoring	Indicators	Targets	Description of indicators and targets	Frequency	Responsible for data collection	Means of verification
	Project Outcome 6 Monitoring to support adaptive project management	Indicator 19 Number of Mid-term reviews and Final Evaluation completed on time and scored marginally satisfactory or above	<i>MTR</i> : 1 Mid-term reviews (>MUS) 0 Final Evaluations (>MUS) <i>TE</i> : 1 Mid-term reviews (>MUS) 1 Final Evaluations (>MUS)	Results framework indicator progress as against baseline values	MTR and TE	Project Management Unit (NPC) supported by M&E specialist, safeguard specialist and Gender specialist	-M&E reports -Project progress reports -Updated core Indicator tracking tools

Table 10: Monitoring Activity

Monitoring Activity	Frequency/Timeframe	Expected Action
Inception Workshop and Report	Inception Workshop within 2 months of the First Disbursement	Workshop lays out modus operandi for project implementation, roles and responsibilities of key players, etc.,
Track results progress (see above table for details)	Annually, at mid-point and Terminal Evaluation	Slower than expected progress will be addressed by project management.
Monitor and Manage Risk	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.
Monitor (SESP and all SES related management measures, Gender Action Plan, Stakeholder Engagement Plan)	ongoing	As per Annex 8, 9a and 10. Activities should be adapted as risks are identified or grievances are filed.
Supervision Missions	Annually	
Learning and Learning Missions	As needed	Relevant lessons are captured by the project team and used to inform management decisions.

Monitoring Activity	Frequency/Timeframe	Expected Action
Annual Project Quality Assurance	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.
Review and Make Course Corrections	Annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.
Annual GEF Project Implementation Report (PIR)	Annually	Mandatory contribution by Project Team, CO and RTA. Strengths and weaknesses will be reviewed by project management and used to inform decisions to improve project performance
Project Review (Project Board)	Annually , but the frequency be increased if necessary.	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.

Table 11: Evaluation Plan

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNSDCF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders
Independent Mid-Term Review (MTR)	NA	Output 4: Environment	UNSDCF 2021-2026, By 2026, people, especially the most vulnerable and marginalized, and institutions will be better able to sustainably access, manage, preserve and benefit from natural resources and promote green growth that is risks informed and disaster and climate resilient CPD: Output 2.1. State authorities develop policies and guidelines that improve natural resources management, disaster risk management and resilience to climate change. Output 2.2. Local authorities have enhanced capacities to implement integrated natural resources management and DRR systems. Output 2.3. Vulnerable rural communities participate in protected area management and conservation of ecosystems and wildlife and increase resilience to natural hazards-induced disasters and climate change	By the MTR submission date included on cover page of Project Document	MAE, Provincial and District entities, community stakeholders
Independent Terminal Evaluation (TE)	NA			By the TE submission date included on cover page of Project Document	MAE, Provincial and District entities, community stakeholders

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Table 12: Monitoring and Evaluation Budget

Monitoring and Evaluation Budget for project execution:	
GEF M&E requirements to be undertaken by Project Management Unit (PMU)	Indicative costs (US\$)
Inception Workshop and Report	11,000
M&E required to report on progress made in reaching GEF core indicators and project results included in the project results framework	60,000
Preparation of the annual GEF Project Implementation Report (PIR)	Covered under PMU costs
Monitoring of safeguards and gender and RFA and project impacts	72,000
Supervision missions	Covered under PMU costs
Learning missions	See separate budget under Output 5.3
Independent Mid-term Review (MTR):	32,000
Independent Terminal Evaluation (TE):	35,000
Travel associated with MTR, TE, M&E and safeguard monitoring	48,229
Terminal Workshop to share results and impacts	11,000
TOTAL indicative COST	269,229

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

Section 1: General roles and responsibilities in the projects' governance mechanism

- 139 Implementing Partner: The Implementing Partner for this project is the Department of Forestry, Ministry of Agriculture and Environment (MAE).
- 140 The Implementing Partner is the entity to which the UNDP Administrator has entrusted the implementation of UNDP assistance specified in this signed project document along with the assumption of full responsibility and accountability for the effective use of UNDP resources and the delivery of outputs, as set forth in this document.
- 141 The Implementing Partner is responsible for executing this project. Specific tasks include:
- Project planning, coordination, management, monitoring, evaluation and reporting. This includes providing all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes and is aligned with national systems so that the data used and generated by the project supports national systems.
 - Overseeing the management of project risks as included in this project document and new risks that may emerge during project implementation.
 - Procurement of goods and services, including human resources (unless UNDP is providing support services, if approved by GEF).
 - Financial management, including overseeing financial expenditures against project budgets.
 - Approving and signing the multiyear workplan.
 - Approving and signing the combined delivery report at the end of the year; and,
 - Signing the financial report or the funding authorization and certificate of expenditures.
- 142 Reponsible parties: At the project design stage, it was decided that Responsible Parties would not be necessary. However, this will be re-evaluated during project implementation, as well as at the time of project inception. If necessitated, any Responsible Party(ies) would prior to selection be reviewed following UNDP rules and procedures, the preparation of HACT micro-assessments to establish relevant capacities, risk levels and cash-transfer modalities will be undertaken as needed. RTA will be consulted before engaging the responsible party (ies) during the implementation stage.

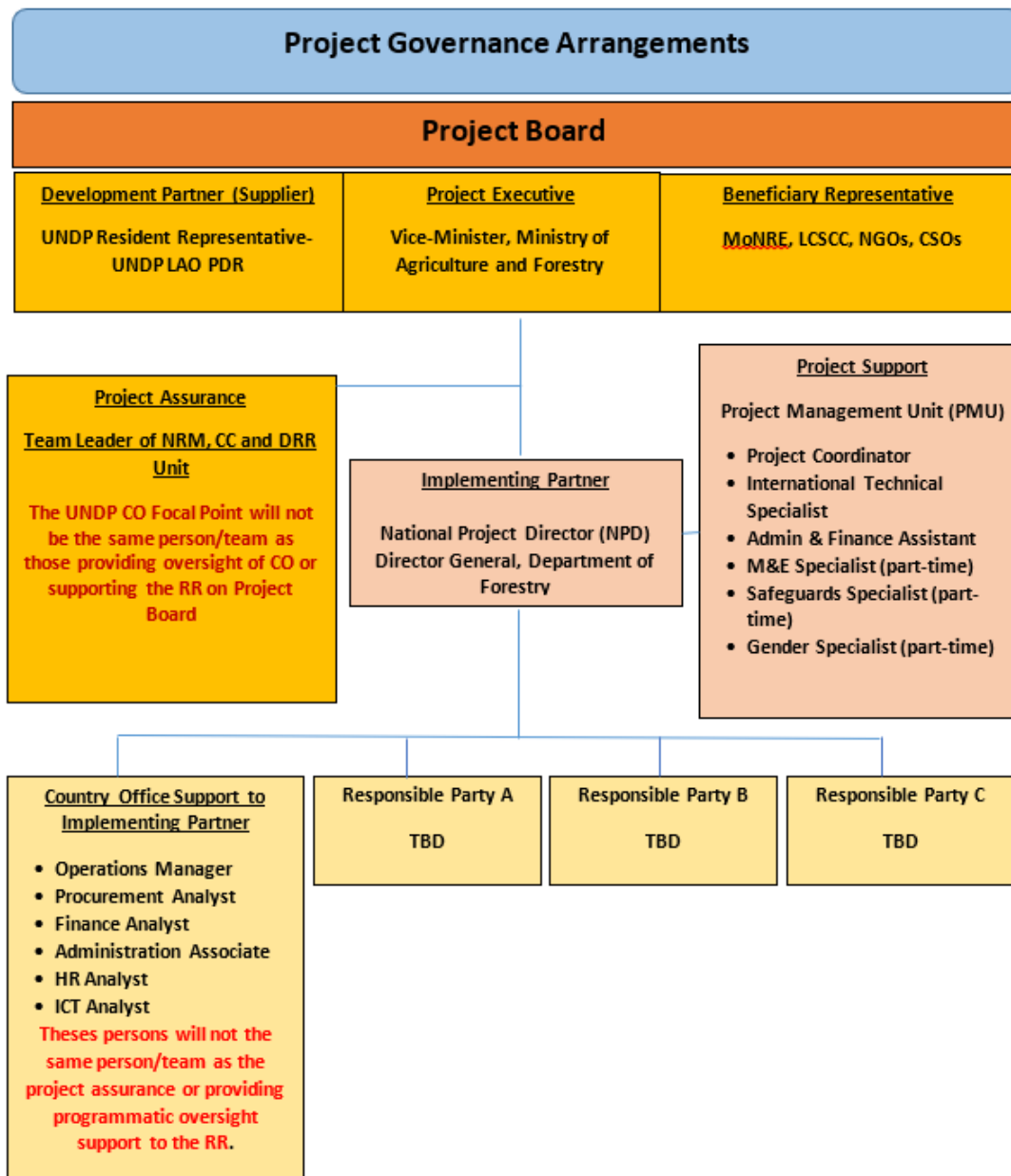
Project stakeholders and target groups:

- 143 The participation and contribution of stakeholders and key target groups is critical for the success of the project, for stakeholders at both the national, provincial, district and local levels. The project applies multiple strategies and mechanisms to ensure stakeholder engagement. First and foremost is the Project Board (as discussed further below), involving the MAE as the primary beneficiary, and UNDP as the Development Partner. UNDP and the MAE have a long history of collaboration in Lao PDR. The project will ensure gender balance and gender sensitivity are mainstreamed throughout all aspects of the project's stakeholder engagement approach.
- 144 The key beneficiaries, namely the local communities in the project target landscape that will be directly involved through their respective community institutions in all aspects of the project, namely in the integrated landscape planning process, in the planning and management of conservation, habitat restoration, sustainable land and resource management use, livelihood and small-scale enterprise development activities, as well as overseeing and supporting the monitoring of the condition of their respective landscape sites through their individual community committees. Other beneficiaries will include the natural resources dependent population living within the landscape that will benefit from the improved quality of the terrestrial systems, improved land and forest management and corresponding improvement in water resources.

- 145 There are multiple stakeholder types at the local level in the planned project landscape, including representatives of provincial, district and community levels, agricultural businesses, and NGOs. At the community level, there are the community-based groups, such as Village Development Committees, Natural Resource User Groups, Women's Groups, Ethnic Minority Groups, individual agricultural smallholders, farms, etc. The project will facilitate participatory planning and integrated natural forest resource management processes at the landscape level initially, and later at the village level. The project will support the capacity development of local stakeholders and resource users, which will include private sector companies, local government representatives, forestry and agricultural staff, and other site-specific key stakeholders, CSOs and others. In addition, the project has multiple education and awareness activities planned that will engage local communities, resource managers, and agriculture and forest sector participants in biodiversity friendly development. Partnerships will be developed and established with gender balance and gender mainstreaming approaches in mind. The project will highlight at various points the mechanisms and channels of communication that stakeholders may employ if they have any grievances related to the social and environmental impacts of the project. For example, this point will be indicated during the project inception workshop, and through the project education and awareness activities.
- 146 Lao Civil Society Coordination Committee (LCSCC), Lao Civil Society Organizations Platform is another important stakeholder, which will be consulted during project implementation. These are non-profit associations or foundations, cooperate closely with the government and international organizations in development of the country. Their work covers many areas, including agriculture and food security, health, hygiene and public health, protection of natural resources and environment, justice, education, disaster relief, labor, social welfare and people with disability.
- 147 UNDP: UNDP is accountable to the GEF for the implementation of this project. This includes overseeing project execution undertaken by the Implementing Partner to ensure that the project is being carried out in accordance with UNDP and GEF policies and procedures and the standards and provisions outlined in the Delegation of Authority (DOA) letter for this project. **The UNDP GEF Executive Coordinator, in consultation with UNDP Bureaus and the Implementing Partner, retains the right to revoke the project DOA, suspend or cancel this GEF project.** UNDP is responsible for the Project Assurance function in the project governance structure and presents to the Project Board and attends Project Board meetings as a non-voting member.
- 148 A firewall will be maintained between the delivery of project oversight and quality assurance performed by UNDP and charged to the GEF Fee and any support to project execution performed by UNDP (as requested by and agreed to by both the Implementing Partner and GEF). The segregation of functions and firewall provisions for UNDP in this case is described in the next section.

Section 2: Project governance structure

- 149 The governance structure for the project is presented in the organogram below. The Project Board will be chaired by the Vice Minister of the Ministry of Agriculture and Environment.
- 150 The composition of the Project Board will be confirmed during the project inception workshop.



NOTE:

First line of defense: Person providing oversight of execution support (COS) cannot report to UNDP staff providing project assurance or providing programmatic oversight support to the RR.

Second line of Defense:

- Regional Bureau oversees RR and function of UNDP Country Office compliance in project assurance ;
- BPPS RTA oversees functions of technical oversight and GEF compliance in project assurance. BBPS NCE PTA overseas RTA function.
- UNDP GEF Executive Coordinator and Regional Bureau Deputy Director can revoke DOA/cancel/suspend project or provide enhanced oversight.

151 The UNDP Resident Representative assumes full responsibility and accountability for oversight and quality assurance of this Project and ensures its timely implementation in compliance with the GEF-specific requirements and UNDP's Programme and Operations Policies and Procedures (POPP), its Financial Regulations and Rules and Internal Control Framework. A representative of the UNDP Country Office will assume the assurance role and will present assurance findings to the Project Board, and therefore attends Project Board meetings as a non-voting member.

152 **UNDP project support (pending GEF approval):** The Implementing Partner and GEF OFP have requested UNDP to provide support services in the amount of USD\$132,051 for the full duration of the project, and the GEF has agreed for UNDP to provide such execution support services. The cost of the execution support (USD 132,051) will be internalized by UNDP as part of its in-kind co-financing and no charges to the GEF project budget will be charged to cover said cost. Furthermore, it should be noted that the decision-making authority on the execution support tasks remains in the hands of the executing agency, the Ministry of Agriculture and Environment. The execution support services –financed from UNDP in-kind co-finance - have been detailed and agreed upon between UNDP Country Office and the Implementing Partner in a Letter of Agreement (LOA). This LOA is attached to this Project Document.

