



Lao PDR

## 2011 Annual Work Plan

<b>Project Title</b>	<b>INVESTMENT IN LAO PDR: MINIMISING THE SOCIAL AND ENVIRONMENTAL IMPACTS</b>
<b>Project Number</b>	<b>00064088 (PEF Fund) 00071859</b>
<b>UNDAF Outcomes:</b>	<b>UNDAF OUTCOME 1: By 2011, the livelihoods of poor, vulnerable and food insecure populations are enhanced through sustainable development (within DMG framework)</b>
<b>Expected UNDP Country Programme / CPAP Outcomes:</b>	<b>Outcome 1: Improved and equitable access to land, markets and social and economic services, environmentally sustainable utilization of natural resources, with balanced population growth.</b>
<b>Expected UNDP Country Programme / CPAP Outputs:</b>	<b>Output 1.2: The role of biodiversity, agro-biodiversity, land management and environment in general in livelihood improvements and poverty reduction strengthened through enhanced knowledge management and management capacity.  Outcome 1.3: Enhanced management capacity of the Government in meeting its international environmental obligations through strengthened implementation of multilateral environmental agreements and related national policies and legislation.</b>
<b>Implementing Partner:</b>	<b>Investment Promotion Department (IPD) of the Ministry of Planning and Investment (MPI)</b>
<b>Responsible Parties:</b>	<b>IPD/MPI and UNDP</b>

### Brief Description

The Poverty-Environment Initiative (PEI) in Lao PDR aims to strengthen capacity of targeted central and provincial authorities to integrate poverty-environment concerns and opportunities in key development planning processes. The initiative is not one stand-alone project but has been designed primarily to provide targets support to ongoing programmes.

This project document-Investment in Lao PDR: minimizing the social and environmental impacts-corresponds to Output 2 of the overall PEI country programme, as set out in the 'PEI Framework for Lao PDR'. Output 2 aims to strengthen the capacity of national and provincial authorities to plan and manage investment in a manner that seeks to maximize pro-poor and pro-environmental outcomes. The project will work with the Investment Promotion Department in the Ministry of Planning and Investment and provincial authorities to strengthen skills to design, negotiate, plan, monitor and enforce appropriate investment contracts. In particular the project will encourage central and provincial authorities to use integrated planning resources, existing cost-benefit analysis material, community consultation mechanisms, close coordination with the Environment and Social Impact Assessment Department of WREA, and south-south learning events to produce integrated investment strategies that are beneficial at the provincial level and assist Lao PDR to graduate from Least Developed Country (LDC) status by 2020. These activities will support the government to implement the revised Investment Law for Lao PDR (currently under consideration by the National Assembly).

MPI has selected four provinces within which to focus PEI provincial activities-Oudomxay, Phongsaly, Saravane and Savannakhet. PEI will coordinate its provincial activities with two parallel development initiatives-the Northern Uplands Core Coherent Program (AFD/EC/GTZ/SDC) in Phongsaly, and the ADB-IFAD Sustainable Natural Resource Management and Productivity Enhancement project in Saravane and Savannakhet. Activities will also aim to link closely with the ongoing UNDP Governance and Public Administration Reform programme (GPAR) in Saravane.

### **Annual key priorities for 2011**

Based on the key outputs identified in the the Project Document and review of the 2010 results, the key priorities for 2011 are to:

1. Support IPD/MPI on the refinement, approval and implementation of the National Investment Strategy following recommendations and results of partner consultations
2. Support provincial government on the refinement, approval and implementation of Provincial Investment Strategies in Savannakhet, Saravan, Oudomxay and Phongsali
3. Continue piloting the Investment Monitoring framework at the provincial level, and ensure linkages with the monitoring unit at central level
4. Support capacity development for IPD/MPI core staff and provincial government partners across the line departments in aspects of investment management and feasibility assessments, and monitoring
5. Support development of collaborative mechanisms between IPD/MPI and ESIAD/WREA to ensure integration of ESIA review processes within investment decisions
6. Support FY2010 PEI mid-term review and audit
7. Organize quarterly meetings for project management teams

### Annual key deliverables for 2011

In accordance to the key priorities specified above, the major deliverables of the project will be:

1. Consultation workshops with IPD/MPI, line ministries and international development partners on the National Investment Strategy
2. Developed a National Investment Strategy, and Provincial Investment Strategies for Savannakhet, Saravan, Oudomxay and Phongsali
3. Strengthened institutional capacity (including inter-ministerial collaboration) of IPD at central level, and of DPI and line departments at provincial level, for managing investments throughout the process from selecting and screening to monitoring
4. Development of an investment monitoring database and appropriate capacity for its use at both provincial and central levels
5. Development of a methodological approach to provincial investment feasibility assessment with test case study in 1 province
6. Strengthened capacity of IPD/MPI core staff and provincial PEI working team (i.e. government officers from line departments) in investment feasibility assessment and field monitoring methods
7. Developed a collaborative mechanism between IPD/MPI and ESIAD/WREA to ensure proper consideration of social and environmental aspects in investment management
8. Project's achievements and challenges reviewed and lessons learnt from mid-term review and audit to be shared for better programming in future.

