



Poverty Environment Initiative (PEI)

Environment and Social Impact Assessment: reducing negative social and environmental impacts of investments in Lao PDR

Project of support to the Environmental and Social Impact Assessment Department of the Water Resource and Environment Administration

By
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Vientiane, October 2009



Project Brief

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 - Environment and Social Impact Assessment: reducing negative social and environmental impacts of investments in Lao PDR - corresponds to Output 3 of the overall PEI country programme, as set out in the 'PEI Framework for Lao PDR'. Output 3 aims to support the Environment and Social Impact Assessment (ESIA) Department of the Water Resource and Environment Administration (WREA) at the national and provincial level in order to address growing environmental threats and to prevent and minimize negative environmental and social impacts of the rapid development activities in key sectors, such as agriculture, hydropower, mining, industry and infrastructure.

WREA as the main regulatory agency of Lao PDR in terms of environmental protection, compensation and resettlement, has proposed the Strengthening Environmental and Social Assessment and Monitoring (Sesam) Program aimed at strengthening the capacities of the ESIA Department to fulfill its current and future mandates as the ESIA authority in Lao PDR. Sesam program seeks to develop capacity within the administration and its provincial offices to undertake the regulatory functions with respect to administering the Environmental and Social Impact Assessment process and carrying out environmental monitoring and inspection of projects.

As recommended by the Sesam program, this project will provide WREA and its provincial offices in target PEI provinces with support to develop a stronger and clearer mandate on ESIA. In particular the project will provide targeted support to the ESIA Department of WREA/WREO in order to; (I) support the development and operation of a sustainable financing mechanism, (II) support materials and technical guidelines, (III) conduct key technical training courses, and (VI) establish and manage a panel of ESIA experts. This project has been designed to complement ESIA-activities being supported by the World Bank, which include the development of ESIA information centers.

The timeframe for PEI Phase I in Lao PDR is 30 months: July 2009 to end December 2011, whereas the timeframe for the implementation of this project is October 2009 to December 2011.

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 Country Programme 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 Country Programme 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. Output 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: Environment and Social Impact Assessment (ESIA) Department of the Water Resource and Environment Administration (WREA)

Programme period	2007 –2011	TOTAL BUDGET	US\$ 1,495,363
Project Title	Environment and Social Impact Assessment: reducing negative social and environmental impacts of investments in Lao PDR	Allocated Resources	
		• Government	In-Kind
PAC meeting date	26 March 2009	• UNDP (TRAC)	US \$300 000
Project ID	TBD	• Funds required	US \$1 195 363
Project Duration	1 October 2009 – 30 December 2011 (27 months)		
Management Arrangements	National Implementation		



Agreed by Implementing Partner:

Mrs. Bounkham Vorachit

Date: 20 OCT 2009

Director General of Department of Environment Impact
Assessment

Water Resources and Environment Administration
Lao People's Democratic Republic

Agreed by UNDP Lao PDR CO:

Souam Y. Rana

21/10/09

Ms. Sonam Yangchen Rana

Date:

UNDP Resident Representative in
The Lao People's Democratic Republic

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2 OVERALL PROJECT OUTPUT

The overall project output will be the enhanced capacities of the Environmental and Social Impact Assessment (ESIA) Department of WREA to ensure comprehensive review and approval processes of environmental and social assessments based on the law and good science in effective coordination with the concerned line ministries and state enterprises.

3 STRATEGY

This document lays out the activities and management arrangements that constitute Output 3 of the broader PEI for Lao PDR.

The overall goal of the UNDP-UNEP Poverty Environment Initiative (PEI) in Lao PDR is to effectively integrate the environmental concerns of poor and vulnerable groups into policy, planning and implementation processes for poverty reduction, pro-poor growth and achievement of the MDGs. More specifically, PEI in Lao PDR aims to strengthen the capacity of targeted national and provincial authorities to integrate environmental concerns and opportunities for poverty reduction in key development planning and implementation processes through four distinctive but mutually reinforcing output objectives:

Output 1: Integrate poverty reduction and environmental sustainability linkages in the 7th National Socio Economic Development Plan (NSED) 2011-2015 and facilitating policy maker's better access to policy relevant research products on poverty-environment linkages for their informed decision-making;

Output 2: Enhance capacities of national and provincial authorities to plan and manage investments for poverty reduction and sound environmental management;

Output 3: Support the strengthening of the Environmental and Social Impact Assessment (ESIA) Department of WREA to ensure comprehensive review and approval processes of environmental and social assessments and management plans based on the law and good science in effective coordination with the concerned line ministries and state enterprises;

Output 4: Increase National Assembly members' understanding of poverty reduction and environmental management and their capacity in reviewing and discussing new legislation related to environmental conservation, rural livelihoods and natural resource management.

The full PEI programme arrangements for all four outputs are recorded in the "PEI Framework in Lao PDR". PEI will be nationally implemented through supervision and support by the UNDP, largely by linking with existing programmes and coordinated by the Ministry of Planning and Investment (MPI) and the Water Resource and Environment Administration (WREA). For Output 3, hereafter 'the project', the Environmental and Social Impact Assessment (ESIA) Department of WREA will be the focal government agency.

