LAOS PEOPLE'S DEMOCRATIC REPUBLIC

PEACE INDEPENDENCE DEMOCRACY UNITY AND PROSPERITY

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ENVIRONMENT PROTECTION FUND (EPF)

LAO ENVIRONMENT AND SOCIAL PROJECT (LENS)

WORLD BANK GRANT NO. H177-LA

TECHNICAL GUIDELINES

FOR PROJECTS TO BE FUNDED BY COMMUNITY AND BIODIVERSITY INVESTMENT (CBI) WINDOW

DEVELOPED BY THE WINDOW MANAGEMENT UNIT

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1 INTRODUCTION

General Guidelines

This guideline intends to instruct all applicants, who will prepare proposals to be funded by the Lao Environment and Social (LEnS) Project during the fiscal years of 2006 to 2010 which is probably continued to the next phase. LEnS shall provide two sub-components grants (Policy implementation and capacity enhancement and Community and biodiversity Investment) to support environmental implementation and strengthen capacity for environmental agencies, institutions, local authorities and community to avoid/minimize negative impacts from hydropower and mining development projects as well as to protect and conserve the rich natural resources in three central provinces (Borikhamxay, Khammuane and Savannakhet).

Objectives of the Grant

The Project Development Objective (PDO) is to ***strengthen the management of environmental and social issues in the use of natural assets in Lao PDR for enhancing quality of growth and reducing poverty***. Specifically, the sub-component aims to:

- strengthen management of protected areas (PA) for community and ensure sustainable livelihood to those community who heavily depend on the PA; and
- invest in on-the-ground environmental improvement activities for poor community with emphasis on biodiversity conservation, community environmental management, livelihoods enhancements and promotion of ecotourism.

Expected Outcomes

The overall expected outcomes are improved management for PA and alleviated poverty among poor community in three targeted provinces. Out of this expected outcomes, the framework of expected project results including expected outputs, output and outcome indicators can be seem in Project Implementation Plan.

2 ACTIVITIES OF THE CBI GRANTS

Activity I: Protected Area Management

Expected benefits. The PA management sub-component supports protected area management authorities to do operational work in eligible protected areas. Expected Benefits include mainly (i) an increase in the efficiency in PA management, and (ii) subsequently lower environmental violations.

Scope of Grants. This work can range from specific activities consistent with the overall participatory approach. For instance, land and forest allocation or boundary demarcation could be carried out as part of the process of clarifying land use frameworks with villagers. Support for field implementation of activities may involve provision of TA, staff training

and/or field implementation costs including certain items of equipment (such as binoculars, phones, computers, basic trail bikes, etc). As a first step, PA management units are expected to develop a concise priority action plan and budget for management activities within their areas. This process is facilitated through workshops at the start of the project.

Activity II: Community Environment Development

Expected benefits. This sub-component supports the development of reduced-impact livelihood options in and around national and provincial protected areas, and other small environmental and natural resource management projects in these and other communities. Anticipated benefits include:

- Increase empowerment of local communities in natural resources management
- Improve livelihoods of local communities and reduce poverty

Scope of Grants. Grants are available to all communities in the target provinces. The breadth of activities supported under the community component depends on the degree of involvement of that community in PA management. Communities that have developed village agreements with PA management units, or are actively engaged on in a cooperative process leading to one, are eligible for general livelihood support activities to reward cooperative efforts and facilitate the transition to new resource management regimes.

Activities in communities that are not yet actively engaged in PA management should more directly contribute to positive conservation and environmental impacts or incentives; e.g. family planning, natural resource management, community environmental management projects, and non-extractive uses of biodiversity such as eco-tourism. Provision for a community-led process will support community development more broadly.

Grants are provided directly to communities, but since Provincial Facilitators are only be able to provide limited assistance it is expected that most, if not all, proposals may be facilitated by other agencies working with eligible communities, including PA management units, PAFOs, DAFOs, PSTEOs, DSTEOs, mass organizations and NGOs.

3 PROPOSAL PREPARATION AND APPROVAL

Type and Allocation of CBI Window

Through the CBI Window, the EPF is providing two types of grants:

- ***Smaller Grants (<US$10,000):*** these grants aim to support small activities including those activities to strengthen management of protected area and improving community livelihood regarding to the sustainable use of natural resources.
- ***Larger Grants (>US$10,000):*** these grants aim to support larger activities including protected area management, researches, outreach activity and ecotourism.

What can not be Funded by the CBU Window?