Country Programme Period:	2007 - 2011	2011 AWP budget	USD 335,000
Key Result Area (Strategic Plan):	Goal 1 (Achieving the MDGs and reducing human poverty)	Total resources required	USD 335,000
Atlas Award ID:	<u>00058002/00045896</u>	Total allocated resources:	USD 335,000
Start Date:	July 2009	• UNDP (TRAC)	USD 109,000
End Date:	December 2011	• PEF fund	USD 226,000
PAC Meeting Date:	26 March 2009	Unfunded Budget:	0
Management Arrangement:	NIM (National Implementation)	In-kind Contributions from Government	



Agreed by Implementing Partner:

Mr. Houmpheng Souralay

Date: 2/1/11.

Director General

Department of Investment Promotion

Ministry of Planning and Investment

Government of the Lao People's Democratic Republic



Agreed by UNDP:

Sonam Yangchen Rana

Date: 2/Feb/11

UN Resident Coordinator and

UNDP Resident Representative in

The Lao People's Democratic Republic

**PEI-Component 2 AWP 2011**  
**Project ID: 00064088 (PEF) / 00071859 (TRAC)**  
**Project Name: Poverty Environment Initiative (PEI)**

**2011 Annual Workplan**

EXPECTED COMP OUTPUTS and indicators including baseline and annual target	Key Activities (List all the activities to be undertaken during the year towards stated output)	TIMEFRAME				RESP. PARTY	Source of Funds	PLANNED BUDGET		
		Q1	Q2	Q3	Q4			Budget Description	Amount:USD	
<b>Output 2 of PEI Framework: Capacities of national and provincial authorities to plan and manage investments for poverty reduction and sound environmental management increased</b>										
<b>Output 2.1: National level capacities strengthened to manage investment processes in a manner that minimized negative environmental impacts and maximizes social benefits</b>										
<b>Activity Result 2.1: Strengthen capacity of national officials to minimise social and environment impacts through improved investment management</b>										
2.1 Targets 1. Level of Comprehensive understanding of investment refinement and approval; and current impacts of approved investment projects raised for IPD staff 2. Key Implementing Partners' investment management capacity strengthened. 2.1. Indicators 1. At least one key Technical report outlining the refinement, approval and implementation of the national Investment Strategy produced 2. At least 35 IPD staff, of which 30% should be female, with enhanced knowledge of investment management to minimize negative environmental impacts and maximize positive social impacts. 3. At least one key technical report outlining the results of monitoring activities on approved investment projects through database system produced 4. Draft model contract/MOU for agricultural sector produced 2.1 Baselines: 1. Detailed technical report outlining national investment strategy not yet elaborated 2. Limited monitoring activities to assess approved investment project.	Activity 2.1.1: Undertake training activities with Investment Promotion Department based on capacity assessment previously carried out in 2010 1. Hold 2 training workshops (exact topic TBD) 2. review existing IPD concession contracts/MOUs and support development of model contract to support concession negotiations in the agriculture sector	X	X	X	X	UNDP	TRAC/00012	61300	International TA (full time advisor)	18,170
		X	X	X	X	UNDP	PEF	62300	International TA (full time advisor)	
		X	X	X	X	IPD	TRAC/00012	71300	National consultant (full-time)	3,600
						IPD	TRAC/00012	72500	Supplies	
						IPD	TRAC/00012	74200	Audio Visual&Print Pod	
						IPD	TRAC/00012	71600	Costs (translation & printing)	
						IPD	PEF	74500	Travel and DSA	
						IPD	PEF	73100	Miscellaneous expenses for office	
		X	X	X	X	IPD	PEF	73100	Training workshops at central IPD	2,000
		X	X	X	X	IPD	PEF	72500	Supplies	600
		X	X	X	X	IPD	PEF	74200	Audio Visual&Print Pod	1,200
		X	X	X	X	IPD	PEF	74500	Costs (translation & printing)	700
		X	X	X	X	UNDP	TRAC/00012	71400	Miscellaneous expenses for workshop & office	
		X	X	X	X	IPD	PEF	71400	Short-term consultants/experts for IPD training	
		X	X	X	X	UNDP	TRAC/00012	71400	Project support staff, accountant and driver	1,500
		X	X	X	X	UNDP	TRAC/00012	61300	International TA (full time advisor)	36,332
		X	X	X	X	UNDP	PEF	62300	International TA (full time advisor)	
		X	X	X	X	IPD	PEF	71300	National consultant (full-time)	4,100