The ESIA Department was established by WREA in October 2008 in order to address growing environmental threats and to prevent and minimize negative environmental and social impacts of the rapid development activities in key sectors such as hydropower, mining, industry and infrastructure.

WREA as the main regulatory agency of Lao PDR in terms of environmental protection and compensation and resettlement, has proposed the Strengthening Environmental and Social Assessment and Monitoring in WREA (Sesam) program aimed at enabling the ESIA Department to fulfill its current and future mandates as the ESIA authority in Lao PDR. Sesam program seeks to develop capacity within the administration and its provincial offices

to undertake the regulatory functions with respect to administering the Environmental and Social Impact Assessment process and carrying out environmental monitoring and inspection of projects. The Sesam program is a reinforcement and expansion of one of the key components of the Strengthening Environmental Management Phase II Project (SEM II), which is currently being implemented in WREA and 8 Provincial Water Resources and Environment Offices, WREOs. The amendments to the Environmental Protection Law and the new ESIA Regulation are expected to be approved in 2009 and will give WREA and its provincial offices a stronger and clearer mandate on ESIA related issues.

Drawing upon the activities identified in the Sesam program, and in close cooperation with planned World Bank identified activities, this project will provide targeted support in order to; (I) support the development and operation of a sustainable financing mechanism and support specific training on financial management and budgeting as needed by different levels within the department, (II) support materials and general technical guidelines, and (III) conduct key technical training courses. The project will recruit one full time national staff – Assistant Project Manager for Environment and Social Assessment – who will be located in the ESIA department, and who will be supported by international technical experts, as and when required. If additional funding is secured and funding shortfalls are covered, the project will recruit a full-time International Technical Advisor to the project.

As an output of PEI, this project will run simultaneously to, and in close coordination with, the other PEI components outlined above. Following a selection process, MPI has identified four provinces within which to focus its provincial activities – Oudomxay, Phongsaly, Saravane and Savannakhet.

The proposed timeframe for PEI Phase I in Lao PDR is 27 months, therefore it is expected that the project will commence in October 2009 and end in December 2011.

4 ANNUAL WORK PLAN: 2009

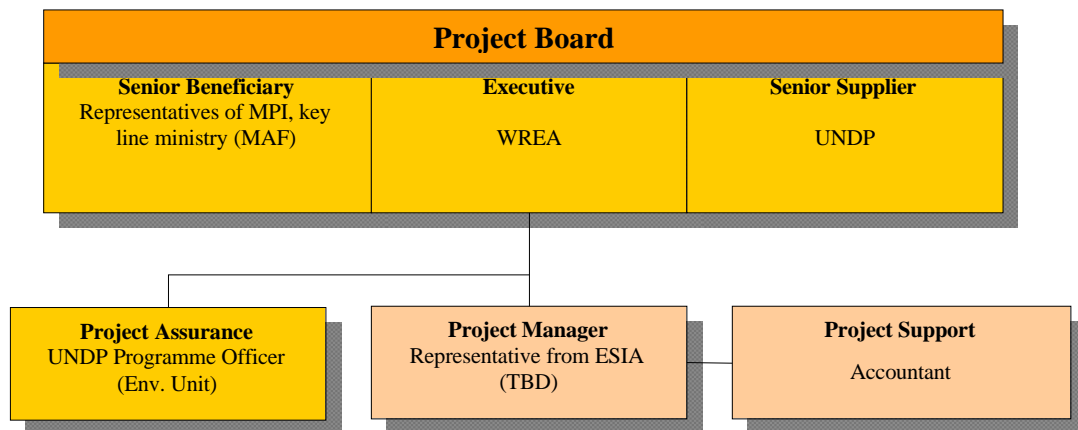
EXPECTED CP OUTPUTS and indicators including baseline and annual target	Key Activities (List all the activities to be undertaken during the year towards stated output)	TIM EFR AM E Q4	RESPONSI BLE PARTY	PLANNED BUDGET			
				Source of Funds	Budget Description		Amount- USD Q4 2009
Output 3: ESIA Department of WREA has strengthened capacity to ensure comprehensive review and approval processes of environmental and social assessments and management plans based on the law and good science in effective coordination with the concerned line ministries and state enterprises.	Activities will build on those already supported by SEM II and World Bank						
Activity Result 3.1. WREA has developed and is implementing a system for obtaining funds to substantially cover the costs of operating the ESIA Dept. The system works and is audited in accordance with international standards for financial management							
3.1 Targets Year 1 3.1.1. Funding system identified and implementation supported	Action 3.1.1. Support the development and operation of sustainable ESIA funding system through finalizing the "financial management regulation/manual" for ESIA department (developed under the SEM project) as well as assist ESIA Department with the implementation of the regulations/manual, by supporting specific training on financial management and budgeting as needed by different levels within the department.	X	WREA	TRAC/00012	71200	National consultant (full time)	4,500
3.1. Baseline: 3.1.1. No sustainable ESIA financing system in place		X	WREA	TRAC/00012	72400	Training (national level)	16,000
Sub-total Activity Result 3.1.							20,500

