



ສາທາລະນະລັດ ປະຊາທິປະໄຕ ປະຊາຊົນລາວ
Lao People's Democratic Republic



ອົງການສະຫະປະຊາຊາດເພື່ອການພັດທະນາ
United Nations Development Programme

Three Month Work Plan and Budget
01 July – 30 September 2012

Project Number: 00064088 (PEF) / 00071859 (TRAC)

Project Title

Investment in Lao PDR: Minimising the social and environmental impacts

Implementation Partner

Investment Promotion Department
Ministry of Planning and Investment

Plan Period:	01/07/2012-30/09/2012
Programme Component:	Poverty Environment Initiative
Intervention Title:	Investment in Lao PDR: Minimising the social and environment impacts
Budget code:	Award ID: Project ID: 00064088 (PEF) 00071859 (TRAC)
Duration:	3 months

Estimated budget:	151,014.77 \$
Allocated resources:	
- Government	In Kind
- UNDP Regular TRAC	66,754.79\$
- SDC	19,259.98\$
Unfunded budget:	65,000\$

Date:

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United Nations Development Programme

**Government of Lao People's Democratic Republic
Investment Promotion Department (IPD),
Ministry of Planning and Investment (MPI)**

United Nations Development Programme

**PROJECT ID: 00064088 (PEF) / 00071859 (TRAC)
PROJECT TITLE: "POVERTY-ENVIRONMENT INITIATIVE,
OUTPUT 2"**

**QUARTERLY PROJECT REPORT
(QPR)**

April – June 2012

I. PROJECT INFORMATION AND RESOURCES

Project number and title:	00064088 / 00071859 Poverty Environment Initiative Output 2
Executing Agency:	Investment Promotion Department, Ministry of Planning and Investment
Implementing Partner:	United Nations Development Programme (UNDP)
Donors:	UNDP, PEF, SDC

Project Starting date		Project completion date	
Originally planned	Actual	Originally planned	Current estimate
2009	2009	2011	2012

Period covered by this report:	1 April – 30 June 2012
Date of quarterly review: <i>[Indicate if planned or actual]</i>	

Total Budget	Original Budget (US\$)
Quarter 1, 2012	512,440

Resources	Donor	Amount
	PEF	4,590
	TRAC	200,000
	SDC	180,000

II. PURPOSE

[To be completed in cooperation with UNDP Programme Analyst; Summarizes Main objectives of the project and link to MDG/NSEDP/UNDAF as per the approved UNDP Country Programme Document and Country Programme Action Plan and/or project document]

The United Nations Environment Program (UNEP) and the United Nations Development Programme (UNDP) Poverty Environment Initiative (PEI) in Lao PDR aims to contribute to poverty reduction and improved well-being of poor and vulnerable groups through mainstreaming the environment into national development and investment processes. 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.

The specific objective of PEI Output 2 is to enhance capacities of national and provincial authorities to plan and manage investments for poverty reduction and sound environmental managements.

UNDAF Outcomes/Indicators: UNDAF Outcome 1: By 2011, the livelihoods of poor, vulnerable and food insecure populations are enhanced through sustainable development (within DMG framework)

Expected Outcomes/Indicators: Outcome 1.1: Improved and equitable access to land, markets and social and economic services, environmentally utilization of natural resources, with balance population growth.

Expected Outputs/Indicators: Output 1.1: Improved and diversified incomes of rural households, with a focus on increased market accessibility, through implementation of human development and infrastructure initiatives. Outcome 1.1.3: Enhance knowledge and management capacity of ecosystems, biodiversity, natural resources and environment, and population dynamics.

III. PROJECT PERFORMANCE AND RESULTS

1. Contribution to the strategic goals

<p>Outcome 2: Capacities of national and provincial authorities to plan and manage investments for poverty reduction and sound environmental management increased</p>			
<p>Progress towards achieving outcome In this quarter, a structure of National Strategy for Private Investment Promotion and Management till 2020 was changed based on IPD comment and this new structure has adopted into Provincial Strategy for Private Investment Promotion and Management till 2020 in Phonsaly, Oudomxay and Savannakhet provinces. For Saravan Province, a Training Workshop on the new structure of strategy was organized.</p> <p>A substantive progress was made in a development of model contract template for agriculture concession. First draft MOU and PDA had produced and reviewed with line Ministries and all Provincial Departments of Planning and Investment (DPI).</p> <p>An inception workshop on investment calling list was organized in the South after finishing in the Northern and Middle part in quarter 1. The next step is to organize an inception workshop with line ministries at MPI.</p> <p>PEI-IPD provided technical supports to GIZ in a replication of PEI-IPD's Integrated Investment Monitoring framework in Attapeu, Luangnamtha and Sayaboury provinces.</p>			
<p>Annual outputs and indicators</p>	<p>Key activities completed during reporting period</p>	<p>Progress towards achieving outputs and targets achieved against indicators</p>	<p>Reasons if progress below target and response strategies</p>
<p>Output 1: Strengthen capacity of national officials to minimise social and environment impacts through improved investment management</p> <p>Indicators: 1. At least one key Technical</p>	<p>18th May 2012, PEI had a review meeting with IPD to discuss on an update version of the <i>National Strategy for Private Investment Promotion and Management till 2020</i> from a meeting on Feb 14.</p> <p>A consultative workshop on a Model</p>	<p>A structure of strategy was changed in this meeting. Therefore, a final draft of strategy will be produced and disseminated for comment from the line ministries in Q3.</p> <p>This is part of the continuing</p>	<p>A delay of disseminating final draft strategy for comment in Q2 because of changing new structure of strategy based on IPD's comment.</p>

