



# 2011 Annual Work Plan

Project Title	INVESTMENT IN LAO PDR: MINIMISING THE SOCIAL AND ENVIRONMENAL IMPACTS
Project Number	00064088 (PEF Fund) 00071859
UNDAF Outcomes:	UNDAF OUTCOME 1: By 2011, the livelihoods of poor, vulnerable and food insecure populations are enhanced through sustainable development (within DMG framework)
Expected UNDP Country Programme / CPAP Outcomes:	Outcome 1: Improved and equitable access to land, markets and social and economic services, environmentally sustainable utilization of natural resources, with balanced population growth.
Expected UNDP Country Programme / CPAP Outputs:	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.
Implementing Partner:	Investment Promotion Department (IPD) of the Ministry of Planning and Investment (MPI)
Responsible Parties:	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 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-environemental 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) statuse 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 Plar	n): Goal 1 (Achieving the MDGs and	Total resources required	USD 335,000
	reducing human poverty)	Total allocated resources:	USD 335,000
Atlas Award ID:	00058002/00045896	UNDP (TRAC) PEF fund	USD 109,000 USD 226,000
Start Date: End Date	July 2009 December 2011	Unfunded Budget:	0
PAC Meeting Date	26 March 2009	In-kind Contributions from G	overnment
Management Arrangement	NIM (National Implementation)		



Agreed by Implementing Partner:

Mr. Houmpheng Souralay

Date: 2/1/(//.

Director General

Department of Investment Promotion

Ministry of Planning and Investment

Government of the Lao People's Democratic Republic

Agreed by UNDP:

nam Yangchen Rana

Date:

2/Feb/11

JN 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)

4,100	71300 National consultant (full-time)	71300	PEF	8	×	×	×	×		Tabbioxed mixes ment project	
	advisor)	62300 advisor)							4) produce investment policy briefs	z. Illilled illolling activities to assess	
	International TA (full time	_		PONDP	×	×	×	×	3) short-term technical input/ consultancies on quality investments (outsourced)	elaborated	
36,332	International TA (full time advisor)	Internati 61300 advisor)	TRAC/00012	UNDP	×	×	×	×	The state of	<ol> <li>Detailed technical report outlining national investment strategy not yet</li> </ol>	
1,500	71400 Project support staff, accountant and driver	71400	Ę	3	×		×		Activity 2.1.2. Support development of a National Investment Strategy.	agricultural sector produced 2.1 Baselines:	
	experts for IPD training	/ 1400	I DAMPING IZ		×	T	×			produced 4. Draft model contract/MOU for	
700	74500 Miscellanous expenses for workshop & office	74500	TEACGOOM		×		×			activities on approved invesment projects through database system	
1,200	74200 Audio Visual&Print Prod Costs (translation & printing)	74200	7 70	70	×		×	T		impacts.  3. At least one key technical report outlining the mouths of mouths for	
600	72500 Supplies	72500	PEF	8	×	-	×	Γ		impacts and maximize positive social	
2,000	73100 Training workshops at central IPD	73100	PEF	8	×		×	<u> </u>		knowledge of investment management to minimize negative environmental	
_ •	office	, 100					1	T		2. At least 35 IPD staff, of which 30% should be female, with enhanced	
	71600 Travel and DSA	71600	PEF	8 3		$\dagger$	+	_		Investment Strategy produced	
	Costs (translation & printing)			5		$\dagger$	$\dagger$	Τ		outlining the refinement, approval and	
	74200 Audio Visual& Print Prod	74200	TRAC/00012	B		$\dagger$	+			2.1. Indicators	
	Cupalica eventa	72500	TRAC/00012			-	$\dashv$			strengthened.	
	73100 Workshops: PEI-IPD general	73100	TRAC/00012	70		_			1	investment management capacity	
3,600	71300 National consultant (full-time)	71300	PEF	8	×	+	×			PD staff	
	International TA (full time 62300 advisor)	62300		UNUF	×	-	×	1		and approval; and current impacts of approved invesment projects raised for	
18,170	International TA (full time 61300 advisor)	61300	TRAC/00012	UNDP	×	-	×	<u></u>	based on capacity assessment previously carried out in 2010  1. Hold 2 training workshops (exact topic TBD)	Level of Comprehensive understanding of investment refinement	
		ment	stment manage	proved inve	gn Imp	throu	pacis	entim	2.1 Targets Activity 2.1.4 Theoretical controlled with Local Controlled and environment impacts through improved investment management	2.1 Targets	
	izes social benefits	and maxim	mental impacts	tive environ	d negat	nimize	at mir	iner th	Output 2.1: National level capacities strengthened to manage investment processes in a manner that minimized negative environmental impacts and maximizes social benefits Activity Result 2.1. Strengthen capacity of national officials to minimize the manner of the manner that minimized negative environmental impacts and maximizes social benefits.	Activity Result 2.1 Strengther	
ment increased	reduction and sound environmental management increased	bound boung	rty reduction a	s for pove	stment	inve	anage	and ma	Output 2 of PEI Framework: Capacities of national and provincial authorities to plan and manage investments for poverty	Output 2 of PEI Framework	
Amount-USD	Budget Description	В	Source of Funds		2	2 Q3	21 Q2	ਰੋ			
	PLANNED BUDGET	_		RESP. PARTY		TIMEFRAME		PE -	and indicators including baseline and (List all the activities to be undertaken during the year towards stated output) annual target	and indicators including baseline an annual target	
					lan	orkp	M M	nnue	2011 Annual Workplan	EXPECTED COMP OUTDITS	