Activity Result 3.2. WREA/ESIA Dept has developed and/or updated technical guidelines and procedures that support the ESIA Dept, concerned ministries, state enterprises and developers to conform to best environmental and social assessment and mitigation practices							
3.2. Targets Year 1:	Action 3.2.1. Support materials and draft general technical guidelines for reviewing ESIA reports as well as start the development of general technical guidelines for developers and consultants for the preparation of ESIA reports. The development of both guidelines will be through analysis and extensive consultation.	X	UNDP	TRAC/00012	71200	International Technical Expert	20,000
3.2.1. Technical guidelines to assist reviewing ESIA drafted and development of technical guidelines for developers started		X	UNDP	TRAC/00012	71200	National Assistant PM (consultant)	3,000
3.2. Indicators		X	WREA	TRAC/00012	71300	National Accountant	1,500
3.2.1. Number of technical guidelines drafted		X	WREA	TRAC/00012	73100	Consultation Workshops	11,000
3.2.2. Number of consultation workshops realized		X	WREA	TRAC/00012	71600	Travel and DSA	4,000
3.2.3. Number of ESIA reviewed		X	UNDP	TRAC/00012	72200	Office equipment and furniture	3,000
3.2. Baselines		X	UNDP	TRAC/00012	72800	IT equipment	2,000
3.2.1. Existing draft guidelines on mining and hydropower projects		X	WREA	TRAC/00012	74500	Miscellaneous	1,000
3.2.2. Format for technical guidelines elaborated		X	WREA	TRAC/00012	74200	Translation and printing	5,000
3.2.3. Draft general guidelines for reviewing and monitoring ESIA have been elaborated		X	UNDP	TRAC/00012	71200	International Technical Expert	19,500
3.2.4. Draft Environment and Social Impact Assessment Decree		X	WREA	TRAC/00012	73100	Training Workshops in small groups	12,500
		X	WREA	TRAC/00012	71600	Travel and DSA	4,000
		X	UNDP	TRAC/00012	72800	IT equipment	3,000
		X	WREA	TRAC/00012	74500	Miscellaneous	1,000
Sub-total Activity Result 3.2.							
Total: Act.3.1+Act3.2:							111,000

5 MANAGEMENT ARRANGEMENTS

The project will be national implemented by the Water Resource and Environment Administration (WREA) and Water Resource and Environment Offices (WREO's) of PEI pilot provinces. The management arrangements for the implementation of activities will follow the standard project management arrangements for the UNDP Lao PDR supported projects. At all levels, the participation of women in the processes of project planning, management, implementation, monitoring and evaluation will be strongly encouraged.

Ø Proposed Project Organisation Structure



Main roles and responsibilities of the Project Board (Executive, Senior Beneficiary and Senior Supplier), Project Manager, Project Assurance and Project Support are as follows.

Project Board is a group responsible for making decisions by consensus, management decisions for a project when guidance is required by the Project Manager, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. Project Board will:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Appoint a senior national Project Manager;
- Address project issues as raised by the Project Manager;
- Provide guidance and agree on possible countermeasures/management actions to address specific risks;
- Agree on Project Manager's tolerances as required;
- Review the Project Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.

- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide on project changes through revisions.

Executive is an individual representing the project ownership to chair the Project Board.

Senior Supplier is a group representing the interests of the parties concerned which provide funding and/or technical expertise to the project. The primary function is to provide guidance regarding the technical feasibility of the project.

Senior Beneficiary is a group of individuals representing the interests of those who will ultimately benefit from the project. The primary function is to ensure the realization of project results from the perspective of project beneficiaries.

Project Manager (PM) has the authority to run the project on a day-to-day basis on behalf of the Implementing Partner within the constraints laid down by the Project Board. PM is responsible for day-to-day management and decision-making for the project. PM will:

- Plan the activities of the project and monitor progress against the initial quality criteria;
- Mobilize goods and services to initiative activities, including drafting TORs and work specifications;
- Monitor events as determined in the Project Monitoring Schedule Plan, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, using advance of funds, direct payments, or reimbursement using the FACE (Fund Authorization and Certificate of Expenditures) (including signature of FACE forms);
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Responsible for preparing and submitting financial reports to UNDP on a quarterly basis;
- Manage and monitor the project risks initially identified, submit new risks to the Project Board for consideration and decision on possible actions if required; update the status of these risks by maintaining the Project Risks Log;
- Be responsible for managing issues and requests for change by maintaining an Issues Log;
- Prepare the Project Progress Report (progress against planned activities, update on Risks and Issues, expenditures) and submit the report to the Project Board and Project Assurance;
- Prepare the Annual review Report, and submit the report to the Project Board and the Outcome Board;
- Prepare the AWP for the following year, as well as Quarterly Plans if required;
- Update the Atlas Project Management module if external access is made available.

Project Assurance is the responsibility of each Project Board member; but can be delegated. The project assurance role supports the Project Board through independent project oversight and monitoring functions. Project Assurance will:

- Ensure that funds are made available to the project;

- Ensure that risks and issues are properly managed, and that the logs in Atlas are regularly updated;
- Ensure that critical project information is monitored and updated in Atlas, using the Activity Quality Assessment page in particular;
- Ensure that Project Progress Reports are prepared and submitted on time, and according to standards in terms of format and content quality;
- Ensure that financial reports are submitted to UNDP on time, and that CDRs are prepared and submitted to the Project Board;
- Perform oversight activities, such as periodic monitoring visits and “spot checks” ;
- Ensure that the Project Data Quality Dashboard remains “green” .