153 To ensure the strict independence required by the GEF and in accordance with the UNDP Internal Control Framework, these execution services will be delivered independent from the GEF-specific oversight and quality assurance services.

Section 3: Segregation of duties and firewalls vis-à-vis UNDP representation on the Project Board:

154 As noted in the [Minimum Fiduciary Standards for GEF Partner Agencies](#), in cases where a GEF Partner Agency (i.e. UNDP) carries out both implementation oversight and execution of a project, the GEF Partner Agency (i.e. UNDP) must separate its project implementation oversight and execution duties, and describe in the relevant project document a: 1) Satisfactory institutional arrangement for the separation of implementation oversight and executing functions in different departments of the GEF Partner Agency; and 2) Clear lines of responsibility, reporting and accountability within the GEF Partner Agency between the project implementation oversight and execution functions.

155 In this case, UNDP's implementation oversight role in the project – as represented in the project board and via the project assurance function – is performed by UNDP Resident Representative and Team Leader of NRM, CC and DRR Unit. UNDP's execution role in the project (as requested by the implementing partner and approved by the GEF) is performed by Operations Team who will report to UNDP's Deputy Resident Representative.

Section 4: Roles and Responsibilities of the Project Organization Structure:

- a) **Project Board:** All UNDP projects must be governed by a multi-stakeholder board or committee established to review performance based on monitoring and evaluation, and implementation issues to ensure quality delivery of results. The Project Board is the most senior, dedicated oversight body for a project.

156 The two main (mandatory) roles of the Project Board are as follows:

- 1) **High-level oversight of the execution of the project by the Implementing Partner** (as explained in the ["Provide Oversight"](#) section of the POPP). This is the primary function of the Project Board and includes annual (and as-needed) assessments of any major risks to the project, and decisions/agreements on any management actions or remedial measures to address them effectively. The Project Board reviews evidence

of project performance based on monitoring, evaluation and reporting, including progress reports, evaluations, risk logs and the combined delivery report. The Project Board is responsible for taking corrective action as needed to ensure the project achieves the desired results.

- 2) **Approval of strategic project execution decisions of the Implementing Partner** with a view to assess and manage risks, monitor and ensure the overall achievement of projected results and impacts and ensure long term sustainability of project execution decisions of the Implementing Partner (as explained in the [“Manage Change”](#) section of the POPP).

Requirements to serve on the Project Board:

- ✓ Agree to the Terms of Reference of the Project Board and the rules on protocols, quorum and minuting.
- ✓ Meet annually; at least once a year
- ✓ Disclose any conflict of interest in performing the functions of a Project Board member and take all measures to avoid any real or perceived conflicts of interest. This disclosure must be documented and kept on record by UNDP.
- ✓ Discharge the functions of the Project Board in accordance with UNDP policies and procedures.
- ✓ Ensure highest levels of transparency and ensure Project Board meeting minutes are recorded and shared with project stakeholders.

Responsibilities of the Project Board:

- ✓ Consensus decision making:
 - The Project Board provides overall guidance and direction to the project, ensuring it remains within any specified constraints, and providing overall oversight of the project implementation.
 - Review project performance based on monitoring, evaluation and reporting, including progress reports, risk logs and the combined delivery report;
 - The Project Board is responsible for making management decisions by consensus.
 - In order to ensure UNDP’s ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition.
 - In case consensus cannot be reached within the Project Board, the UNDP representative on the board will mediate to find consensus and, if this cannot be found, will take the final decision to ensure project implementation is not unduly delayed.
- ✓ Oversee project execution:
 - Agree on project manager’s tolerances as required, within the parameters outlined in the project document, and provide direction and advice for exceptional situations when the project manager’s tolerances are exceeded.
 - Appraise annual work plans prepared by the Implementing Partner for the Project; review combined delivery reports prior to certification by the implementing partner.
 - Address any high-level project issues as raised by the project manager and project assurance.
 - Advise on major and minor amendments to the project within the parameters set by UNDP and the donor and refer such proposed major and minor amendments to the UNDP BPPS Nature, Climate and Energy Executive Coordinator (and the GEF, as required by GEF policies).
 - Provide high-level direction and recommendations to the project management unit to ensure that the agreed deliverables are produced satisfactorily and according to plans.
 - Track and monitor co-financed activities and realisation of co-financing amounts of this project.
 - Approve the Inception Report, GEF annual project implementation reports, mid-term review and terminal evaluation reports.
 - Ensure commitment of human resources to support project implementation, arbitrating any issues within the project.
- ✓ Risk Management:
 - Provide guidance on evolving or materialized project risks and agree on possible mitigation and management actions to address specific risks.

- Review and update the project risk register and associated management plans based on the information prepared by the Implementing Partner. This includes risks related that can be directly managed by this project, as well as contextual risks that may affect project delivery or continued UNDP compliance and reputation but are outside of the control of the project. For example, social and environmental risks associated with co-financed activities or activities taking place in the project's area of influence that have implications for the project.
- Address project-level grievances.
- ✓ **Coordination:**
 - Ensure coordination between various donor and government-funded projects and programmes.
 - Ensure coordination with various government agencies and their participation in project activities.

157 Composition of the Project Board: The composition of the Project Board must include individuals assigned to the following three roles:

- 1. Project Executive:** This is an individual who represents ownership of the project and chairs (or co-chairs) the Project Board. The Executive usually is the senior national counterpart for nationally implemented projects (typically from the same entity as the Implementing Partner). In exceptional cases, two individuals from different entities can co-share this role and/or co-chair the Project Board. If the project executive co-chairs the Project Board with representatives of another category, it typically does so with a development partner representative. The Project Executive is: Vice Minister of MAE – Chair
 - 2. Beneficiary Representative(s):** Individuals or groups representing the interests of those groups of stakeholders who will ultimately benefit from the project. Their primary function within the Project Board is to ensure the realization of project results from the perspective of project beneficiaries. Often representatives from civil society, industry associations, or other government entities benefiting from the project can fulfil this role. There can be multiple beneficiary representatives in a Project Board The Beneficiary representative (s) is/are: **MAE, LCSCC, NGOs, and CSOs .**
 - 3. Development Partner(s):** Individuals or groups representing the interests of the parties concerned that provide funding, strategic guidance and/or technical expertise to the project. The Development Partner is **UNDP Resident Representative**
- b) Project Assurance:** Project assurance is the responsibility of each Project Board member; however, UNDP has a distinct assurance role for all UNDP projects in carrying out objective and independent project oversight and monitoring functions. UNDP performs quality assurance and supports the Project Board (and Project Management Unit) by carrying out objective and independent project oversight and monitoring functions, including compliance with the risk management and social and environmental standards of UNDP. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. Project assurance is totally independent of project execution.

A designated representative of UNDP playing the project assurance role is expected to attend all Project Board meetings and support Project Board processes as a non-voting representative. It should be noted that while in certain cases UNDP's project assurance role across the project may encompass activities happening at several levels (e.g. global, regional), at least one UNDP representative playing that function must, as part of their duties, specifically attend Project Board meeting and provide Project Board members with the required documentation required to perform their duties. The UNDP representative playing the main project assurance function is the Team Leader of the NRM, CC and DRR Unit of UNDP Lao PDR.