<p>report outlining the refinement, approval and implementation of the national Investment Strategy produced</p> <p>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.</p> <p>3. At least one key technical report outlining the results of monitoring activities on approved investment projects through database system produced</p> <p>4. Draft model contract/MOU for agricultural sector produced</p>	<p>Agriculture Concession Contract led by Hogan Lovells, a law firm from Washington DC was held at MPI on June 21-22. Hogan Lovells presented a first draft of MOU and PDA for agriculture concession. Over 50 persons from IPD, MAF, MoNRE and line ministries, all Provincial Department of Planning and Investment attended, of which 18% are women.</p> <p>PEI supported IPD to organize Inception Workshop on Investment Calling list in Saravane province on 24-26, April after finishing workshops in Khammouan province on 20-22, March and Oudomxay province on Jan 30- Feb 01. There were 30 participants from DPI Sekong, Attapu, Champasack and Saravan provinces, of which 20% are women.</p> <p>Investment promotion brochure was reviewed and published in 1,200 copies.</p>	<p>collaboration between PEI/IPD and Hogan Lovells on development of a model contract template for agriculture concessions. Follow up action over Q3 includes a finalization of draft MOU & PDA in Lao version and dissemination for comment from line ministries and all DPI. This activity will be carried out to PEI phase II to finalize draft MOU & PDA and build capacity to IPD and concerned ministries in contract negotiation with Hogan Lovells</p> <p>The Inception Workshops on Investment Calling list were organized in three strategic provinces that cover all DPI across the country. The next step is to organize inception workshop with line Ministries in Vientiane on July.</p> <p>Investment promotion brochure was published to strengthen capacity of IPD to promote investment in Laos. This brochure will be disseminated at central and provincial levels for</p>	
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	<p>Interviewed a consultancy to produce Investment Promotion Videos for IPD.</p>	<p>testing in Q3.</p> <p>After finishing all recruitment process from UNDP, a consultancy will start working in Q3.</p>	
<p>Output 2: Provincial level institutional capacities strengthened for sound investment management</p> <p>Indicators:</p> <ol style="list-style-type: none"> 1. At least one detailed technical report outlining provincial level investment processes and management realized 2. At least one Technical report outlining the results of monitoring activities on approved investment projects through database system realized 3. At least 2 investment applications reviewed using legal checklist in province 	<p>Followed up with four pilot provinces to improve their data quality in the Access Database; and to get written comments on the monitoring questionnaires.</p> <p>Oudomxay, Phongsaly and Savannakhet province organized consultation workshop on a first draft Provincial Strategy for Private Investment Promotion and Management till 2020 based on the new revised structure of the <i>National Strategy for Private Investment Promotion and Management till 2020</i> dated on 18 May 2012.</p> <p>PEI organized Training workshop in SRV on new revised structure of Provincial Strategy for Private Investment Promotion</p>	<p>All four pilot provinces are in the process of improving their data quality by correcting all errors found from data quality assessment. The next steps were agreed that PEI will hold a monitoring training session and pilot-testing of the revised questionnaire in phase II</p> <p>Oudomxay, Phongsaly and Savannakhet provinces are integrating all comment and soliciting all inputs from the workshop into first draft strategy and will send an update draft strategy to PEI and IPD for comments in Q3. After that, provinces will organize final reviewed meeting with line provincial departments again but including district authorities before submitting to Provincial Governor for approval.</p> <p>Saravan province commits to finish a first draft of strategy on July and will organize first consultation workshop</p>	<p>Some data, especially financial data, are impossible to get from investors; therefore, there will be no such data in the database. This issue needs to be discussed and find a solution.</p> <p>Saravan Province has changed their provincial coordinator three times. This effect on a</p>

	<p>and Management till 2020 based on revised structure of the National Strategy dated on 18 May 2012. There were over 30 people participating in this workshop, of which 25% are women</p>	<p>with line departments on August.</p>	<p>continuity of a development of strategy. In addition, provincial staff who is engaged in a development of strategy has changed also.</p>
<p>Output 3: Comprehensive understanding of the investment process at the provincial-level, encompassing stakeholders involved, institutional arrangements and capacity needs</p> <p>Indicators</p> <ol style="list-style-type: none"> 1. At least one key Technical report outlining selected investment project in the ICL for investment promotion 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 Saravan, Savannakhet, Oudomxay, and Phongsaly, raised 	<p>No activities are planned in this quarter</p>		

<p>Output 4: Community consultation in investment management</p> <p>Indicators: 1. At least one province pilots community consultation mechanisms to inform investment decisions</p>	<p>No activities are planned in this quarter</p>		
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2. Update on implementation of the Vientiane Declaration and its Action Plan
[Brief update on any achievement and/or problem related to the implementation of the Vientiane Declaration. It should also include issues related to the introduction of HACT and actions planned for the following period.]