Applicants should be aware that certain activities are not eligible for funding through the CBI Window. Excluded are:

- Any activity requiring a full EIA under either national regulatory framework or World Bank safeguard policy;
- Sub-projects involving land acquisitions, loss of physical assets or physical displacements of populations;
- Supplying for big equipment such as vehicles (car, pick up, etc), goods and equipments;
- Big civil work;
- Activities effecting ethnic groups (including their business, occupation, work, place of residence,
- habitat or standard of living); and
- Village development activities potentially detrimental to the environment or conservation goals.

Application and Review Procedures

Step 1: **Marketing of the grants**: the Window Management Unit (WMU) will conduct marketing of available grant funding, disclosure of rules, eligibility criteria, review procedure and complaint mechanisms. In this step, the WMU will conduct launching workshop and brainstorming for relevant candidates on the application preparation and procedures.

Step 2: **Discussion and consultation for the potential proposals**: The CBI technical officer and provincial facilitators will facilitate those who interest in preparing the proposals – initial discussions with possible applicants. In this step, the flexibility for preparing proposals will be given to all applicants; whether they will prepare by themselves accordingly to the basis requirements provided in the preceding section or with the assistant/ facilitation of WMU team. To make sure that the proposed activities are potential for implementation and consistent with environmental and social safeguard policy, the key concept of proposal will be raised up for discussion with WMU. Meanwhile, the identification and initial screening for negative impacts need to be taking to an account. And screen potential projects for safeguard requirements (ESSF).

Step 3: **Preparation of application form (filling standard application form):** The interest applicant will continue to develop the key concept discussed in the step 2 accordingly to the technical guideline. The importance of this step, the applicants should possess:

- eligibility criteria of CBI;
- available grants;
- national/provincial strategic and action plans of the sector development, particularly for CBI sub-components;
- potential for implementation (participation of relevant government agencies, local authority, and community).

Step 4: S**ubmission:** the first draft of applications will be submitted to the provincial facilitator for initial review and feedback. Each proposal will be given comments and feedback within ***one week*** by the provincial facilitator (If the

proposal was filled properly[1], it will be submitted to the WMU for screening (***two week***). If the proposal does not meet the basic requirements, it is need to re-prepare again through step 3, otherwise it will go for further screening and approval.

Step 5: **Approval**: small grant applicants will submit their proposals on standard form. Applicants for larger grant must follow standard guidelines, but the length of the application is not fixed. Both small and large grant proposals can be submitted to the WMU anytime.

The proposals for small grants will be authorized approval by the Window Manager within upon ***one month*** after final submission.

The proposals for larger grant application will have to be reviewed by two peer reviewers, endorsed by the Project Steering Committee (PSC), as part of their quarterly coordination meetings (***four times a year***), and approved by the EPF Board of Directors.

Step 6: **Implementation and monitoring**: implementation of sub-projects can be started after Agreements are signed between the WMU and the sub-project applicant, funds are available, and (for community grants) a sub-project account is opened by the community/government agencies representatives. Time of implementation also depends on the types of activities and season.

All of these steps are illustrated in Annex I.