- c) Project Management – Execution of the Project:**

- 158 The Project Coordinator (PC) is the senior most representative of the Project Management Unit (PMU) and is overall responsible for the management of the project on behalf of the Implementing Partner, including the mobilization of all project inputs, supervision over project staff, responsible parties, consultants and sub-contractors. The Project Coordinator typically presents key deliverables and documents to the board for their review and approval, including progress reports, annual work plans, adjustments to tolerance levels and risk registers.
- 159 The Terms of Reference for staff of the PMU are provided in Annex 7. A designated representative of the PMU is expected to attend all board meetings and support board processes as a non-voting representative.
- 160 The primary PMU representative attending board meetings is: Project Coordinator (PC) who will be identified as part of the project initiation process within the first month of the project.

IX. FINANCIAL PLANNING AND MANAGEMENT

- 160 The total cost of the project is **USD 50,606,363**. This is financed through a GEF grant of USD \$8,974,312 administered by UNDP and additional support of USD 41,632,051. UNDP as the GEF Implementing Agency, is responsible for the oversight of the GEF resources and the cash co-financing transferred to UNDP bank account only.
- 161 **Co-financing:** The actual realization of project co-financing amounts will be monitored by the UNDP Country Office and the PMU on an annual basis in the GEF PIF and will be reported to the GEF during the mid-term review and terminal evaluation process as follows:

Co-financing source	Co-financing type	Name of Co-financier	Investment Mobilized	Co-financing amount USD
Government	Grant	Ministry of Agriculture and Environment – Department of Forestry	Investment Mobilized	24,000,000
			Investment Mobilized	600,000
Government	Grant	Ministry of Agriculture and Environment – Department of Planning and Cooperation	Investment Mobilized	15,000,000
NGO (international)	Grant	OXFAM	Investment Mobilized	1,600,000
GEF Agency	In-kind	UNDP	Recurrent expenditure	432,051
Total				41,632,051

*Currency conversion rate for EUR to USD is 0.935 (according to UNROE on 1 May 2024)

- 162 **Budget Revision and Tolerance:** As per UNDP POPP, the project board may agree with the project manager on a tolerance level for each detailed plan under the overall multi-year workplan. The agreed tolerance should be written in the project document or approved project board meeting minutes. It should normally not exceed 10 percent of the agreed annual budget at the activity level, but within the overall approved multi-year workplan at the activity level. Within the agreed tolerances, the project manager can operate without intervention from the project board. Restrictions apply as follows:
- 163 Should the following deviations occur, the Project Director/IP through UNDP Country Office will seek the approval of the BPPS/NCE-VF team to ensure accurate reporting to the GEF. It is **strongly encouraged** to maintain the expenditures within the approved budget at the budgetary account and at the component level:
- Budget reallocations must prove that the suggested changes in the budget will not lead to material changes in the results to be achieved by the project. A strong justification is required and will be approved on an exceptional basis. Budget re-allocations among the components (including PMC) of the approved Total Budget and Work Plans (TBWP) that represent a value greater than 10% of the total GEF grant.
 - Introduction of new outputs/activities (i.e. budget items) that were not part of the agreed project document and TBWP that represent a value greater than 5% of the total GEF grant. The new budget items must be eligible as per the [GEF and UNDP policies](#).
 - Project management cost (PMC): budget under PMC component is capped and cannot be increased.

- 164 UNDP is not in a position to increase the total budget above the amount approved by the donor, therefore any over-expenditure would have to be absorbed from non-GEF resources by the Implementing Partner (GEF Executing Entity)
- 165 **Project extensions:** The UNDP-BPPS-NCE team Executive Coordinator must approve all requests for extension of the Project Completion Date and for other milestone extensions with hard deadlines. All extensions impose additional time and cost burdens at all levels and the GEF project budget cannot be increased beyond its originally approved amount. A single extension may be granted on an exceptional basis and subject to the conditions and maximum durations set out in the UNDP POPP. The project management costs during the extension period must remain within the originally approved amount, and any increase in PMC costs shall be covered by non-GEF resources; the additional UNDP oversight costs during the extension period must be covered by non-GEF resources, in accordance with UNDP's policy as set out in UNDP POPP.
- 166 For any extension request, UNDP CO and IP will consult and jointly present a clear plan indicating how and from which specific sources the additional oversight costs that will be incurred by UNDP will be covered during the extended period. The BPPS-NCE Executive Coordinator will consult the Regional Bureaux (RBX) and may reject the extension request if no (external co-financing by the IP or internal UNDP CO resources) can be identified.
- 167 All extension requests, along with all supporting documentation, shall be submitted by the IP to the UNDP CO in line with the requirements and within the deadlines set out in the UNDP SOPs and policies in UNDP POPP.
- 168 **Audit:** The project will be audited as per UNDP Financial Regulations and Rules and applicable audit policies. Audit cycle and process must be discussed during the Inception workshop. If the Implementing Partner is an UN Agency, the project will be audited according to that Agencies applicable audit policies.
- 169 **Transfer or disposal of assets:** In consultation with the Implementing Partner and other parties of the project, UNDP is responsible for deciding on the transfer or other disposal of assets. Transfer or disposal of assets is recommended to be reviewed and endorsed by the project board following UNDP rules and regulations. Assets may be transferred to the government for project activities managed by a national institution at any time during the life of a project, however **must be done before the operational closure date**. In all cases of transfer, a transfer document must be prepared and kept on file³⁴. The transfer should be done before Project Management Unit complete their assignments.
- 170 **Completion Date:** The project completion date is the date of Project Document Signature plus project duration. This date can only be extended through a formal extension request. Prior to completion date, all UNDP-financed inputs must be provided and related activities for the Project completed. No activities, except for the final clearance of the Terminal Evaluation Report and the corresponding management response and the end-of-project review Project Board Meeting should take place after the Completion Date.
- 171 **Project Closure:** Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP. All costs incurred to close the project must be included in the project closure budget and reported as final project commitments presented to the Project Board during the final project review. The only costs a project may incur following the final project review are those included in the project closure budget.
- **Operational Closure:** Operational closure must happen within 9 months from project completion date. Prior to operational closure, the Terminal Evaluation must have been submitted and the corresponding TE management response and the end-of-project review Project Board meeting must have been completed. The Implementing Partner through a Project Board decision will notify the UNDP Country Office when

³⁴ See

https://popp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Project%20Management_Closing.docx&action=default.

operational closure has been completed. Before Operational Closure, the project must have completed the transfer or disposal of any equipment that is still the property of UNDP.

- **Financial Closure:** Financial closure must happen within 6 months of operational closure or after the date of cancellation. The project will be financially closed when the following conditions have been met: a) the project is operationally completed or has been cancelled; b) the Implementing Partner has reported all financial transactions to UNDP; c) UNDP has closed the accounts for the project; d) UNDP and the Implementing Partner have certified a final Combined Delivery Report (which serves as final budget revision).

Between operational and financial closure, the implementing partner will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure documents including confirmation of final cumulative expenditure and unspent balance to BPPS/NCE for confirmation before the project will be financially closed in Quantum by the UNDP Country Office.