3. Model contract for agriculture sector, with integration of environmental and social considerations, do not exist  
 3. Limited training on environment and social implications of investments

Activity 2.1.3 Establish coordination between IPI and WREA on investment management 1) IPI-WREA roundtable meetings on improving coordination in incorporating ES/As within the investment approval process	X	X	X	X	IPD	PEF	71400	Project support staff, accountant and driver	1,500
	X				IPD	PEF	73100	Workshop: Sustainable Investment Forum	3,300
	X				IPD	PEF	71600	Travel and DSA	2,000
	X		X		IPD	PEF	73100	Consultation workshops	200
	X				IPD	PEF	71600	Travel and DSA	
	X				IPD	PEF	74500	Miscellaneous expenses for workshop & office	600
	X	X	X	X	IPD	PEF	74200	Audio Visual&Print Prod Costs (translation & printing)	4,000
	X	X	X	X	IPD	PEF	72500	Supplies	600
	X				IPD	PEF	74500	Miscellaneous expenses for workshop & office	
	X				IPD	PEF	72400	Communcie & Audio Visual Equip (Internet ADSL)	1,200
					IPD	PEF	73400	Rental & Maint of Other Equip	
					IPD	PEF	72200	Equipment and Furniture	
		X	X	X	IPD	PEF	73100	Meetings between WREA and IPI	400
		X	X	X	IPD	PEF	72500	Supplies	300
	Activity 2.1.4. strengthen the capacity of IPI institutions in investment management Sub activities: 1/ Development of a systematic monitoring framework and support for an inter-ministerial team to carry out investment monitoring activities 2/ establish investment monitoring database with in IPI linking to 4 PEI pilot provinces	X	X	X	X	IPD	PEF	74200	Audio Visual&Print Prod Costs (translation & printing)
					IPD	PEF	74500	Miscellaneous expenses for workshop & office	
					IPD	PEF	73101	Meetings between DOP and IPI	
					IPD	PEF	72500	Supplies	
					IPD	PEF	74200	Audio Visual&Print Prod Costs (translation & printing)	
					IPD	PEF	74500	Miscellaneous expenses for office	
X		X	X	X	UNDP	TRAC/00012	61300	International TA (full time advisor)	9,083
					UNDP		62300	International TA (full time advisor)	
X		X	X	X	IPD	PEF	71300	National consultant (full-time)	1,640
X		X	X	X	IPD	PEF	71400	Project support staff, accountant and driver	1,500
				IPD	TRAC/00012	71300			
				IPD	TRAC/00012	72500	Supplies		
				IPD	TRAC/00012	74200	Training Materials and printing		
X	X	X	X	IPD	PEF	71600	Travel and DSA	20,000	



Department team to carry out monitoring activities in the 4 PCI provinces  
2/ Link provincial monitoring database with central IPD monitoring and enforcement mechanisms

					UNDP				
X	X	X	X		IPD	PEF	62300	International TA (full time advisor)	
X	X	X	X		IPD	PEF	71400	Project support staff, accountant and driver	1,500
X	X	X	X		IPD	PEF	71600	Travel and DSA	31,000
X	X	X	X		IPD	PEF	72400	Communic & Audio Visual Equip (copy, tel, CD, postage for provincial monitoring activities)	2,000
X					UNDP	PEF	72800	IT Equipment	6,000
			X		IPD	PEF		Workshops: 1) follow-up training with IPD central and 2) mid-term review between provinces and central	1,000
X					UNDP	PEF	72100	Auditor	5,000
X	X				UNDP	PEF	71200	Short-term database consultant (extension)	5,000
X	X	X	X		IPD	PEF	73400	Rental & Maint of Other Equip (spareparts for project car)	1,965
X					IPD	PEF	72500	Newspaper Subscription	200
X					IPD	PEF	72400	Communic & Audio Visual Equip (internet USB)	560

Sub-total Activity Result 2.2 To be transferred to the project to be implemented by UNDP