Selection Criteria for Larger and smaller Grants

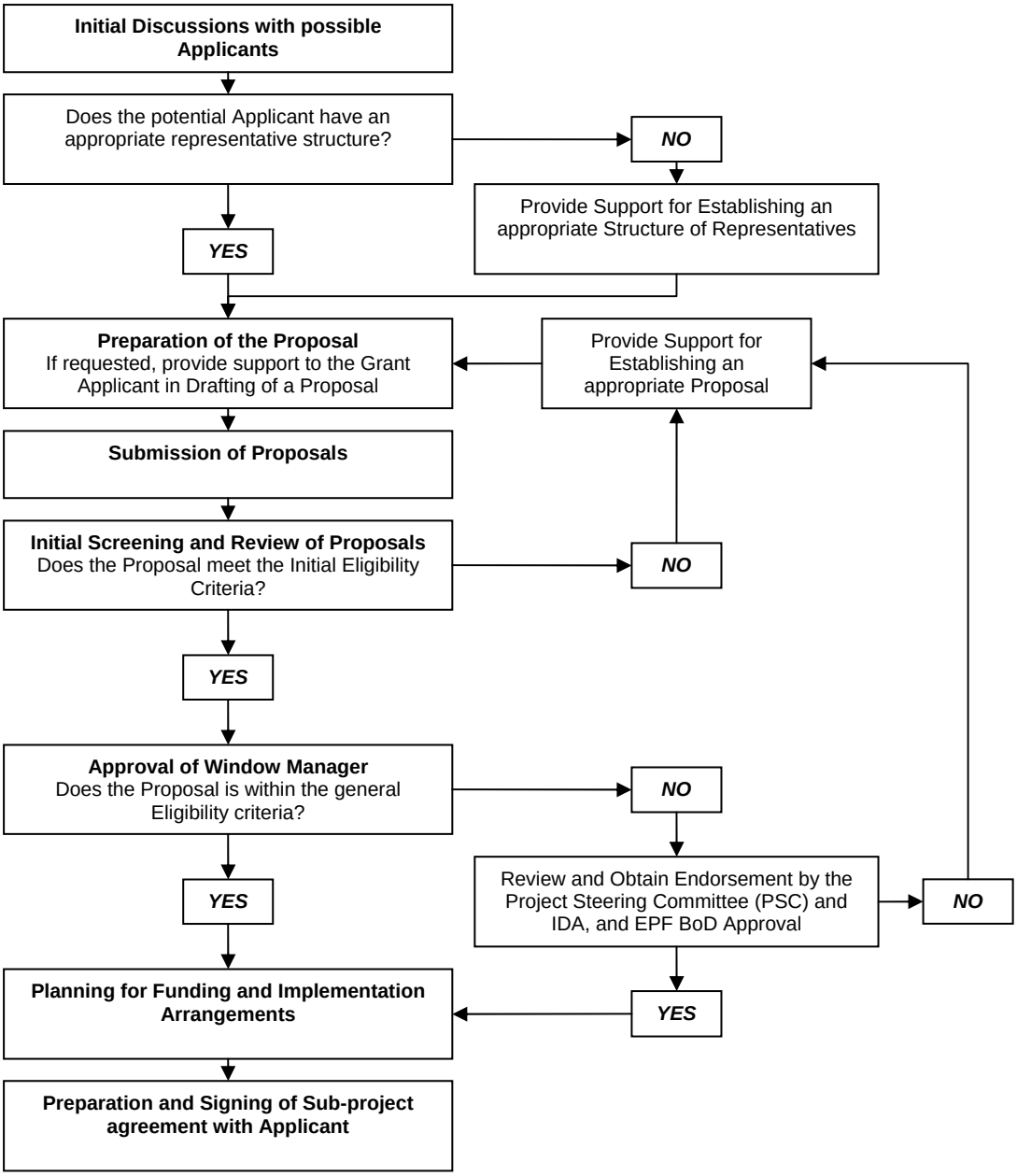
Grant funding can be made available upon: i) the review and approval by the EPF Executive Office, and ii) the availability of CBI Grant Budget. To ensure that the proposals contribute towards the overall objectives of the CBI Window, basic selection criteria being applied include:

- Consistency with the National Biodiversity Strategy to 2020 and Action Plan to 2010 (June 2004).
- Appropriateness to the overall aims of strengthening conservation and environmental management, and community development in and around Central Lao
- Protected Areas.
- Identification and incorporation of local or regional conservation priorities.
- Demonstrated commitment of staff time and resources
- by implementing partners to ensure successful
- implementation.
- Clear and assessable outputs and results.
- Feasibility of delivering outputs with the resources proposed.
- The extent to which the proposal recognizes and incorporates lessons learned in previous initiatives in Lao PDR or in the South-East Asian region.
- The extent to which the proposal is able to provide added value by leveraging funds from additional sources that would otherwise not be available.

[1] *Proposal filled properly means: it provided tangible output and outcome with clear objectives with the activities under the provided criteria.*

ANNEX I

General Overview of the Application Process


Initial Discussions with possible Applicants
Does the potential Applicant have an appropriate representative structure?
NO
Provide Support for Establishing an appropriate Structure of Representatives
YES
Preparation of the Proposal
If requested, provide support to the Grant Applicant in Drafting of a Proposal
Provide Support for Establishing an appropriate Proposal
Submission of Proposals
Initial Screening and Review of Proposals
Does the Proposal meet the Initial Eligibility Criteria?
NO
YES
Approval of Window Manager
Does the Proposal is within the general Eligibility criteria?
NO
YES
Review and Obtain Endorsement by the Project Steering Committee (PSC) and IDA, and EPF BoD Approval
NO
YES
Planning for Funding and Implementation Arrangements
Preparation and Signing of Sub-project agreement with Applicant

Annex II

Standard Application Form for Small Community Sub-projects

(<US$10,000)

Laos People's Democratic Republic

Peace Independence Democracy Unity and Prosperity

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Environment Protection Fund

Lao Environment and Social Project

Standard Application Form for Small Community Sub-projects (<US$10,000)

(SF03)

Sub-project Title …….

Location: ……..

Filled out by: ……..