Project Support provides project administration, management and technical support to the Project Manager as required by the needs of the project or Project Manager. Project Support will:

- Set up and maintain project files
- Collect project related information data
- Update plans
- Administer Project Board meetings
- Administer project revision control
- Establish document control procedures
- Compile, copy and distribute all project reports
- Assist in the financial management tasks under the responsibility of the Project Manager
- Provide support in the use of Atlas for monitoring and reporting
- Review technical reports
- Monitor technical activities carried out by responsible parties

Ø UNDP Support Services

As per the Letter of Agreement (LOA) between the Government of Lao PDR and UNDP with respect to the provision of support services by the UNDP Country Office for nationally implemented programmes and projects, the UNDP Country Office may provide, at the request of the Implementing Partner, the following support services for the activities of this project, and recover the actual direct and indirect costs incurred by the Country Office in delivering such services as stipulated in the LOA:

- a. Payments, disbursements and other financial transactions
- b. Recruitment of staff, project personnel, and consultants
- c. Procurement of services and equipment, including disposals
- d. Organization of training activities, conferences, and workshops, including fellowships
- e. Travel authorization, Government clearances ticketing, and travel arrangements
- f. Shipment, custom clearance, and vehicle registration

Ø Collaborative arrangements with related projects

The project will provide targeted support to the ESIA Department, which will be closely coordinated with other donor funded activities (such as the World Bank) that support the Department.

The project will also seek synergies and complementarities with all other components of PEI.

Ø Summary of the inputs to be provided by partners

The Government will make available civil servants in the output areas aimed at by the project, including the Project Manager and Project Support personnel. WREA (ESIA department) will provide office space for the Project Team (consisting of the International Technical Advisor on Environment and Social Assessment, short term experts, plus assigned Government staff). The inputs are estimated at the equivalent of a significant in-kind contribution to the project.

UNDP will commit its Regular (Core) Resources under the current CPAP and UNDP-UNEP commits resources from the Poverty Environment Fund.

UN agencies can bring to capacity development: research, experiences, and tools in capacity development; relationships with governments and access to development partners; a neutral and objective perspective in supporting standard approaches and methods; as well as staff, networks, and experiences on the ground in developing countries. The UN brings a corporate body of knowledge and experience in strategic, results-based project management in the area of poverty-environment.

Ø Audit arrangements

Audit will be conducted in accordance with the UNDP NEX Audit policies and procedures, and based on UNDG's Harmonised Cash Transfer (HACT) policy framework.

Ø Agreement on intellectual property rights and use of logo on the project's deliverables

These will be retained by the employing organisation of the personnel who develops intellectual products, either Government or UN/UNDP in accordance with respectively national and UN/UNDP policies and procedures.

Ø Project management team (provisional)

Project Board Executive	WREA, Representative to be determined
Project Board Senior Supplier	UNDP, Representative to be determined
Project Board Senior Beneficiaries	-Representative of Ministry MAF (To be determined) -Representative of WREA (To be determined) -Others (To be determined)
Project Manager	To be designated, WREA
1 National Consultant	To be contracted
2 International Technical Experts	To be contracted
Project Assurance	Programme Analyst, UNDP Lao PDR, Environment Unit
Project Support Staff Accountant	To be contracted

6 MONITORING AND EVALUATION

In accordance with the UNDP Programme and Operations Policies and Procedures, the project will be monitored through the following:

- Ø Within the annual cycle
 - Ø On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table.
 - Ø Monthly and quarterly monitoring: UNDP/UNEP will participate in regular monthly and quarterly meetings. The contents of the meetings will focus on the monthly or quarterly work plan of the project and problems encountered in project implementation.
 - Ø An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
 - Ø Based on the initial risk analysis submitted, a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
 - Ø Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Atlas Executive Snapshot and spot checks.
 - Ø A project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
 - Ø A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events
- Ø Annually
 - Ø Annual Review Report. An Annual Review Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board. As a minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
 - Ø Annual Project Review. Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes. The results of this review will be presented and discussed with other relevant stakeholders during the annual PEI Coordination Forum.
 - Ø External monitoring and evaluation: During the course of the PEI Lao PDR implementation, one monitoring and evaluation exercise will be carried out to assess the performance of this project, progress achieved so far and assess if the project outputs and deliverables need adjustment. Detailed quarterly and annual

work plans as well as progress reports on the activities realized will be prepared for each of the Outputs and, where appropriate, integrated into the broader programme of support in this area. The abovementioned documents will have to be, agreed upon and certified by the Project Board. The International Technical Advisor will be responsible for completing the relevant sections of the project quarterly progress report as well as the annual progress report using a specific standard format.

- Final report: A final report will be compiled and submitted to UNDP within three months of the termination of this project. This report shall give a summary of the actual outcomes, outputs and deliverables compared to the planned outcomes, outputs, and deliverables. The report shall also give an assessment of the efficiency of the project.

7 LEGAL CONTEXT

This document together with the CPAP signed by the Government and UNDP on 28 March 2007, constitute a project document as referred to in Article I of the Standard Basic Assistance Agreement (SBAA) between the Government of the Lao People's Democratic Republic and the United Nations Development Programme, signed by the parties 10 October 1988. All CPAP provisions apply to this document. The host country implementing agency shall, for the purpose of the SBAA, refer to the government co-operating agency described in that Agreement.