- 172 **Cancellation and Suspension:** All projects considering going through cancellation or suspension must follow UNDP and GEF requirements. Guidance can be found in the UNDP POPP ([SOPs for management actions of Vertical Fund projects escalated to the Executive Coordinator](#) and [Guidance for GEF project revisions](#)).
- 173 **Refund to GEF:** Should a refund of unspent funds to the GEF be necessary, this will be managed directly by the BPPS/NCE team Directorate in New York. No action is required by the UNDP Country Office on the actual refund from UNDP project to the GEF. Unspent project balance is not permitted to be transferred to any other projects.

X. TOTAL BUDGET AND WORK PLAN

Total Budget and Work Plan				
Quantum Business Unit		UNDP-LAO		
Quantum Project ID:	01002427	Quantum Project Title:	Generating multiple benefits through strengthened protection of primary forest landscape in Lao PDR	
Quantum Award ID:	1251855	Quantum Award Title:	Generating multiple benefits through strengthened protection of primary forest landscape in Lao PDR	
UNDP-GEF PIMS No.		9484		
Implementing Partner		Ministry of Agriculture and Environment (MAE), Department of Forestry		

Quantum Outcome (GEF Component)	Quantum Output and Activity (GEF Outcome)	Quantum Responsible Party (UNDP, IP, or Responsible Party)	Quantum Fund Code	Quantum Donor Code	Quantum Budgetary Account Code	Quantum Budget Account Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total	Budget note
Component 1. Enabling environment for ensuring the durable protection of primary forest landscape	Outcome 1.: Enabling environment strengthened for integrating primary forest landscapes into forest management and land use planning	UNDP	62000	010003	71400	Contractual Services -individ	27,000	26,000	26,000	26,000	26,000	27,000	158,000	1
		UNDP					27,000	26,000	26,000	26,000	26,000	27,000	158,000	
		MAE	62000	010003	75700	Training, Workshops and Confer	14,000	51,000	38,000	32,000	3,000	3,000	141,000	2
					71600	Travel	13,500	24,500	18,000	13,000	11,000	10,500	90,500	3
					72100	Contractual Services -companies	35,000	62,000	50,000	10,000	10,000	10,000	177,000	4
					72500	Supplies	4,000	3,500	5,000	2,000	2,500	2,000	19,000	5
					71300	National Consultants	10,000	65,000	17,000	16,000	16,000	11,000	135,000	6
					72200	Equipment and Furniture	15,000	30,000	15,000	27,174	-	-	87,174	7
		MAE					91,500	236,000	143,000	100,174	42,500	36,500	649,674	
Total for Outcome 1						118,500	262,000	169,000	126,174	68,500	63,500	807,674		
Component 2: Strengthened management and governance capacities for empowering local communities for management of Protected Areas	Outcome 2: Improved management of primary forest landscapes through inclusive area-based conservation approaches	UNDP	62000	010003	71400	Contractual Services -individ	20,000	25,000	45,000	50,000	25,000	30,000	195,000	8
					71200	International consultant	8,000	9,000	11,000	12,000	9,000	11,000	60,000	9
		UNDP					28,000	34,000	56,000	62,000	34,000	41,000	255,000	
		MAE	62000	010003	75700	Training, Workshops and Confer	42,500	52,000	37,000	38,000	27,000	15,000	211,500	10
					71300	National Consultants	18,000	27,000	32,000	24,000	24,000	18,000	143,000	11
					72100	Contractual Services -companies	270,000	390,000	432,051	290,000	250,000	230,000	1,862,051	12
					72200	Equipment and Furniture	25,000	55,000	35,000	30,000	25,000	25,000	195,000	13
					71600	Travel	25,500	52,000	56,000	56,000	40,500	21,000	251,000	14
					72500	Supplies	7,500	27,000	22,300	21,500	22,500	21,000	121,800	15

		MAE					388,500	603,000	614,351	459,500	389,000	330,000	2,784,351	
Total for Outcome 2							416,500	637,000	670,351	521,500	423,000	371,000	3,039,351	
Component 3: Improved/Inclusive management of primary forest landscapes outside protected areas, including buffers and connective corridors	Outcome 3: Protection of primary forest landscapes mainstreamed in key production sectors, resulting in improved well- being and resilience of IP/LCs	UNDP	62000	010003	71400	Contractual Services -individ	-	22,000	27,000	35,000	24,000	24,000	132,000	16
					71200	International consultant	2,000	3,000	3,000	4,000	3,000	2,000	17,000	17
		UNDP					2,000	25,000	30,000	39,000	27,000	26,000	149,000	
		MAE	62000	010003	75700	Training, Workshops and Confer	5,000	31,400	45,000	45,000	45,000	45,000	216,400	18
					72100	Contractual Services -companies	-	140,000	370,000	380,000	350,000	350,000	1,590,000	19
					71600	Travel	4,500	29,500	47,000	49,500	48,500	37,500	216,500	20
					71300	National Consultants	4,000	24,000	24,000	29,000	39,000	9,000	129,000	21
					72200	Equipment and Furniture	-	45,000	70,000	70,000	70,000	70,000	325,000	22
					72500	Supplies	500	-	300	-	500	-	1,300	23
		MAE					14,000	269,900	556,300	573,500	553,000	511,500	2,478,200	
Total for Outcome 3							16,000	294,900	586,300	612,500	580,000	537,500	2,627,200	
Component 4: Reducing financial gap and scaling-up investments for primary forest conservation	Outcome 4 : Financial sustainability of primary forest conservation improved	UNDP	62000	010003	71200	International consultant	-	30,000	30,000	-	-	-	60,000	24
					71400	Contractual Services -individ	-	10,000	20,000	15,000	18,000	10,000	73,000	25
		UNDP					-	40,000	50,000	15,000	18,000	10,000	133,000	
		MAE	62000	010003	75700	Training, Workshops and Confer	-	20,000	25,000	15,000	15,000	5,000	80,000	26
					72100	Contractual Services -companies	-	90,000	120,000	80,000	50,000	10,000	350,000	27
					71600	Travel	1,500	15,500	30,000	21,000	21,000	9,000	98,000	28
					72500	Supplies	-	1,500	-	1,500	-	1,500	4,500	29
					71300	National Consultants	-	-	5,000	5,000	5,000	-	15,000	30
		MAE					1,500	127,000	180,000	122,500	91,000	25,500	547,500	
Total for Outcome 4							1,500	167,000	230,000	137,500	109,000	35,500	680,500	
Component 5: Coordination, knowledge management and capacity development	Outcome 5: Durability of primary forest conservation strengthened through effective regional cooperation, learning and knowledge management.	UNDP	62000	010003	71400	Contractual Services -individ	7,900	19,900	19,900	17,900	18,900	17,500	102,000	31
					71200	International consultant	-	-	3,000	3,000	3,000	5,000	14,000	32
		UNDP					7,900	19,900	22,900	20,900	21,900	22,500	116,000	
		MAE	62000	010003	75700	Training, Workshops and Confer	40,000	45,000	45,000	50,000	50,000	60,000	290,000	33
					71300	National Consultants	15,500	22,500	21,500	33,500	23,500	49,500	166,000	34
					72100	Contractual Services -companies	32,597	60,000	75,000	60,000	55,000	75,000	357,597	35
					72200	Equipment and Furniture	80,000	80,000	-	-	-	-	160,000	36
					71600	Travel	24,000	25,500	30,500	27,000	30,500	28,000	165,500	37