Date: ……..

Attachments: ……..

General Instructions:

- *Applications can be submitted in Lao or English*
- *Applications can be of undefined length;*
- *Applications can not exceed US$ 10,000.*
- *Project must be completed within one year after signing the sub-agreement.*

Brief Description

Name of sub grant	
Total subgrant cost	
Main objectives	
Main activities	
Outputs/outcomes	
Implement agency	
Benefishery	
Subgrant period	
Others	

Applications will include the following (where applicable):

1. **Community and details of contact person.**

2. (For conservation-related grants) **Which protected area is the village linked to?** Is it inside, next to, or close to (indicate distance) the protected area?

3. (For conservation related grants) **Is the village actively engaged in cooperative activities with the PA management unit?** Has the village signed a resource use agreement with the PA management unit, or is it developing one? Give details.

4. (For field activities involving construction or land use changes) **Describe the project area.** Give the location, size of the area to be affected, and habitat type and/or current land use. Does the area have any specific natural, cultural or economic value? Is it within a national, provincial or proposed protected area? Does it have any archaeological, paleontological, historical, religious, spiritual or scenic value?

5. **List the main objectives of the project.** The objectives should intend to ensure sustainable livelihood for community who heavily on natural resources in the target provinces.

6. **Project beneficiary:** indicate the targeted beneficiaries (who will be the beneficiary during and after project) and estimate the impact that the project will have upon them**.**

7. **Indicate any potentially positive and negative the conservation / environmental benefits and impacts of the activity identified by the community. Indicate also the social benefits and negative impact of the activity identified by the community.**

   Summarize why the conservation / environmental benefits will clearly outweigh any potential negative impacts.

8. **Explain how the positive impacts of the project will be maintained or developed after the grant period?**

9. **Describe the ethnic composition of the community.**

10. **Detail the process of consultation followed within the community to ensure agreement with the proposal and input in identifying benefits and negative impacts associated with it.** Describe how this process ensured the participation of different groups within the community, including gender and ethnic groups.

11. **Were there any objections to the proposal from within the community?** If so, how were these resolved?

12. (For field activities involving construction or land use changes) **Will the activity cause any person or persons to lose property, resources or income?** If so, identify the person, the type and size of the impacts involved (e.g. land, trees, crops, houses and other structures), and any agreement reached on the nature and amount of compensation.

13. **Describe the activities to be supported by the grant.** If construction work is included, give the physical dimensions and technical specifications of the structures involved. List any equipment or materials that will be supplied. Name any species (fish, plants, animals) that will be introduced to the area.

14. **Provide a budget for the total amount of the grant applied for.** This must include quantities, unit prices and totals for each of the inputs paid for with grant money.

15. Provide institutional arrangement for implementation of the project: including setting up project management unit (project manager, key technical staff and other contributors), brief description of duties and responsibility of each actor of the project and the cooperation and coordination with relevant agencies.

Annex III

Standard Application Form for Small PA Sub Grants

(< US$10,000)

Laos People's Democratic Republic

Environment Protection Fund

Lao Environment and Social Project

Standard Application Form for Smaller PA Management Sub Grant (SF04)

Sub-Grant Title ……..…….

Location: ……..

Filled out by: ……..

Date: ……..

Attachments: ……..

General Instructions:

- *Applications can be submitted in Lao or English*
- *Applications can be of undefined length;*
- *Applications can not exceed US$ 10,000.*
- *Project must be completed within one year after signing the sub-agreement.*

For all small grant applications detailed technical specifications and site plans will only be required if necessary for safeguards purposes. Budget tables detailing procurement type, bills of quantities and implementation schedules may be developed with the WMU after project approval.

Brief Description

Name of sub grant	
Total subgrant cost	
Main objectives	
Main activities	
Outputs/outcomes	
Implement agency	
Benefishery	
Subgrant period	
Others	

Applications will include the following (where applicable):

1. **PA management unit and details of contact person.**

2. (For field activities involving construction or land use changes) **Describe the project area.** Give the location, size of the area to be affected, and habitat type and/or current land use. Does the area have any specific natural, cultural or economic value? Is it within a national, provincial or proposed protected area? Does it have any archaeological, pale ontological, historical, religious, spiritual or scenic value?

3. **List the main objectives of the project:** The objectives should intend to manage PA in sustainable ways and create a sustainable livelihood to alleviate poverty for community in the target provinces.

4. **Project beneficiary:** indicate the targeted beneficiaries (who will be the beneficiary during and after project) and estimate the impact that the project will have upon them**.**

5. **Indicate how the proposal relates to the PA Management Plan**: What priorities does it address? Is it consistent with the schedule laid out in the Plan?

