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2010 Annual Work Plan  
2010-11

## 2010 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 (TRAC Fund)</b>
<b>UNDAF Outcomes:</b>	<b>UNDAF Outcome 1:</b> By 2011, the livelihoods of poor, vulnerable and food insecure populations are enhanced through sustainable development (within DMG framework)
<b>Expected UNDP Country Programme / CPAP Outcomes:</b>	<b>Outcome 1:</b> Improved and equitable access to land, markets and social and economic services, environmentally sustainable utilization of natural resources, with balanced population growth.
<b>Expected UNDP Country Programme / CPAP Outputs:</b>	<b>Output 1.2:</b> 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. <b>Outcome 1.3:</b> 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>Implementing Partner:</b>	Investment Promotion Department (IPD) of the Ministry of Planning and Investment (MPI)
<b>Responsible Parties:</b>	IPD/MPI and UNDP

### 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 targeted 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 spatial 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**

Based on the key outputs of the project, the key priorities for 2010 are:

- (I) National level capacities strengthened to manage investment processes in a manner that minimizes negative environmental impacts and maximizes social benefits;
- (II) Provincial level institutional capacities strengthened for sound investment management;
- (III) Provincial level organizational and individual capacities strengthened for sound investment management;
- (IV) Community consultation in investment management strengthened.

#### **Annual key deliverables**

In accordance to the key priorities specified above, the key deliverables for each key priority of the project are:

- (I)
  - Capacity needs assessment of Investment Promotion Department;
  - Training / awareness activities;
  - Technical briefs to support the development of the implementing decree of the new Investment Law;
  - Baseline assessment of investments and environmental impacts in the two southern provinces (outsourced);
  - Establish working group for coordination with WREA, MAF and other line ministries on PEI activities;
  - Consultation and progress review workshops as well as training and awareness raising on resource and investment databases and ISP
- (II)
  - Establish Provincial working group and hold regular meetings;
  - Develop and monitor coordination arrangements with resource and investment database and ISP development;
  - Review of national, provincial plans and policies;
  - Draft of provincial investment strategy.
- (III)
  - Assessment of national and provincial level institutional arrangements; capabilities, coordination needs and related issues;
  - Draft of institutional review report and recommendations;
  - Consultation workshops on draft report and recommendations.
- (IV)
  - Evaluation of consultation mechanisms to provide input on proposed investments

Programme Period:	2007 - 2011	2010 AWP budget:	USD 410,000
Key Result Area (Strategic Plan):	Goal 1 (Achieving the MDGs and reducing human poverty)	<b>Total resources required</b>	<b>USD 410,000</b>
Atlas Award ID:	<u>00058002</u>	Total allocated resources:	<b>USD 410,000</b>
Start date:	July 2009	• UNDP (TRAC)	<b>USD 210,000</b>
End Date:	December 2011	• PEF	<b>USD 200,000</b>
PAC Meeting Date:	26 March 2009	<b>Unfunded budget:</b>	<b>0</b>
Management Arrangement:	NIM (National Implementation)	In-kind Contributions from Government	



Agreed by Implementing Partner:

**Mr. Houmpheng Souralay**

Date: 7/1/2010

Director General of Investment Promotion Department  
 Ministry of Planning and Investment  
 Lao Peoples's Democratic Republic

Agreed by UNDP:

**Ms. Sonam Yangchen Rana**

Date:

UN Resident Coordinator and  
 UNDP Resident Representative in  
 The Lao People's Democratic Republic

Project ID: 00064088 (PEF) / 00071859 (TRAC)  
 Project Name: Poverty Environment Initiative (PEI)  
 Output 2