The following types of revisions may be made to this PEI Lao PDR Framework with the agreement and signature of the UNDP Resident Representative only, provided he or she is assured that the other signatories of the project document have no objections to the proposed changes:

- a) Revision of, or addition to, any of the annexes to the Project Document;
- b) Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the project, but are caused by the rearrangement of the inputs already agreed to or by cost increases due to inflation;
- c) Mandatory annual revisions which re-phase the delivery of agreed project inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility; and
- d) Inclusion of additional annexes and attachments only as set out here in this Project Document.

Consistent with the Article III of the SBAA, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via: <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

ANNEX 1. INTERNATIONAL TECHNICAL EXPERT (CONSULTANT) FOR ENVIRONMENT AND SOCIAL IMPACT ASSESSMENT

I. CONSULTANT: International Technical Expert for Environmental and Social Impact Assessment

Location :	Vientiane, Lao PDR
Application Deadline :	20-09-09
Additional Category	Environment and Energy
Type of Contract :	CA
Languages Required :	English
Expected Duration of Assignment :	Approx.10 wks (incl. travel) during 4 th Q of 2009

Background

Lao PDR is situated at the heart of the Greater Mekong Sub -region (GMS) bordering all the other five GMS countries (Cambodia, People's Republic of China, Myanmar, Thailand and Viet Nam). Lao PDR is currently classified as a 'Landlocked and Least Developed Country' (LLDC) and is considered by the international community to be one of the poorest countries in the world. With an estimated per -capita income of US \$580, a population of around 5.7 million, and a land area of 236,800 km², Lao PDR has significant natural resources, including forestry and minerals, as well as hydropower potential. In spite of a declining share, agriculture is still the largest sector in the Lao economy, contributing 42 percent to the country's Gross Domestic Product (GDP) in 2006 and employing nearly 80 percent of the labour force. At the national scale, natural resources contribute to three quarters of the per capita GDP, more than 90% of the employment, almost 60% of exports and foreign exchange earnings, just under a third of government revenues and nearly half of foreign direct investment inflows.

Lao PDR is currently faced with key environmental challenges including deforestation, biodiversity loss, depleting fish stocks, inadequate access to clean water and sanitation to rural populations, inappropriate use of chemicals and climate change and natural disasters. The Millennium Development Goals 2008 Mid -Term Report for Lao PDR indicates that MDG7 is unlikely to be met by 2015 without significant and substantial efforts on behalf of the Government of Lao PDR and donors. Given the close linkages between environmental health and poverty, levels of malnutrition, health, income and others, sustainable natural resource management is critical for the Lao PDR to achieve the MDGs.

The recent rapid influx of Foreign Direct Investment has been an important source of government revenues and force for accelerating economic growth. In 2008, USD 2,807 million of FDI has been implemented with a further USD 659 million approved over a combined 146 projects. The increasing demand from other countries for Lao PDR's abundant natural resources is further accelerating the pace of the exploitation of these resources frequently, with many associated challenges. This rapid development of investment activities is putting increasing pressure on the environment and the natural resource base upon which many rural people rely for their livelihoods. These investments currently include agricultural plantations, mining, hydropower, wood and wood products as well as major infrastructure and industrial development projects.

In order to support the efforts of the Government of Lao PDR in addressing these poverty -environmental challenges, the Joint UNDP -UNEP Poverty Environment Initiative (PEI) will focus on strengthening 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 PEI Framework outlines four outputs to achieve the expected outcome of PEI Lao PDR. Firstly, PEI will strengthen poverty -environment linkages in the 7th NSEDP, supporting evidence-based and policy relevant research in a manner that places environmental sustainability at the core of the government's development planning practices. Secondly, support will be provided to the Investment Promotion Department of the Ministry of Planning and Investment (MPI) and provincial authorities to manage investments in a manner that seeks to minimize social and environmental impacts. Thirdly, a programme of support to the Water Resources and Environment Administration (WREA) will seek to strengthen Environmental and Social Impact Assessment (ESIA) processes. Finally, PEI will target the National Assembly to enhance their awareness of poverty-environment issues and to strengthen the capacities of National Assembly members to actively integrate poverty-environment considerations when reviewing policies and legislation. The proposed timeframe for PEI Lao PDR is 30 months: July 2009 to end December 2011.

Under the overall guidance of Director General of the Environment and Social Impact Assessment Department of WREA, the International Technical Expert for Environmental and Social Assessment will be responsible for

facilitating the development of general technical guidelines for environmental and social impact assessment (mainly related to agricultural projects (including forestry)) and strengthening the related capacities of WREA and MAF through providing trainings in the use of reviewing and monitoring guidelines for ESIA at national and provincial levels (plus supporting tools, such as monitoring forms) . The Expert will be situated within the Department of Environmental and Social Impact Assessment of WREA.

The International Technical Advisor for Environmental and Social Assessment will be based within the Department of Environment and Social Impact Assessment at the Water Resource and Environment Administration.

Purpose of the consultancy

The overall purpose of the consultancy is to support the Government of the Lao PDR to develop technical guidelines for reviewing and preparation for ESIA with focus on agricultural projects (possibly plantation forestry) through analysis and wide consultation. The guidelines will be based on the standard format for ESIA technical guidelines, as being developed by WREA with support from SEM II .