		MAE					192,097	233,000	172,000	170,500	159,000	212,500	1,139,097	
Total for Outcome 5							199,997	252,900	194,900	191,400	180,900	235,000	1,255,097	
Component 6: Monitoring and Evaluation (M&E)	Project Component 6: Project Monitoring, evaluation and reporting ensured	UNDP	62000	010003	71200	International consultant	10,000	10,000	30,000	10,000	10,000	35,000	105,000	38
					71300	National Consultants	10,000	12,000	22,000	14,000	12,000	24,000	94,000	39
					71600	Travel	6,000	6,000	12,000	6,000	6,000	12,229	48,229	40
					75700	Training, Workshops and Confer	11,000	-	-	-	-	11,000	22,000	41
		UNDP					37,000	28,000	64,000	30,000	28,000	82,229	269,229	
Total for Outcome 6							37,000	28,000	64,000	30,000	28,000	82,229	269,229	
Project Management Cost (PMC)	Project Management Cost (PMC)	UNDP	62000	010003	71400	Contractual Services -individ	37,000	37,000	37,000	37,000	37,000	37,000	222,000	42
					71600	Travel	697	600	600	600	600	600	3,697	43
					72500	Supplies	2,115	2,500	2,500	2,500	2,500	2,344	14,459	44
					72200	Equipment and Furniture	19,105	-	-	-	-	-	19,105	45
					74100	Professional services (Audit fees)	3,000	3,000	3,000	3,000	3,000	3,000	18,000	46
					73100	Rental&Maintenance -Premises	3,000	3,000	3,000	3,000	3,000	3,000	18,000	47
Total for PMC-UNDP							64,917	46,100	46,100	46,100	46,100	45,944	295,261	
Total Project Grant							854,414	1,687,900	1,960,651	1,665,174	1,435,500	1,370,673	8,974,312	

Budget note

Budget Note Number	Description
1	1-International Technical Specialist to facilitate policy development related to integration of IPF into 2035 National Forestry Policy, EIA, spatial planning and LUP reviews, supporting formulation of training program and its institutionalization. International Technical Specialist to oversee and guide the development of Annamite Management Strategy and advise the consultancy firm in data collection, mapping, consultation etc. 2 - Annamite Range Coordinator to coordinate with national and sub-national authorities on review, consultation workshop and approval of the strategy, and ensure it is in line with the National Forestry Strategy till 2035 and integrated to the new National Socio-Economic Development Plan till 2030
2	1-Workshops with policymakers and sector entities, private sector to reach agreement on policy alignments, (costs for meeting room, equipment, materials). App. 6 Basic workshop costs (footnote 41) 2- Participatory meetings, workshops and training to support the development and reach agreement on the guidelines/regulations/procedures for integration of PFLs. 16 Basic workshop costs (footnote 41) 3- Cost associated with conduction of the training program at provincial and district levels (including gender and safeguards) 20 Basic workshop costs (footnote 41) 4-National level meetings, workshops and conferences at high level to support and engage stakeholders in reaching agreement on the key elements of the Annamite Management Strategy 2 Basic workshop costs (footnote 41) 5-Meetings, workshops and conferences to support and engage stakeholders in reaching agreement on the key elements of the Annamite Management Strategy 12 Basic workshop costs (footnote 41)

3	1-Travel costs for the project staffs/consultants support PMU to implement activities in 4 Outputs of the outcome 1 Basic travel units (footnote 40) 2- Travel related to undertaking the stocktaking and alignment of policies, conduct of assessment, development guidelines/regulation/procedures for integration of PFLs, conduct training, development of the Annamite Management Strategy (footnote 40)
4	1-Contractual services to support stocktaking to identify gaps/contradictions in policies relevant to PFLs integration to meet 2035 national targets 2-To develop guidelines/regulations/procedures for integration of PFLs in spatial planning, EIA, SEAs, LUPs related to development planning and provide training 3-Contractual services from firm/institution for data collection, consultation, mapping and guiding the participatory development of the Annamite Management strategy
5	Supplies such as ink, toners, paper etc. for conduct of workshops
6	1-national Consultant- to undertake assessments of environmental impact assessments and other tools (LUPs, Spatial Planning etc.) to help integrate PFLs in development/industry planning 2-To act as Project Provincial Technical Assistant- Approx. 32% of 1300*72 months = 93,600 USD 3-To undertaking capacity assessments of key institutions and private sector to mainstream PFLs in the safeguard and planning tools 4- To act as Communication and Design Specialist, Approx. 5% of 18,000/y*6 = 108,000 USD to support on Activity 1.4.7 Public Comment on IMS: The draft IMS will be presented publicly to allow people to react and respond 5- To undertake SESA for policy related work (Output 1,1), integration into LUPs/EIA (Output 1.2) and SEAS for Annamite management strategy
7	Training equipment such as computer, slide projects and training materials Equipment such as computer/tablets/drone, cameras/camera trap, biodiversity survey equipment, sensors, sampling & inventory, etc. to support the mapping of the Annamite range in the 4 target provinces
8	International technical specialist part-costs for supporting multi-stakeholder mapping and development on integrated plan/strategy for project landscape supporting PA management planning and investment, PA capacity needs assessment and PA governance issue, planning and implementation of community livelihood activities within the PA and adjacent area, gap assessment to facilitate PA network enhancement and improved effectiveness
9	1-International Specialist to facilitate in development and implementation of monitoring framework to assess key species population and habitat changes and provide essential field and monitoring equipment for PA management and monitoring management effectiveness (Activity 2.2.4) (\$ 22,000) 2-International Specialist to facilitate in Activity 2.3.2 Develop a survey and monitoring framework for PA staff to carry out biodiversity surveys, threat assessment, forest restoration techniques, cross-border coordination (as relevant), community patrolling, assessment of social safeguards, and monitoring the effectiveness of PA management (\$ 21,000) 3-International Specialist to facilitate in 2.4.2 Assess capacity and skills of Village Forest Management Units who are formally involved in governance related to the PA (\$ 17,000)
10	Consultations, meetings, and workshop costs associated with development of the landscape framework, preparation of PA management plans, supporting implementation of PA activities, and monitoring of species and biodiversity, training of PA staff and villages involved with PA co-management, development of community investment plans with PA 20 and build consensus of PA network extension (footnote 41)
11	1-National consultant to support gender action and learning in target villages 2-To act as Communication and Design Specialist, approx. 14% of 18,000/y*6 = 108,000 USD to support on Activity 2.2.5. Development of a communication strategy for facilitating community and stakeholder participation in effective management and protection of PAs. 3- To act as Project Provincial Technical Assistant- Approx. 52% of 1300*72 months = 93,600 USD
12	1-Contractual Firm to develop ESMP, IPP, LAP and other safeguard related management plans and train staff to apply these instruments 2-Contractual firm to undertake rapid mapping of landscape, consultation with stakeholders and develop an agreed landscape framework/strategy 3-Consultancy Firm to undertake mapping, consultation and development of PA management plans in staggered manner 4-Consultancy firm to provide technical support and investment support for implementation of key management interventions for conservation, fire control, forest regeneration, etc. in PAs 5-Consultancy Firm to undertake capacity needs assessment of PA and local communities around PA, develop training materials and curriculum and conduct training 6-Consultancy firm to provide technical assistance, training and extensions services to support livelihood and sustainable resource use activities within PA communities 7-Consultancy firm that will provide technical support and implementation of investment in livelihood and related activities, such as soil and water conservation, agroforestry, livelihood activities, etc. 8-Consultancy firm to undertake biological mapping, consultation, gap assessment and provide recommendations for PA network extension to include PFLs outside the existing PAs