2010 Annual Workplan (revised)

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	PLANNED BUDGET		Amount- USD	
		Q1	Q2	Q3	Q4		Source of Funds	Budget Description		
<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 minimize social and environmental impacts through improved investment management</b>										
2.1 Targets 1. Comprehensive understanding of the investment process at the national level, encompassing stakeholders involved, institutional arrangements and capacity needs 2. Investment process significantly strengthened through key policy documents, including draft of a National Investment Strategy and one model contract for agriculture related investments 3. Key Implementing Partners investment management capacity strengthened. 2.1 Indicators 1. Technical report outlining national level investment processes and associated capacity needs 2. Model investment contract for concessions developed 3. At least 10 government staff with enhanced knowledge of investment management to minimize negative environmental impacts and maximize positive social impacts.	2.1 Activity 2.1.1. Undertake a capacity needs assessment of Investment Promotion Department and plan training / awareness activities Activity 2.1.2. Support the development of the implementing decree of the new Investment Law, through written comments and Activity 2.1.3. Support the development of a national investment strategy and the 7th NSEDP with information on social and environmental impacts: prepare technical briefs, hold series of consultation meetings, engage technical expert for short-term input/advice on National Investment Strategy (outsourced)	X	X	X	X	UNDP	TRAC/00012	71100	International TA (full time advisor)	5,950
		X	X	X	X	UNDP	PEF	71100	International TA (full time advisor)	4,500
2.1 Activity 2.1.4. Support the preparation and implementation of model contracts for different types of agriculture-related investments; in cooperation with MAF and WREA Activity 2.1.5 Establish working group for coordination with WREA, MAF and other line ministries on PEI activities Activity 2.1.6. Document and promote good private sector practices (eg. corporate social responsibility, codes of practice, fair trade and other certification) Activity 2.1.7. Support the development of resource and investment data bases and ISP planning tools in cooperation with MAF and other agencies Sub activities: 1/ Establish agreement and working group with MAF (SNMPEP) and provinces; 2/ Develop information and schedule 3/ Hold consultation and increase rainfall	2.1 Activity 2.1.4. Support the preparation and implementation of model contracts for different types of agriculture-related investments; in cooperation with MAF and WREA Activity 2.1.5 Establish working group for coordination with WREA, MAF and other line ministries on PEI activities Activity 2.1.6. Document and promote good private sector practices (eg. corporate social responsibility, codes of practice, fair trade and other certification) Activity 2.1.7. Support the development of resource and investment data bases and ISP planning tools in cooperation with MAF and other agencies Sub activities: 1/ Establish agreement and working group with MAF (SNMPEP) and provinces; 2/ Develop information and schedule 3/ Hold consultation and increase rainfall	X	X	X	X	UNDP	PEF	73100	Training workshop	4,500
		X	X	X	X	UNDP	TRAC/00012	71100	International TA (full time advisor)	16,130
		X	X	X	X	IPD	TRAC/00012	74500	Miscellaneous for Workshop	25,500
		X	X	X	X	UNDP	TRAC/00012	71100	International TA (full time advisor)	8,000
		X	X	X	X	IPD	TRAC/00012	73100	Workshop	6,000
		X	X	X	X	IPD	TRAC/00012	71600	Travel and DSA	2,600
		X	X	X	X	UNDP	PEF	71400	International expert (outsourced)	12,000
		X	X	X	X	IPD	PEF		Miscellaneous expenses	1,200
		X	X	X	X	IPD	PEF	74200	Audio Visual&Print Prod Costs (translation & printing)	5,000
		X	X	X	X	IPD	PEF	72400	Communic & Audio Visual Equip	1,000
		X	X	X	X	IPD	PEF	73400	Rental & Maint of Other Equip	2,000
		X	X	X	X	IPD	PEF	72200	Equipment and Furniture	600
X	X	X	X	IPD	PEF	71400	Driver	1,200		
X	X	X	X	UNDP	TRAC/00012	71100	International TA (full time advisor)			
X	X	X	X	IPD	TRAC/00012	71600	Travel and DSA	5,000		
X	X	X	X	IPD	TRAC/00012	73100	Workshop	3,000		
X	X	X	X	IPD	PEF	71100	National consultant (full-time)	2,600		
X	X	X	X	IPD	PEF	74500	Miscellaneous for coordination	1,000		
X	X	X	X	IPD	PEF	73100	Workshops on CSR, etc.	1,000		
X	X	X	X	IPD	PEF	74200	Training Materials and printing	1,000		
X	X	X	X	UNDP	PEF	71100	International TA (full time advisor)	17,250		
X	X	X	X	IPD	PEF	71300	National consultant (full-time)	2,600		
X	X	X	X	IPD	PEF	74500	Miscellaneous for coordination	1,500		
X	X	X	X	UNDP	PEF	71400	External expert for ISP case study (outsourced)	6,000		
X	X	X	X	IPD	PEF	71600	Travel and DSA	3,000		