Duties and Responsibilities

Summary of key functions:

- § Develop general technical guidelines for the ESIA of Agriculture projects.
 - Review best practices with respect to technical guidelines for ESIA of agricultural investments and projects. Review examples of technical guidelines that have been developed for agricultural investments and projects within the region.
 - Conduct analysis and consultations (workshops) to identify environmental assessment requirements for agricultural projects and provide a description of procedural environmental requirements.
 - Ensure the participation and involvement of relevant stakeholders in the development of the technical guidelines.
 - Develop technical guidelines to support the ESIA Department with the reviewing of ESIA reports as well as technical guidelines for developers and consultants supporting their preparation of ESIA report .
- § Develop user friendly training materials on the technical guidelines for Government staff.
 - Support WREA to develop draft training materials in English.
 - Consult draft training materials with key persons from relevant sectors.
 - Organize for the translation of the training materials into Lao.
- § If time allows, using the training materials developed, plus other relevant training materials, develop awareness raising sessions for provincial authorities, and technical training sessions for WREA, MAF and NLMA staff in two target provinces (Saravanne and Savannakhet).
 - Develop at least one awareness raising workshop in each of the two provinces, aimed at Government authorities and other interested parties (e.g. agriculture investors).
 - Develop at least one technical training workshop in each of the two provinces aimed at WREA, MAF, NLMA and other relevant stakeholders.
- § Coordination.
 - Ensure the development of cross -project linkages with other relevant projects and programmes for mutually reinforcing impacts (SEMII, ADB, WB, MRC etc.).
 - Promote information sharing and facilitate dialogue within the donor community by supporting the Government to initiate consultative meetings and prepare briefs and policy papers on social and environmental impact assessment.
 - Ensure the timeliness and quality of the outputs as well as timely preparation of reports on achievements and challenges faced within the activities.
 - Coordinate with the other PEI outcomes (especially outcome 2 on investment) .
 - Promote identification and synthesis of best practices and lessons learned for organizational sharing and learning.

Approach

In conducting the consultancy, the technical expert is expected to:

- Coordinate closely with WREA at all times .
- Review relevant literature, including documents, reports, reviews, etc.
- Review reports prepared by other consultants supporting WREA .
- Meet with relevant stakeholders, which will include Government, private sector, international non - governmental organizations, local communities, and others.
- Organize and conduct workshops with a ll relevant stakeholders, to ensure that the technical guidelines are comprehensive and agree upon .
- Organize and realize field visits, workshops and training events .

Expected outputs

i. Inception Report

A short document should be prepared during the first week of the consultancy that includes: an outline of the methodology to complete the tasks; list of completed document review; identification of documents to be sourced; any proposed revisions to the TOR's; timetable; schedule of consultations and proposed list of interviewees.

ii. Progress reports

The incumbent is expected to be available to participate in weekly meetings to update WREA and UNDP on the progress of his / her work.

iii. Technical Guidelines for specific Agricultural Investments in Lao PDR

iv. Final training and awareness raising materials on the Technical Guidelines for specific Agricultural Investments in Lao PDR

v. Report

The final report will be delivered 2 weeks after comments are received. The final report will be delivered in English, with the summary in English and Lao.

Required skills & experience

- Proven and extensive international experience in environment and social impact assessments .
- Proven extensive experience in the development of legal and policy frameworks for ESIAs
- Knowledge and experience working in ESIA's of agricultural investments
- Appropriate higher degree qualifications and at least 10 years relevant experience
- Proven experience conducting training of Government officials
- Builds strong relationships with clients, focuses on impact and result for the client and responds positively to critical feedback; consensus -oriented
- Highly develop inter -personal, negotiation and teamwork skills, networking aptitude, ability to work in multi - cultural environment
- Regional and national knowledge is highly desirable
- Excellent in English report writing and communication skills
- Knowledge of Lao language desirable

ANNEX 2. INTERNATIONAL TECHNICAL EXPERT (CONSULTANT) FOR STRENGTHENING CAPACITY IN REVIEWING AND MONITORING ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENTS

I. CONSULTANT: International Technical Expert for Strengthening Capacity in Reviewing Environmental and Social Impact Assessment

Location :	Vientiane, Lao PDR
Application Deadline :	20-09-09
Additional Category	Environment and Energy
Type of Contract :	CA
Languages Required :	English
Expected Duration of Assignment :	Up to 6 wks during 4 th Q of 2009

Background

Lao PDR is situated at the heart of the Greater Mekong Sub -region (GMS) bordering all the other five GMS countries (Cambodia, People’s Republic of China, Myanmar, Thailand and Viet Nam). Lao PDR is currently classified as a ‘Landlocked and Least Developed Country’ (LLDC) and is considered by the international community to be one of the poorest countries in the world. With an estimated per -capita income of US \$580, a population of around 5.7 million, and a land area of 236,800 km², Lao PDR has significant natural resources, including forestry and minerals, as well as hydropower potential. In spite of a declining share, agriculture is still the largest sector in the Lao economy, contributing 42 percent to the country’s Gross Domestic Product (GDP) in 2006 and employing nearly 80 percent of the labour force. At the national scale, natural resources contribute to three quarters of the per capita GDP, more than 90% of the employment, almost 60% of exports and foreign exchange earning, just under a third of government revenues and nearly half of foreign direct investment inflows.