The government at provincial and central levels takes ownership and gives more commitment to project activities by periodic reviewing of progress in implementing project activities and ensuring timely reporting on budget planning and execution.

The project staff has limited knowledge and understanding of HACT and needs to be trained.

3. Update on partnerships *[Brief update on any achievement and/or problem in developing partnerships and inter-agency collaboration. It should also include strategies for south-south cooperation]*

PEI-IPD is successfully strengthening collaboration between IPD & ESIA on Investment Monitoring activities. There is an official letters to assign coordinators between two departments for joining investment monitoring activities after a roundtable meeting in this quarter organized by ESIA component. IPD & ESIA had come to an agreement on a list of investment projects to be monitored. Additionally, PEI-IPD has also facilitating a discussion between IPD & ESIA on putting Environmental and Social Obligations in the models of MOU and PDA for agriculture concession.

PEI-IPD provided technical supports to The Lao- German pro-gramme 'Land Management and Rural Economic Development' (LM-RED), GIZ, to replicate an integrated investment monitoring framework and investment database into their three pilot provinces (Attapeu, Luangnamtha and Sayaboury Provinces) by supporting their training workshop held at MPI on May 22-24. PEI-IPD and LM-RED will work together on an improvement of investment monitoring questionnaires and database in Q3.

4. Update on gender mainstreaming *[Brief update on any achievement and/or problem in terms of mainstreaming gender within the project activities. Strategy for the following period]*

The project has continual encouraged gender mainstreaming into all project activities. There were 18-25 % of women participating workshops organized by project and 35 % of women working for project activities at the provinces.

5. Update on audit recommendations *[Brief update on progress achieved and problems encountered. Actions planned for the following period]*

6. List main challenges and issues (if any) faced during reporting period *[as well as response strategies adopted]*

7. Rating on progress towards results

Output: [From table 1. Contribution to Strategic Goals]		
Output 1	<input checked="" type="checkbox"/>	Positive change
	<input type="checkbox"/>	Negative change
	<input type="checkbox"/>	Unchanged
Output 2	<input checked="" type="checkbox"/>	Positive change
	<input type="checkbox"/>	Negative change
	<input type="checkbox"/>	Unchanged
Output 3	<input type="checkbox"/>	Positive change
	<input type="checkbox"/>	Negative change
	<input checked="" type="checkbox"/>	Unchanged
Output 4	<input type="checkbox"/>	Positive change
	<input type="checkbox"/>	Negative change
	<input checked="" type="checkbox"/>	Unchanged

IV. ADDITIONAL ACTIVITIES WHICH CONTRIBUTE TO THE OUTCOME AND/OR OUTPUTS

Provide information about any activities undertaken by the project that were NOT envisaged in the work plan but which contributed to the outcome and/or outputs?
E.g. advocacy and policy dialogue.

V. FUTURE WORK PLAN

1. What are the priority actions planned for the following quarter to overcome constraints, build on achievements and partnership, and use of the lessons learned during the previous quarter?

Priority activities for Quarter 3 of 2012 includes:

- Consult and agree with IPD on new update draft of the National Strategy for Private Investment Management and Promotion (NSPIMP) based on new structure.
- Hold a series of individual meetings with line ministries and development partners to solicit input into the final draft of the NSPIMP).
- Organize national workshop on reviewing final draft of the NSPIMP
- Continued support IPD to organize Inception Workshop on Investment Calling List with line ministries.
- Disseminate updated draft MOU and PDA in Lao version to line ministries and DPI and send integrated comments of draft MOU and PDA to Hogan Lovells.
- Continued technical and budgetary support to four pilot provinces on finalized Provincial Strategy for Private Investment Promotion and Management before submitting to Provincial Governor for approval

- Follow up with four pilot provinces to complete correcting data in the Access database.

2. List major adjustments in the strategies, targets or key outcomes and outputs planned.

No major adjustments.

3. Estimated total budget required for the following quarter (Q3, 2012):

\$ 86,041.77

VI. ANNEXES

1. Q3 workplan
2. Q2 risk, issue and communication logs
3. Financial reports

PREPARED BY

Prepared by:



Dalaphone Sihanath
PEI Local Consultant

11 JUL 2012

Date

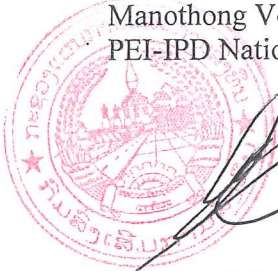
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Manothong Vongsay
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11 JUL 2012

Date



Houmpheng Souralay
PEI-IPD National Project Director

11 JUL 2012

Date