

NICOLA PONTARA
Country Manager
Vientiane, Lao PDR

December 16, 2020

H.E. Mr. Somdy Douangdy
Deputy Prime Minister
Minister
Ministry of Finance (MOF)

H.E. Mr. Sommad Pholsena
Minister
Ministry of Natural Resources and Environment (MONRE)

H.E. Dr. Phet Phomphiphak
Minister
Ministry of Agriculture and Forestry (MAF)

Excellencies,

*Lao PDR: Second Lao Environment and Social Project (LENS2, P128392/P128393)
Implementation Support Mission
October 26 to November 13, 2020
Aide Memoire*

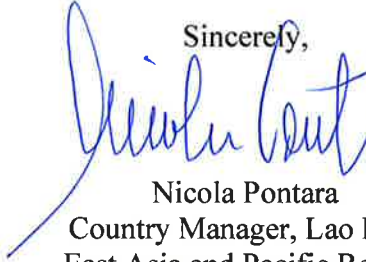
A World Bank implementation support mission for the *Lao PDR: Second Lao Environment and Social Project* was conducted from October 26 to November 13, 2020. We would like to thank all participants and agency counterparts for their cooperation, and for their flexibility to hold meetings virtually. We would also like to thank the Environmental Protection Fund (EPF) for coordinating the mission. We are pleased to share with you the attached Aide Memoire, summarizing the key outcomes of the mission and agreed next steps for the above referenced project. Key issues are summarized below.

1. LENS2 implementation progress remains moderately satisfactory. Disbursements and project objectives are largely on track and M&E reporting has gradually improved. Some financial management issues, however, have not been resolved namely selection of the new accounting software and improvement of the monthly reporting of expenditures by some sub-projects. Several sub-projects will require implementation progress to accelerate in order to meet end-project targets, especially the village livelihood grants in the two national parks and the pollution control sub-project.
2. Achievement of a key project targets on the capacity to investigate wildlife crimes that is critical for the success of LENS2 is lagging, despite solid detection efforts. The respective agencies require stronger interagency organization and cooperation at both national level and provincial level to assist effective investigations and prosecutions.
3. We would highly appreciate receiving more information regarding potential development activities within and around the Nakai Nam Theun and Hin Nam No National Parks which might undermine the success of the LENS2 project.

4. As LENS2 enters the last year of implementation, and after having been extended to June 30, 2022, raising the LENS2 overall performance rating to *Satisfactory* requires clear progress on the above issues while ensuring the project's successful outcomes are preserved.
5. The mission discussed with MONRE and the Ministry of Public Works and Transport a potential new investment project on environmental and solid waste management. We look forward to receiving the request letter from MOF.

We value our close partnership with the Government of Lao PDR in achieving LENS2 objectives.

Sincerely,


Nicola Pontara
Country Manager, Lao PDR
East Asia and Pacific Region



Attachments

- Aide Memoire

Cc:

Ministry of Natural Resources and Environment

- H.E. Mme. Bounkham Vorachit, Vice Minister
- H.E. Dr. Xaynakhone Inthavong, Vice Minister
- Mr. Phouvong Louangxaysana, Director General, Department of Planning and Finance

Ministry of Agriculture and Forestry

- H.E. Mr. Thongphat Vongmany, Vice Minister
- Mr. Somxay Sisanonh, Director General, Department of Planning and Finance

Ministry of Finance

- Mr. Soulivath Souvannachoumklam, Director General, Department of External Finance and Debt Management

Ministry of Planning and Investment

- Mme. Sisomboun Ounavong, Director General, Department of International Cooperation
- Mme. Phonevanh Outhavong, Director General, Department of Planning

Ministry of Foreign Affairs

- Mr. Kingphokeo Phommahaxay, Director General, Department of Economic Affairs

Environment Protection Fund

- Mme. Phakavanh Phissamay, Acting Executive Director, Environment Protection Fund
- Mme. Bounphama Phothisane, Deputy Executive Director, Environment Protection Fund

World Bank Group

- Mr. Mohd Hassan Bin Ahmad, Executive Director for Lao PDR, Board of Executive Directors