

Cover Page for Project/Program Approval Request

1. Country/Region:	Lao PDR	2. CIF Project ID#:	XFIPLA006A
3. Source of Funding:	<input checked="" type="checkbox"/> FIP	<input type="checkbox"/> PPCR	<input type="checkbox"/> SREP
4. Project/Program Title:	<i>Scaling-up Participatory Sustainable Forest Management</i>		
5. Type of CIF Investment:	<input checked="" type="checkbox"/> Public	<input type="checkbox"/> Private	<input type="checkbox"/> Mixed
6. Funding Request in million USD equivalent:	<i>Grant: \$12.83 million</i>		<i>Non-Grant:</i>
7. Implementing MDB(s):	<i>IBRD</i>		
8. National Implementing Agency:	Mr. Khamphay Manivong, Deputy Director General, Department of Forestry, Ministry of Agriculture and Forestry, Lao PDR		
9. MDB Focal Point and Project/Program Task Team Leader (TTL):	<i>Headquarters- Focal Point:</i> Gerhard Dieterle		<i>TTL:</i> Peter Jipp

10. Project/Program Description (including objectives and expected outcomes):

The **Project Development Objective** is to contribute to national REDD+ efforts to reduce carbon emissions from forests by expanding the national program of Participatory Sustainable Forest Management (PSFM) in Production Forest Areas (PFAs) and developing and piloting Landscape-PSFM in four provinces.

The project will: a) incorporate and monitor forest carbon emission reductions; b) introduce performance payments for forest carbon sequestration; c) focus additional efforts on developing sustainable livelihood options; and, d) foster inter-agency coordination at the landscape scale. It will have the following four components:

1. Strengthening and Expanding PSFM in Production Forest Areas
2. Piloting Landscape-PSFM
3. Enabling Legal and Regulatory Environment
4. Project Management

Key results:

- Expanded areas under approved forest management plans
- Landscape approach to PSFM in Lao PDR developed and agreed
- Increased number of people with monetary and non-monetary benefits from forests
- Decreased rate of forest cover loss in project areas compared to untreated areas
- Enhanced carbon storage from assisted natural regeneration and forest restoration, and
- Reduced emissions from deforestation and forest degradation in project areas.

11. Consistency with Investment Criteria:

(a) Climate change mitigation potential (see also Annex 9)

Emissions Reductions over 10 years (tCO₂eq)

	Conserved Growing Stock	Protection of Growing Stock	Forest Restoration (Sequestration)	Total
Year 1	428	23,854	1,445	25,727
Year 2	855	47,708	3,312	51,875
Year 3	1,283	71,562	6,421	79,266
Year 4	1,710	95,415	8,555	105,680
Year 5	2,138	119,269	14,226	135,633
Year 6	2,565	143,123	16,417	162,105
Year 7	2,993	166,977	18,789	188,759
Year 8	3,420	190,831	18,071	212,322
Year 9	3,848	214,685	18,439	236,972
Year 10	4,275	238,539	18,370	261,184
	23,515	1,311,963	124,045	1,459,523

(b) Demonstration potential at scale – Piloting Landscape Approaches (see Component 2)

(c) Cost-effectiveness- Section VI A (pg 17-18) and Annex 7 – Financial and Economic Analysis

(d) Implementation potential – Section VI (see Appraisal Summary)

(e) Integrating sustainable development (co-benefits) – livelihood improvement and biodiversity conservation (see section II B, pg. 3-4; Component 1&2 in the Annex 2 and Results Framework in Annex I)

(f) Safeguards – Section VI E – safeguards

12. Stakeholder engagement:

Section VI E – Social Safeguards – page 10-11

Please note that Dedicated Grant Mechanism (DGM) discussions have been initiated and a grant request will be submitted shortly.

13. Gender considerations:

Gender aspects have been considered throughout the project cycles- design, implementation, monitoring and evaluation to ensure inclusiveness, equity, effectiveness and sustainability. (See more details in the Community Engagement Process Framework in the Resettlement Policy Framework and; Page 8, Annex 1 and Annex 2 of the PAD).

- The Lao Women's Union has been a key government partner in the implementation of the former SUFORD project and will continue during the proposed SUPSFM project.
- The Village Forestry and Livelihood Committee, a decision making body established at the village level to oversee the project implementation, will include women as representatives.
- The Village Development Grant will continue to allocate funds for women's livelihood improvement initiatives facilitated by the Lao Women's Union which will facilitate involvement and access for vulnerable ethnic women, widows, and single mothers.
- A gender and ethnic group advisor is included on the Technical Assistance team
- Stakeholder consultations and PLUP processes will hold separate sessions with women

- Women facilitators will be provided an enhanced role in project teams and reflect language skills required to reach out to different ethnic groups
- An annual gender assessment will be conducted and findings mainstreamed in project implementation
- Technical prescriptions will be screened to ensure gender fairness
- Gender disaggregated data will be collected and maintained through baseline and other surveys and assessments

14. Indicators and Targets (consistent with results framework):

Core Indicator	Target
- Expanded areas under approved forest management plans	Increase area by 1.02 M ha
- Landscape approach to PSFM in Lao PDR developed and agreed	Introduced in 4 Provinces; 2.68 M ha
- Decreased rate of forest cover loss in project areas compared to untreated areas	Annual losses decline from 8700 Ha per year to 4800 Ha per year
- Enhanced carbon storage from assisted natural regeneration and forest restoration, and,	14,000 (tCO ₂ eq) in year 5; 18,000 (tCO ₂ eq) in year 10
- Reduced emissions from deforestation and forest degradation in project areas.	121,000 (tCO ₂ eq) in year 5; 243,000 (tCO ₂ eq) in year 10
<i>Development Indicator(s):</i> - Increased number of people with monetary and non-monetary benefits from forests	Increase by 115,000; total beneficiaries 424,000; half are women; half are ethnic minorities

15. Co-Financing:

	Amount (in USD million):	Type of contribution:
• Government	7.33	In-kind
• MDB	18.50	IDA Grant
• Bilateral (parallel co-financing)	14.50	Finland Technical Asst.
• Others (please specify)		
Co-Financing Total:	53.16	

16. Expected Board/MDB Management approval date:

May 28, 2013