13	1-Survey, mapping and related equipment for mapping landscape 2-Equipment to support the field-based PA training including compasses, camera, survey and monitoring equipment, etc. (\$20,000) 3-Small equipment (shed houses, etc.) and materials (agricultural inputs-seeds, breeds) for enhancing livelihood and value chain activities for 20 communities within PA across 6 years. 4-Survey equipment, maps, field equipment, drones etc. to help with mapping
14	1-Travel costs for the project staffs/consultants support PMU to implement activities in Output 2.1. 12, output 2.2.13, output 2.4.12 and output 2.5.24, output 2.3.11 (footnote 40) 2-Travel costs associated with participation of provincial and district staff in the landscape framework development and participation in safeguard and gender training, the preparation of PA management plans, PA investment planning and implementation and monitoring, travel related to enhancing livelihood and value chain activities, including during investment periods and Travel associated with participation in training workshops etc. (footnote 40)
15	Office supplies such as paper, ink, consumables for above exercise, planting materials, nursery support and other supplies related to improving livelihood activities
16	International Technical Specialist part costs for supporting application of spatial planning and other instruments to protection PFLs outside PAs, guide and oversee the preparation and implementation of restoration activities related to village management plans, guide and oversee the implementation of the agricultural and land related NbS activities, guide and oversee the implementation of OECMs (\$40,000)
17	International Specialist to facilitate in Activity 3.2.6 Development and implementation of maintenance and monitoring plan (\$ 17,000)
18	1- Training and workshops to for sector, private and other stakeholders to integrate PFL consideration in development plans and programs 19 Basic workshop costs (footnote 41) 2- Costs of meetings and consultation and training of communities to undertake restoration activities 21 Basic workshop costs (footnote 41) 3- Costs of meetings, training, and workshops to build capacity of communities to implement NbS solutions on their lands 36 Basic workshop costs (footnote 41) 4- Workshops and meetings with policy makers, key sector entities and communities to promote and uptake of OECMs 10 Basic workshop costs (footnote 41)
19	1-Contractual services to enhance planning, environmental and spatial guidelines and institutional capacity for integration of PFLs in development activities 2-Contractual services to develop restoration plans for degraded areas in periphery of PAs to enhance connectivity 3-Contractual services to support implementation of restoration plans by Village Committees 4-Contractual services to identify and develop plans for promotion of NbS in agriculture, agro-forestry, land management etc. 5-Contractual services to provide training, technical support and extension to communities to implement NbS activities 6-Contractual services costs for communities to implement NbS solutions on their lands 7-Consultancy firm to support the identification of potential OECMs sites in the two municipalities and develop plans for their management (\$80,000) 8-Consultancy firm to provide technical support, training and extension to support the management of OECMs (\$80,000)
20	1-Travel costs for the project staffs/consultants support PMU to implement activities in Output 3.1. 9, output 3.3. 13 and output 3.4. 21 (footnote 40) 2-Travel associated with conduct of training and consultations, travel costs associated with restoration planning and implementation, Travel costs associated with provision of technical support, extension, training, linking with private sector, access to market etc., Travel associated with promotion of OECMs. 62 Basic travel unites (footnote 40)
21	1-To act as Project Provincial Technical Assistant- Approx. 26% of 1300*72 months = 93,600 USD 2-National Consultant to support dialogue and discussion to support the establishment of OECMs in the country 3-National Consultant to prepare a manual and resource book for promotion of OECMs in country 4- Communication and Design Specialist, Approx. 14% of 18,000/y*6 = 108,000 USD to support on the design and input under Activity 3.4.1. Establish extensive dialogue with key entities and Activity 3.4.5 Prepare a manual/resource book that defines mandatory criteria and guidelines and procedures/protocols for identifying OECMs.
22	1-Restoration equipment such as machinery, hand tools, water supply bins, fencing etc. under output 3.2 on village management plans for improving management practices and restoration of primary forests (\$100,000) 2-Costs of equipment such a machinery, land tools, materials etc. to enable implementation of land related NbS (\$225,000)
23	Supplies to support training such as maps, ink, paper, etc.
24	IC to undertake resource gap assessment to meet financial needs, identify potential financial instruments and support consultancy firm (\$60,000)
25	International technical specialist part-costs for supporting feasibility of financial solutions, supporting application of potential BIOFIN generated financing instruments, supporting training for application of financial solutions and value chains
26	1-Workshops and consultations regarding the gap assessment and PES feasibilities 8 Basic workshop costs (footnote 41) 2-Workshops at provincial levels to encourage private sector partnerships for promotion of NbS activities 14 Basic workshop costs (footnote 41) 3-Meetings and workshops for training community members in design and implementation of value chain activities 10 Basic workshop costs (footnote 41)