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

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provinces	ministerial team to carry out investment monitoring activities 2/ establish Investment monitoring database with in IPD linking to 4 PEI pilot	1/ Development of a systematic monitoring framework and support for an inter-	management Subartivities:	Activity 2.1.4. strandton the conneits of IDD institutions is immediated.										ESIAs within the investment approval process	Treative 4. 1-3 Establish cooldination detween Mr1 and WKEA on investment management and with the management of the man	Anthib, 2.4.2 Entablish and district the state of the sta											
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PEF	TRAC/00012	TRAC/00012	TRAC/00012	707	PEF		TRAC/00012	100	PEF	PEF	PEF	PEF	PER	PEF	PEF	PEF	PEF	PEF	PEF	PEF	PEF	PEF	PEF	PEF	PEF	PET	PEF
71600	74200	72500	71300		71300	62300	61300	74500 Misce	74200	72500	73101	74500	74200	72500	73100	72200	73400	72400	74500	72500	7420	7450	7160	7310	7160	7310	7140
71600 Travel and DSA	74200 Training Materials and printing	72500 Supplies		accountant and driver	71300 National consultant (full-time)	International TA (full time 62300 advisor)	International TA (full time 61300 advisor)	Miscellanous expenses for office	74200 Audio Visual&Print Prod Costs (translation & printing)	72500 Supplies	73101 Meetings between DoP and IPD	74500 Miscellanous expenses for workshop & office	74200 Audio Visual&Print Prod Costs (translation & printing)	72500 Supplies	73100 Meetings between WREA and IPD	72200 Equipment and Furniture	73400 Rental & Maint of Other Equip	72400 Communic & Audio Visual Equip (Internet ADSL)	74500 Miscellanous expenses for workshop & office	72500 Supplies	74200 Audio Visual&Print Prod Costs (translation & printing)	74500 Miscellanous expenses for workshop & office	71600 Travel and DSA	73100 Consultation workshops	71600 Travel and DSA	73100 Workshop: Sustainable Investment Forum	71400 Project support staff, accountant and driver
20,000				1,500	1,640		9,083	,				600		300	400			1,200		600	4,000	600		200	2,000	3,300	1,500