Lao PDR is currently faced with key environmental challenges including deforestation, biodiversity loss, depleting fish stocks, inadequate access to clean water and sanitation to rural populations, inappropriate use of chemicals and climate change and natural disasters. The Millennium Development Goals 2008 Mid -Term Report for Lao PDR indicates that MDG7 is unlikely to be met by 2015 without significant and substantial efforts on behalf of the Government of Lao PDR and donors. Given the close linkages between environmental health and poverty, levels of malnutrition, health, income and others, sustainable natural resource management is critical for the Lao PDR to achieve the MDGs.

The recent rapid influx of Foreign Direct Investment has been an important source of government revenues and force for accelerating economic growth. In 2008, USD 2,807 million of FDI has been implemented with a further USD 659 million approved over a combined 146 projects. The increasing demand from other countries for Lao PDR’s abundant natural resources is further accelerating the pace of the exploitation of these resources frequently, with many associated challenges. This rapid development of investment activities is putting increasing pressure on the environment and the natural resource base upon which many rural people rely for their livelihoods. These investments currently include agricultural plantations, mining, hydropower, wood and wood products as well as major infrastructure and industrial development projects.

In order to support the efforts of the Government of Lao PDR in addressing these poverty -environmental challenges, the Joint UNDP -UNEP Poverty Environment Initiative (PEI) will focus on strengthening 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 PEI Framework outlines four outputs to achieve the expected outcome of PEI Lao PDR. Firstly, PEI will strengthen poverty -environment linkages in the 7th NSEDP, supporting evidence -based and policy relevant research in a manner that places environmental sustainability at the core of the government’s development planning practices. Secondly, support will be provided to the Investment Promotion Department of the Ministry of Planning and Investment (MPI) and provincial authorities to manage investments in a manner that seeks to minimize social and environmental impacts. Thirdly, a programme of support to the Water Resources and Environment Administration (WREA) will seek to strengthen Environmental and Social Impact Assessment (ESIA) processes. Finally, PEI will target the National Assembly to enhance their awareness of poverty -environment issues and to strengthen the capacities of National Assembly members to

actively integrate poverty-environment considerations when reviewing policies and legislation. The proposed timeframe for PEI Lao PDR is 30 months: July 2009 to end December 2011.

Under the overall guidance of Director General of the Environment and Social Impact Assessment Department of WREA, the International Technical Expert for Reviewing and Monitoring Environmental and Social Impact Assessments will be responsible for supporting the ESIA Department of WREA to review and monitor ongoing ESIA and to develop general guidelines for reviewing and monitoring ESIA and monitoring forms. He / she will also be strengthening the related capacities of WREA and MAF. The Expert will be situated within the Department of Environmental and Social Impact Assessment of WREA.

The International Technical Advisor for Reviewing and Monitoring Environmental and Social Impact Assessments will be based within the Department of Environment and Social Impact Assessment at the Water Resource and Environment Administration.

Purpose of the consultancy

The overall purpose of the consultancy is to strengthen the capacity of the Government of the Lao PDR in the process of reviewing and monitoring ESIA, with a focus in the two southern provinces of Saravanne and Savannakhet.

Duties and Responsibilities

Summary of key functions:

- § Develop user friendly training materials on the general reviewing and monitoring guidelines for Government staff.
 - Support WREA to develop draft training materials in English.
 - Consult draft training materials with key persons from relevant sectors.
 - Organize for the translation of the training materials into Lao.
- § Using the training materials developed, plus other relevant training materials, develop awareness raising sessions for provincial authorities, and technical training sessions for WREA, MAF and NLMA staff in two target provinces (Saravanne and Savannakhet).
 - Develop at least one awareness raising workshop in each of the two provinces, aimed at Government authorities and other interested parties (e.g. agriculture investors).
 - Develop at least one technical training workshop in each of the two provinces aimed at WREA, MAF, NLMA and other relevant stakeholders.
- § To the extent necessary, support the reviewing and monitoring of the environmental and social impact assessments
 - To the extent necessary, conduct analysis, review best practices, and realize consultations (workshops) to identify environmental assessment requirements for reviewing and monitoring agricultural projects, using these to support the further development of existing monitoring guidelines.
 - Develop initial checklists for the consideration of biodiversity as a cross-cutting issue in the ESIA process.
- § Coordination.
 - Ensure the development of cross-project linkages with other relevant projects and programmes for mutually reinforcing impacts (SEMII, ADB, WB, MRC etc.).
 - Promote information sharing and facilitate dialogue within the donor community by supporting the Government to initiate consultative meetings and prepare briefs and policy papers on social and environmental impact assessment.
 - Ensure the timeliness and quality of the outputs as well as timely preparation of reports on achievements and challenges faced within the activities.
 - Coordinate with the other PEI outcomes (especially outcome 2 on investment)
 - Promote identification and synthesis of best practices and lessons learned for organizational sharing and learning.