		X	X	X	X	IPD	PEF	73400	Rental & Maint of Other Equip	1,000
		X	X	X	X	IPD	PEF	74500	Miscellaneous (Insurance)	3,000
		X	X	X	X	IPD	PEF	71100	National consultant (full-time)	2,600
		X	X	X	X	UNDP	TRAC/00012	71100	International TA (full time advisor)	22,000
		X	X	X	X	UNDP	PEF	71400	Outsourcing	74,510
						UNDP	TRAC/00012	71400	Outsourcing	
<b>Subtotal Activity Result 2.1</b>										
To be transferred to the project										
To be implemented by UNDP										
By funding sources 2.1										
<b>Output 2.2: Provincial level institutional capacities strengthened for sound investment management</b>										
<b>Activity Result 2.2: Strengthen institutions and processes to minimize social and environmental impacts of investment in selected provinces</b>										
<b>2.2 Targets</b>										
1. Comprehensive understanding of the investment process at the level of two provinces (Saravane and Savannakhet), encompassing stakeholders involved, institutional arrangements and capacity needs										
2. Institutional strengthening plan for sound investment management										
<b>2.2 Indicators</b>										
1. One detailed technical report outlining provincial level investment processes and associated capacity needs										
2. Enhanced knowledge of at least 10 provincial government staff about investment management to minimize negative environmental impacts and maximize positive social impacts										
<b>2.2 Baselines</b>										
1. Detailed technical report outlining investment processes and capacity needs at the provincial levels not yet elaborated										
2. No. Provincial Investment strategy with adequate social and environmental safeguard										
		X	X	X	X	IPD	PEF	71300	National Consultant (accountant support)	4,000
		X	X	X	X	UNDP	TRAC/00012	71200	International TA (full time advisor)	25,000
						IPD	PEF	73100	Workshop on provincial investment strategy	3,000
						IPD	PEF	73400	Rental & Maint of Other Equip	1,250
						IPD	PEF	71600	Travel and DSA for Workshop on provincial investment strategy	6,000
		X	X			IPD	PEF	72600	2 computer sets for provincial focal point and data collection	1,320
		X	X	X	X	IPD	PEF	72200	Equipment and Furniture	1,000
		X	X	X	X	IPD	PEF	74500	Miscellaneous expenses	1,500
		X	X	X	X	IPD	PEF	72500	Supplies	1,400
		X	X	X	X	IPD	PEF	71300	National consultant (full-time)	2,600
		X	X	X	X	IPD	PEF	71400	Driver	
		X	X	X	X	IPD	TRAC/00012	71400	Short-term consultant for training activity	3,000
		X	X			IPD	PEF	72300	Materials & Goods (First aid kit)	600
		X	X	X	X	UNDP	PEF	71100	International TA (full time advisor)	17,670
		X	X	X	X	IPD	PEF	71600	Travel and DSA	30,000
		X	X			IPD	TRAC/00012	73300	IT Equipment	2,800
<b>Subtotal Activity Result 2.2</b>										
To be transferred to the project										
To be implemented by UNDP										

PROVINCIAL AND SAVANNAKHET, VI THUAN UNIVERSITATI GIANG PHUONG REVIEW  
workshops. 4/ Training and awareness raising on resource and investment databases and ISP

Activity 2.1.8. Carry out baseline assessment of investments and environmental impacts in the two southern provinces (outsourced)