	International TA (full time 61300 advisor)	61300	TRAC/00012	UNDP	×	× ;	× ;	<del></del>	such guierum une invesument management process Sub activities:  1/ Development of a systematic monitoring framework and support for an inter-	
	71300 National consultant (full time)	71300	PEF	E G	×	×	×	ating to X	Activity 2.2.2. Support development of Provincial-led projects relating to strengthening the investment management process.	oo not consider legal obligations
	Miscellanous expenses for car's insurance	74500	PEF	B PD	×	×	×	×		safeguard 3. Prior review of investment applications
	72200 Equipment and Furniture	72200	PEF	IPO						<ol> <li>No Provincial Investment strategy with adequate social and environmental</li> </ol>
	72100 Contractual Services- Companies	72100	PEF	IPD	×	×	×	×		not yet elaborated
		72800	PEF	UNDP			П			1. Detailed documents outlining
ŀ	74500 Miscellanous expenses for workshop & office	74500	J3d	JPD CIPI	_	×		×		province 2.2. Baselines
	73400 Rental & Maint of Other Equip	73400	PEF	IPD	×	×	×	×		At least 2 investment applications reviewed using legal checklist in
İ	71600 Travel and DSA	71600	PEF	8		×		×		database system realized
	74200 Audio Visual&Print Prod Costs (translation & printing)	74200	PEF	IPD	×	×	×	×		2. Atteast one Technical report outlining the results of monitoring activities on
	72500 Supplies	72500	PEF	IPD	×	×	×	×		processes and management realized
	73100 Workshop on provincial investment strategy & follow up monitoring (North & South)	73100	PEF	IPD		×		able development X	adapt as needed 5/ Development of provincial investment profile based on sustainable development goals	investment management produced 2.2 Indicators 1. At least one detailed technical report outlining provincial level investment
	71400 Project support staff, accountant and driver	71400	PEF	IPB	×	×	×	nd refine and		arrangements and coordination  2. Institutional strengthening plan based
	International TA (full time 62300 advisor)	62300		UNDP			_	aft provincial	database for planning 3/ Consult with national, provincial and district stakeholders on draft provincial	Phongsall) raised, encompassing stakeholders' involvement, institutional
	International TA (full time 61300 advisor)	61300	TRAC/00012	UNDP	×	×	×	of investment X	Consequences in Essaulish Frontieral working group to group to produce and review draft strategy     Work with working group to produce and review draft strategy     Cheveloo jirler-departmental coordination mechanisms and use of investment     Cheveloo jirler-departmental coordination mechanisms.	and management at provincial levels (Saravanne, Savannakhet, Oudomxay,
	National consultant (full-time)	71300	PEF	IPD	×	×	×	Strategies in all X	Activity 2.2.1. Support the development of Provincial Investment Strategies in all PEI case study provinces (Saravan, Savannakhet, Oudomxay, Phongsall)	2.2. Targets  1. Level of Comprehensive  understanding of the investment process
			ed provinces	nt in selecte	estme	of inv	pacts	environmental in	Activity Result 2.2. Strengthen institutions and processes to minimize social and environmental impacts of investment in selected provi	Activity Result 2.2. Strengthen
			INC				-	ment manageme	Output 2.2: Provincial level institutional capacities strengthened for sound investment management	Output 2.2: Provincial level inst
8477		a supplied the supplied to the	PEF		74 1 4					By funding sources 2.1.
										To be implemented by UNDP
										To be transferred to the project
	71400 Project support staff, accountant and driver	7140	PEF	IPD	-					Sub-totaliactiving Result-974電響機能器
	71300 National consultant (full-time)	7130	PEF	IPD	×	×	×	T.		
	International TA (full time no advisor)	62300	PEF	UNDP	×	×	×	Γ		
	74500 Miscellanous expenses for workshop	7450	TRAC/00012	IPD				1		
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outlining selectred investment project in the ICL for investment promotion.	Prioringsall provinces 2.3 Indicators 1. Atleast one key Technical report	Saravan, Savannakhet, Oudomxay,	2. Key Implementing Partners' investment assessment for investment and investment investment in the In	promotionmechanism raised for provincial investment authorities	(ICL) for investment	Level of Comprehensive     understanding of prioritized investment     project in the Investment Calling List	2.3 Targets	Activity result 2.3 Provincial le	Output 9 9: Provincial land	o) mining sources 2.2.	By funding solutions of a	To be implemented by I I Dolor	To be seen that the seen of th												
			from 4 PEI provinces) in jointly carrying out this feasibility study/assessment	provincial calling list to include financial, social and environmental criteria in 1 selected pilot province: 2/ capacity building with provincial fear frepresentatives	Sub-activities: 1/ feasibility study assessments of priority investments in the	promotion mechanism including a development of the Investment Calling List (ICL), and an implementation of learning-by-doing assessments of investments	2.3 Targets Activity 2.3.1. Strengthen the capacity of provincial institutions in investment	Activity result 2.3. Provincial lavel canacities assessed and targeted training events undertaken																	uepatimental team to carry out monitoring activates in the 4 rci provinces 2/ Link provincial monitoring database with central IPD monitoring and enforcement mechanisms
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IPD		3 3		P	3		B				施設を設			IPD	PB	IPD	UNDP	UNDP	PB	UNDP		P	PD	PD	UNDP
PEF				PEF	PEF		PEF		TRAC	PEF				PEF	PEF	PEF	PEF	PEF	PEF	PEF		PEF	PEF	PEF	
74500 h	¥ (C	73400 F		74200	72500		73100							72400	72500	73400	71200	72100		72800		72400	71600	71400	62300
74500 Miscellanous expenses for workshop & office	(Fuel for project car for workshop & office)	Rental & Maint of Other Found	for workshop and translation document)	74200 Audio Visual&Print Prod Costs (translation & printing)	72500 Supplies	Feasibility Assessment (North & South)	73100 Training Workshop on							72400 Communic & Audio Visual Equip (Internet USB)	72500 Newspaper Subscription	73400 Rental & Maint of Other Equip (spareparts for project car)	71200 Short-term database consultant (extension)	72100 Auditor	Workshops: 1) follow-up training with IPD central and 2) mid-term review between provinces and central	72800 IT Equipment	Equip (copy, tel, CD, postage for provincial monitoring activities)	72400 Communic & Audio Visual	Travel and DSA	71400 Project support staff, accountant and driver	International TA (full time 62300 advisor)
1,700	2,000	5,200	3,700		700	5,000			50,415	80,605	61,415	69,605	131,020	560	200	1,965	5,000	5,000	1,000	6,000	2,000	01,000	31 000	1,500	