By funding sources: 2.2

						PEF			80,505
						TRAC			50,415
									31,020
									69,605
									61,415

**Output 2.3: Provincial level organizational and individual capacities strengthened for sound investment management**

**Activity result 2.3: Provincial level capacities assessed and targeted training events undertaken**

2.3 Targets	Activity 2.3.1: Strengthen the capacity of provincial institutions in investment promotion mechanism including a development of the Investment Calling List (ICL), and an implementation of learning-by-doing assessments of investments through:		IPD	PEF	73100		5,000
1. Level of Comprehensive understanding of prioritized investment project in the Investment Calling List (ICL) for investment promotion/mechanism raised for provincial investment authorities 2. Key Implementing Partners' investment assessment for investment calling list (ICL) capacity strengthened in Saraven, Savannakhet, Oudomxay, Phongsavally provinces 2.3 Indicators 1. Atleast one key Technical report outlining selected investment project in the ICL for investment promotion.	1. Level of Comprehensive understanding of prioritized investment project in the Investment Calling List (ICL) for investment promotion/mechanism raised for provincial investment authorities	2. Key Implementing Partners' investment assessment for investment calling list (ICL) capacity strengthened in Saraven, Savannakhet, Oudomxay, Phongsavally provinces	X	X	PEF	72500	700
			X	X	PEF	74200	3,700
		X	X	PEF	71600	5,200	
		X	X	PEF	73400	2,000	
		X	X	PEF	74500	1,700	



mechanism produced

2. Knowledge of ICL to minimize negative environmental impacts and maximize positive social impact: of at least 10 provincial officials, of which at least 30% should be female, from each pilot province Sarayan, Savannakhet, Oudomxay, and Phongsavill raised

2.3 Baselines:

1. Limited knowledge concerning specific technical capacities and capacity needs of provincial and district level officials for ICL

2. Limited training on environment and social implications of ICL at provincial level

X	X	X	X	IPD	PEF	71600	Travel and DSA for provincial staff on site visit and data collection for feasibility assessments	3,500
				IPD	TRAC/00012	73100	Training workshops for sharing lessons learned among all 4 PEI provinces	
				IPD	PEF	71600	Travel and DSA	
X	X	X	X	IPD	PEF	71400	Project support staff, accountant and driver	3,000
				IPD	PEF	74200	Audio Visual&Print Prod Costs (translation & printing)	
				IPD	PEF	72500	Supplies	
				IPD	PEF	73100	Rent/Maintenance	
				IPD	TRAC/00012	72400	Communic & Audio Visual Equip	
X	X	X	X	UNDP	PEF	61300	International TA (full time advisor)	36,666
				UNDP		62300	International TA (full time advisor)	
X	X	X	X	IPD	PEF	71300	National Consultant (full-time)	3,280
				UNDP	TRAC/00012	71400	Outsourcing	

Sub-total Activity Result 2.3

To be transferred to the project

To be implemented by UNDP

By funding sources 2.3

64,746

28,080

36,666

64,746

**Output 2.4: Community consultation in investment management**

**Activity Result 2.4. Strengthen role of community consultation (at district-kumhan-village level) to inform investment decisions, management and monitoring**

2.4 Targets:

1. Appropriate mechanisms for strengthening community consultation to inform investment decisions, management and monitoring identified, documented, and piloted. 2.4

Indicators:

1. At least one appropriate provincial pilot community consultation mechanism to inform investment decisions identified and tested. 2.4 Baselines:

1. No effective mechanism for consistent local participation in investment approval and management processes

				UNDP	TRAC/00012	61300	International TA (full time advisor)	
				IPD	TRAC/00012	71300	National Consultant (full-time)	
				IPD	TRAC/00012	73100	Workshop (1 workshop in province) and Field based training	
				IPD	TRAC/00012	71600	Travel and DSA (1 workshop in province) and Field based training	
				IPD	TRAC/00012	74500	Miscellaneous for consultations with development partners	
				IPD	TRAC/00012	71400	Short-term international consultant	

IPD	PEF	73400	Rental & Maint of Other Equip (Fuel for project car)
IPD	PEF	71400	Project support staff, accountant and driver

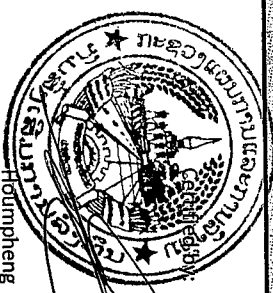
Sub-total Activity Result 2/4							
To be transferred to the project							
To be implemented by UNDP							
By funding sources 2/4							
Total:							335,000
Act 2.1+Act 2.2+Act 2.3+Act 2.4:							
To be transferred to the project							154,000
To be implemented by UNDP							181,000
Fund From PEF:							226,000
Fund From TRAC:							109,000

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26-Apr-10



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