189,840

94,180

149,060

53,400

249,240

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By funding sources 2.2

	PEF		70,340
	TRAC		30,800
	ISP		

**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**

<p><b>2.3 Targets</b></p> <p>1. Comprehensive understanding of the investment process at the level of two provinces (Savannakhet and Savannakhet), encompassing stakeholders involved, institutional arrangements and capacity needs</p> <p>2. Key Implementing Partners investment management capacity strengthened in Savannakhet and Savannakhet provinces</p> <p><b>2.3 Indicators</b></p> <p>1. One detailed report outlining provincial and district level technical capacities and associated capacity needs for sound investment management</p> <p>2. Enhanced technical knowledge of at least 20 provincial authorities about investment management to minimize negative environmental impacts and maximize positive social impact</p> <p><b>2.3 Baselines:</b></p> <p>1. Limited knowledge concerning specific technical capacities and capacity needs of provincial and district level officials for investment management</p> <p>2. Limited training on environment and social implications of investments at provincial level</p>	<p>Activity 2.3.1. Carry out an assessment of national and provincial level institutional arrangements, capabilities, coordination needs and related issues.</p> <p>Sub-activities: 1/ Hold consultations, carry out literature review and prepare institutional review report and recommendations. 2/ Hold consultation workshops on draft report and recommendations, finalize report. 3/ Develop and implement at least 1 capacity building activity based on recommendations (Will carry out similar process with the Northern provinces, starting in Q3)</p>	X	X	X	X	X	IPD	PEF	71600	Travel and DSA	
	X	X	X	X	X	X	IPD	TRAC/00012	73100	Training workshops	10,000
	X	X	X	X	X	X	IPD	PEF	71600	Travel and DSA	15,000
	X	X	X	X	X	X	IPD	PEF	71300	National Consultant (accountant support)	4,000
	X	X	X	X	X	X	IPD	PEF	74200	Audio Visual&Print Prod Costs (translation & printing)	5,000
	X	X	X	X	X	X	IPD	PEF		Supplies	1,500
	X	X	X	X	X	X	IPD	PEF	73100	Rent/Maintenance	1,500
	X	X	X	X	X	X	IPD	PEF	72400	Communication	1,000
	X	X	X	X	X	X	UNDP	TRAC	71100	International TA (full time advisor)	35,000
	X	X	X	X	X	X	IPD	PEF	71300	National Consultant (full-time)	2,600
						UNDP	TRAC	71400	Short-term consultant for provincial study in Oudomxay and Phongsavai	8,000	
							TRAC	74500	Miscellaneous expenses	1,000	

Subtotal Activity Result 2.3

To be transferred to the project

To be implemented by UNDP

By funding sources 2.3	PEF		30,600
	TRAC		54,000
	ISP		

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

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

<p><b>2.4 Targets:</b></p> <p>1. Appropriate mechanisms for strengthening</p>	<p>Activity 2.4.1. Evaluate and strengthen consultation mechanisms to provide input on proposed investments</p>	X	X	X	X	X	IPD	TRAC/00012	71300	International TA (full time advisor)	20,000
		X	X	X	X	X	IPD	TRAC/00012	71300	National Consultant (full-time)	2,600



community consultation to inform investment decisions, management and monitoring (institutional and informing) identified, documented, and piloted. 2.4 Indicators:  
 1. At least one province pilots community consultation mechanisms to inform investment decisions. 2.4 Baselines:  
 1. No effective mechanism for consistent local participation in investment approval and management processes

	X	X	IPD	TRAC/00012	71600	Travel and DSA (1 workshop in province) and field based training	4,020
	X	X	IPD	TRAC/00012	73400	Rental & Maint of Other Equip	1,400
			UNDP	TRAC/00012	71400	Consultant/Expert input on community-level participation in investment planning and business strategies (related to Activity 2.1.6)	3000
Sub-Total Activity 2.4							11,020
Total transferred to the project							11,020
Total transferred by UNDP							25,000
Total: Act.2.1+Act.2.2+Act.2.3+Act.2.4							460,000
Total transferred to the project							155,690
Total transferred by UNDP							304,310
Fund From PEF							250,000
Fund From TRAC							210,000
Fund From ISP							

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 26-Apr-10

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