and management processes to inform investment decisions identified pilot community consultation mechanism strengthening community consultation to and input into investment planning; (2) build capacity of local people and district ocal participation in investment approval and tested. 2.4 Baselines: documented, and piloted. 2.4 inform investment decisions, 2.4 Targets: Activity Result 2.4. Strengthen role of community consultation (at district-kumban-village level) to inform investment decisions, management and monitoring Output 2.4: Community consultation in investment management To be transferred to the project Sib-total Activity Result 2.3 Teachers and the second seco No effective mechanism for consistent . At least one appropriate provincial ndicators: nanagement and monitoring identified, By funding sources 2.3. To be implemented by UNDP technical capacities and capacity needs social implications of ICL at provincial of provincial and district level officials for 2.3 Baselines: pilot province Saravan, Savannakhet, mechanism produced Limited training on environment and Limited knowledge concerning specific Oudomxay, and Phongsali raised Knowledge of ICL to minimize Appropriate mechanisms for east 10 provincial officials, of which negative environmental impacts and tleast 30% should be female, from each naximize positive social impact of at series (possible cooperate with WRI) community participation as good business practices as part of private sector CSR Activity 2.4.1. Evaluate and strengthen consultation meachanisms to provide officers in participatory processes in all pilot province; (3) demonstrate value of input on proposed investments-(1)create a mechanism for community participation × × × × × × × × × × × × × UNDP UNDP 공 UNDP B 콩 B UNDP P P 명 망 P B PO PD 콩 PB 망 TRAC/00012 TRAC/00012 TRAC/00012 TRAC/00012 TRAC/00012 TRAC/00012 TRAC/00012 TRAC/00012 TRAC/00012 TRAC Æ ISP . PEF PEF 묡 骨 퍉 府 굙 뭐 AND PERSONAL PROPERTY OF 74500 with development partners 71400 Short-term international 71600 Travel and DSA (1 workshop 61300 advisor) 62300 advisor) 61300 advisor) 73100 Workshop (1 workshop in 71300 National Consultant (full-time) 71400 Outsourcing 71300 National Consultant (full-time) 72400 Communic & Audio Visual 74200 Audio Visual&Print Prod 71400 Project support staff, 71600 Travel and DSA 71600 Travel and DSA for provincial 73100 Rent/Maintenance 72500 Supplies 73100 Training workshops for consultant in province) and Field based province) and Field based International TA (full time International TA (full time International TA (full time fiscellanous for consultations Costs (translation & printing) accountant and driver among all 4 PEI provinces sharing lessons leamed assessments collection for feasibility staff on site visit and data 36,66 64,74 28,08 64,746 36,666 3,000 3,500

Prepared by: To be transferred to the project.
To be implemented by UNDP 26-Apr-10 Local Consultant Dalaphone Sihanath Total: Act 2.1+Act2.2+Act2.3+Act2.4: To be implemented by UNDP THOUSE OF THE COUNTY OF THE CO 化新山树晶的thong Vongsay National Project Manager The sold of the state of the st B PD TRAC PEF 뜌 National Project Director Houmpheng Souralay 73400 Rental & Maint of Other Equip
(Fuel for project car)
71400 Project support staff,
accountant and driver Fund From TRAC Fund From PEF 181,000 154,000 335,000

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