27	1-Consultancy firm to develop a national standardized procedure for PES that can be applied in various situation and assess feasibilities (\$80,000) 2-Consultancy services for assessing feasibility and support for of application of potential PA financing instruments or redirection of existing funding (\$80,000) 3-Contractual firm/institution to support private sector partnerships and financing for NbS activities including value chains (\$80,000) 4-Contractual services firm to develop training strategies for promotion of value chain and NbS solutions at community levels (\$40,000) 5-Contractual services firm to support implementation of Value Chain activities, including product development, value addition, market access, etc. (\$70,000)
28	1-Travel costs for the project staffs/consultants support PMU to implement activities in Output 4.1. 8, output 4.2.19 and output 4.3.13 (footnote 40) 2-Travel costs related to feasibility assessments and IC travel costs, Travel related to promotion of private sector partnerships, Travel related to plan and implementation of value chain activities. (footnote 40)
29	Supplies to support training such as maps, ink, paper, etc. (\$4,500)
30	To act as Communication and Design Specialist, approx. 14% of 18,000/y*6 = 108,000 USD to support on the design materials of curriculum under Activity 4.3.3 Develop curriculum and conduct training for key sector institutions
31	1-International technical Specialist part-costs for supporting the development and implementation of communication and awareness plan, supporting the design and conduct of KM activities, supporting liaison with IP program to share information and communications 2-To act as Knowledge Management Coordinator including provision of inputs to the policy notes based on best practices and input to the KM activities
32	International Specialist to facilitate in Activity 5.2.1 Documentation and dissemination of case studies, best practices and lessons learned from the project by working closely with the Documentation Specialist. (\$14,000)
33	1-Costs of organizing the workshops and public awareness campaigns and education programs 24 Basic workshop costs (footnote 41) 2-Costs of conducting KM events (dissemination events, exhibitions, trainings/workshops, campaign, awareness raising, celebration of biodiversity/forest related days) (\$50,000) 3-Costs of participation of government officials and national staff in IP organized KM and communication/lessons sharing exercise (workshops/seminars/ conferences) inside the country (3 workshops a year - app. \$9,000 –\$11,000 per workshop total cost (\$180,000)
34	1-To act as Communication and Design Specialist, Approx. 51% of 18,000/y*6 = 108,000 USD to support on the design and input under activity 5.1.1 Development of gender-sensitive communication and awareness action plans, Activity 5.1.3. Design of communication materials and programs & Activity 5.1.4. Conduct of awareness and outreach activities, activity 5.2.1 Documentation and dissemination of case studies, best practices and lessons learned, Activity 5.2.3 Technical reports, publications and other knowledge management products, Activity 5.2.6 Inclusion of public engagement pages on national and provincial websites and social media platforms and support on designing/conduct IP related lessons sharing workshops in country 2-To act as Project Provincial Technical Assistant- Approx. 8% of 1300*72 months = 93,600 USD 3-National Consultant (s) to document best practices, develop policy notes based on best practices, and manual for promotion of PFL conservation/integration and sustainability/replication plan
35	1-Contractual services firm to develop awareness/communication plan, develop materials and conduct awareness campaigns nationally and in the project areas (\$247,597) 2-Contractual Services firm to develop KM products (radio and video programs, mass media products, website, etc.) (\$110,000)
36	1-Equipments such as cameras, projectors, battery backup, screens etc. to conduct the communication and awareness programs (\$100,000) 2-Equipment for KM product development (\$60,000)
37	1-Travel costs for the project staffs/consultants support PMU to implement activities in Output 5.1. 16, output 5.2. 17 (footnote 40), Travel costs related to participation of IP organized events outside the country (International Travel), approx. 6-8 missions (2 pax -international) will be conducted by the government officials (\$61,000) 2-Travel costs related to conduct of the awareness and communication programs. 80 Basic travel unites (footnote 40), travel costs for the project staffs/consultants support PMU to implement activities in Output 5.3, approx. 6-8 missions (1 pax -international) will be conducted and participated by the national project staffs (\$26,000)
38	1-International Consultant for MTR and TE - MTR: 44 days*500 USD = 22,000 USD - TE: 46 days * 500 USD = 23,000 USD 2-To act as M&E Specialist to undertake monitoring results framework and impacts (2,2,3,2,2,3 months Years 1 through 6) =USD 60,000 .This includes monitoring and reporting on GEF core indicators, project results framework, coordinating inputs for PIRs

39	1-National Consultant for MTR and TE - MTR: 40 days * 250 USD = 10,000 USD - TE: 48 days * 250 USD = 12,000 USD 2-Gender and Environment and Social Safeguard Specialist for monitoring safeguards and gender (3,3,3,2,2,3 months Years 1 through 6) 64 weeks * 1250 USD = 80,000 USD
40	Travel related to safeguards and RFA monitoring, and MTR and TE travel costs 96 Basic travel unites (footnote 40)
41	Workshops at Launch for introduction of project and end of project to discuss results and impacts, 2 workshops will be organized, 2*\$11,000 = \$22,000
42	1-National Project Coordinator at \$21,000/year, 100% [Y1, Y2, Y3, Y4, Y5 Y6], 21,000 USD*6 = 126,000 USD 2-Financial and Administrative Assistant at \$16,000/year, 100% [Y1, Y2, Y3, Y4, Y5 Y6], 16,000 USD*6 = 96,000USD
43	Travel costs for PMU for relevant activities/event e.g., Project Board Meeting. 7 Basic travel unites (footnote 40)
44	Office supplies - paper, ink, printer fluids, etc. (\$14,459)
45	Office equipment and furniture (\$19,105)
46	Audit costs, 6 year * \$3000 = \$18,000
47	Electricity, water and telephone costs (\$18,000)

XI. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on 10 October 1988. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by Ministry of Agriculture and Environment in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

XII. RISK MANAGEMENT

1. Consistent with the Article III of the SBAA, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
 - a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.
2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.
3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Consolidated Sanctions List, and that no UNDP funds received pursuant to the Project Document are used for money laundering activities. The United Nations Security Council Consolidated Sanctions List can be accessed via <https://www.un.org/securitycouncil/content/un-sc-consolidated-list>.
4. The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.

(a) In the implementation of the activities under this Project Document, the Implementing Partner, and each of its sub-parties referred to above, shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

(b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, the Implementing Partner, and each of its sub-parties referred to above, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.
5. a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, the Implementing Partner will and will require that such sub-parties will take all appropriate measures to:
 - i. Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;
 - ii. Offer employees and associated personnel training on prevention and response to SH and SEA, where the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding

the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;

- iii. Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 have been informed or have otherwise become aware, and status thereof;
 - iv. Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and
 - v. Promptly and confidentially, record and investigate any allegations credible enough to warrant an investigation of SH or SEA. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.
- b) The Implementing Partner shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the Implementing Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.
6. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
 7. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
 8. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
 9. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds.
 10. In the implementation of the activities under this Project Document, UNDP places reasonable reliance upon the Implementing Partner for it to apply its laws, regulations and processes, and applicable international laws regarding anti money laundering and countering the financing of terrorism, to ensure consistency with the principles of then in force the UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy.
 11. The Implementing Partner will ensure that its financial management, anti-corruption, anti-fraud and anti-money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.
 12. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
 13. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programs in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall

provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

14. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

15. UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud, corruption or other financial irregularity, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail the Implementing Partner's obligations under this Project Document.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud, corruption or other financial irregularity, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

16. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.
17. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
18. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, mutatis mutandis, in all sub-contracts or sub-agreements entered into further to this Project Document.

XIII. Mandatory Annexes

Annex 1 GEF Budget Template
Annex 2 GEF Execution Support Letter 2b LOA between UNDP 2c DPC calculations
Annex 3 Project Map and geospatial coordinates of the project area
Annex 4 Multiyear Workplan
Annex 5 Social and Environmental Screening Procedure (SESP)
Annex 6 UNDP Risk Register
Annex 7 Overview of Project Staff and technical consultancies/subcontracts
Annex 8 Stakeholder Engagement Plan
Annex 9a Environmental Social Management Framework (ESMF), 9b Process Framework 9c Livelihood Action Framework, 9d Indigenous Peoples Planning Framework
Annex 10 Gender Analysis and Gender Action Plan
Annex 11 Procurement Plan – for the first year of implementation
Annex 12 Project Board TOR
Annex 13a PCAT 13b Micro Assessment Report
Annex 14a Combined Co-Financing letters, 14b OXFAM, 14c DOF-REDD+, 14d DOF-FPF, 14e UNDP, 14f MAE-IFAD
Annex 15 Climate risk assessment
Annex 16 Core indicator worksheet

XIV. Other Annexes

Annex 17 ExAct Tool
Annex 18a METT Assessment Report, 18b METT-XS, 18c METT-PXH, 18d METT-PXT, 18e METT-XBN
Annex 19 GEF Taxonomy
Annex 20 CD Scorecards
Annex 21 Socio-Economic Community Report
Annex 22 Menu of investment options
Annex 23 Value chain analysis
Annex 24 Quality Assurance Report
Annex 25 PPG Consultation Report
Annex 26 Project sites information
Annex 27. Technical Study and Review: Policy Baseline Situation and Gap, and Project and Program Baseline Analysis