Approach

In conducting the consultancy, the technical expert is expected to:

- Coordinate closely with WREA at all times .
- Review relevant literature, including documents, reports, reviews, etc.
- Review reports prepared by other consultants supporting WREA .
- Meet with relevant stakeholders, which will include Government, private sector, international non - governmental organizations, local communities, and others.
- Organize and conduct workshops with a ll relevant stakeholders, to ensure that the monitoring forms are comprehensive and agreed on.
- Organize and realize field visits, workshops and training events .

Expected outputs

i. Inception Report

A short document should be prepared during the first week o f the consultancy that includes: an outline of the methodology to complete the tasks; list of completed document review; identification of documents to be sourced; any proposed revisions to the TOR's; timetable; schedule of field visits and proposed list o f interviewees.

ii. Progress reports

The incumbent is expected to be available to participate in weekly meetings to update WREA and UNDP on the progress of his / her work.

iii. Final training and awareness raising materials on the General Guidelines for Reviewing and Monitoring ES IA. Minutes of training and capacity strengthening workshops to be annexed.

iv. Initial checklists for the consideration of biodiversity as a cross -cutting issue in the ESIA process

v. Report

The final report will be delivered 2 weeks after comments are received. The final report will be delivered in English, with the summary in English and Lao.

Required skills & experience

- Proven and extensive international experience in environment and social impact assessments .
- Proven extensive experie nce in the development of legal and policy frameworks for ES IAs
- Knowledge and experience working in ES IAs of agricultural investments
- Appropriate higher degree qualifications and at least 10 years relevant experience
- Proven experience conducting training of Government officials
- Builds strong relationships with clients, focuses on impact and result for the client and responds positively to critical feedback; consensus -oriented
- Highly develop inter -personal, negotiation and teamwork skills, networking aptitude , ability to work in multi -cultural environment
- Regional and national knowledge is highly desirable
- Excellent in English report writing and communication skills
- Knowledge of Lao language desirable

ANNEX 3. INITIAL OFFLINE RISK LOG

#	Description	Date Identified	Type	Impact (I) & Probability (P) Note: scale 1-5 (5 being the highest)	Countermeasures/ Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Difficulties in setting up an expert panel, working on a voluntary basis but acting as a formal advisory body to ESIA. (activity 3)	August 09	Operational	I= 4 P= 4	<ul style="list-style-type: none"> - Close coordination with relevant ministries - Consultations with relevant governmental agencies - Learn from similar project activities in other countries 	Project Manager	Chief, Env. Unit	August 09	No change
2	Lack of coordination on the management level leads to ineffective activity implementation and poor coordination w other projects	August 09	Operational / Organizational	P=4 I=4	Monthly management meetings, improve information sharing, quarterly newsletter.	Project Manager	Chief, Env. Unit		No change
3	Limited knowledge on ESIA leads to low participation of stakeholders	August 09	Operational & Programmatic /Organizational Regulatory	P = 4 I = 4	Effective consultation workshops, ensure participation of all relevant stakeholders	Project Manager	Chief, Env. Unit	June 09	No change
4	Certain decision making and / or activity implementation delayed	August 09	Organizational / operational	This will undermine confidence in the project. It will also entail cost implications P = 3 I = 4	Monitor by regular project meeting	Project Manger	Chief, Env. Unit		No change
5	Recruitment of key personnel delayed or not materialized, especially the international expert	August 09	Operational	It may hinder delivery of planned output(s) and activity result(s) P = 3 I = 4	Prepare all necessary documentation (e.g. ToR, ad, etc. in advance, tap rosters, plan interviews ahead to secure interviewers	Project Manager	Chief, Env. Unit		No change

ANNEX 4: INITIAL MONITORING AND COMMUNICATION PLAN

Types of Monitoring and Communication Action	Types of Stakeholders	Method of Monitoring and Communication	Due/Timeline for Each Type of Monitoring and Communication	Date of Completed Action	Status of Action
Annual Work Plans	Project à UNDP	Report	Annually		
Annual Procurement and HR Plan	Project à UNDP	Report/document	Annually		
Quarterly workplans and progress reports	Project à UNDP	Report	Quarterly		
Monthly Project Workplan, Financial and Progress Report	Project	Report/document	Monthly		
Monthly project meeting	Project—UNDP	Face-to-Face	Monthly (signed minutes to be submitted within 5 working days)		
Project Board Meeting Report	Project Board à UNDP	Report	Quarterly		
Updated risk, issue, lessons learned logs and communication and monitoring plan	Project à UNDP	Report	Quarterly		Initial Risk Log developed
Audit	UNDP à Project	Visit, Report	Annually		
Audit Implementation Action Plan	Project à UNDP	Report	At least quarterly		
Spot Check	UNDP à Project	Visit, Report	Quarterly per IP		
Annual review meeting and progress reports	Project à UNDP	Report	Annually		
Quarterly Project Combine Delivery Report	UNDP à Project	Report	Quarterly		
FACE (Fund Authorization and Certificate of Expenditures) Form and other POA documentations, including monthly Bank Reconciliation record, advance record	Project à UNDP	Report/documents	Quarterly		
UNDP Monthly Exchange Rate	UNDP à Project	Document	Monthly		
Quarterly Project Direct Payment List	Project à UNDP	Report/document	Quarterly		
(Evaluation)	UNDP à Project	Visit, Report	Only when planned		