6. **Indicate any potentially positive and negative the conservation / environmental benefits of the activity. Indicate also the social benefits and negative impact of the activity.**

   Summarize why the conservation / environmental benefits will clearly outweigh any potential negative impacts

7. **Explain how the positive impacts of the project will be maintained or developed after the grant period.**

8. (For field activities involving construction or land use changes) **Will the activity cause any person or persons to lose property, resources or income?** If so, identify the person, the type and size of the impacts involved (e.g. land, trees, crops, houses and other structures), and any agreement reached on the nature and amount of compensation.

9. **Will the activity involve the implementation of any rules or regulations that will restrict access to the resources within the protected area?** If so, briefly describe how.

10. **Describe the activities to be supported by the grant.** If construction work is included, give the physical dimensions and technical specifications of the structures involved. List any equipment or materials that will be supplied. Name any species (fish, plants, animals) that will be introduced to the area.

11. **Provide a budget for the total amount of the grant applied for.** This must include quantities, unit prices and totals for each of the inputs paid for with grant money.

12. **Provide institutional arrangement for implementation of the project:** including setting up project management unit (project manager, key technical staff and other contributors), brief description of duties and responsibility of each actor of the project and the cooperation and coordination with relevant agencies.

ANNEX IV

Standard Application Form for Larger CBI Sub Grants

(>US$10,000)

Laos People's Democratic Republic

Peace Independence Democracy Unity and Prosperity

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Environment Protection Fund

Lao Environment and Social Project

Standard Application Form for Larger CBI Sub Grants

(> 10,000 US$)

(SF05)

Sub-project Title ……..…….

Location: ……..

Filled out by: ……..

Date: ……..

Attachments: ……..

General Instructions:

- Applications must be submitted in English
- Applications can be of undefined length;
- Applications will include the following (where applicable):
- Project must be completed within two years after signing the sub-agreement.

Brief Description

Name of sub grant	
Total subgrant cost	
Main objectives	
Main activities	
Outputs/outcomes	
Implement agency	
Benefishery	
Subgrant period	
Others	

Applications will include the following (where applicable):

1. A summary including the name of the applicant(s) and details of the contact person, Window and sub-component from which the grant is being sought, total amount applied for, key objectives, summary of outcomes, length of project.

2. For field activities involving construction or land use changes, a description of the project area. This must include the location, size of the area to be affected, and habitat type and/or current land use. Does the area have any specific natural, cultural or economic value? Is it within a national, provincial or proposed protected area? Does it have any archaeological, pale ontological, historical, religious, spiritual or scenic value?

3. **The main objectives of the project**: The objectives should intend to manage PA in sustainable ways and create a sustainable livelihood to alleviate poverty for community in the target provinces.

4. **Project beneficiary:** indicate the targeted beneficiaries (who will be the beneficiary during and after project) and estimate the impact that the project will have upon them**.** A review of the baseline situation for each of the target beneficiaries or objectives.

5. A list of outputs and outcomes, describing how these can be measured, and giving projected values for at the project mid-point and close.

6. An explanation of how activities and objectives relate to priorities laid out in relevant policy and planning documents.

7. Where a community-based element is included, a summary of the results of a community impact assessment exercise to identify positive and negative conservation/environmental and social impacts, plus an explanation of why conservation/environmental benefits clearly outweigh costs.

8. Detail the process of consultation followed in developing the project. Where a community-based element is included, this must describe how the participation of different groups within the community, including gender and ethnic groups, was ensured in order to guarantee general support and input into the process. The ethnic composition of the community, any objections raised within the community and their resolutions must also be included.

9. An explanation of how the gains from the project will be maintained after the grant period.

10. Details of the contribution to the activities provided by the applicant in terms of manpower, materials or other resources.

11. A summary of implementation arrangements including who will carry out particular activities and a schedule.

12. Lessons learnt and approaches incorporated from previous experience and projects.

13. Alternative project activities considered for achieving the same outcomes, and why these were rejected (if any)

14. Other sources of funding received, applied for, or available in the absence of the grant.

15. Identification of any negative impacts on Project-Affected Persons, including temporary or permanent loss of property, land or access to resources.

16. A general description of the activities to be supported by the grant. If construction work is included, this should include a summary of the physical dimensions and technical specifications of the structures involved. Equipment or materials that to be supplied, and/or any species (fish, plants, animals) that will be introduced to the area must be listed.

17. A detailed budget of the total amount of the grant applied for, including quantities, unit prices and totals for each of the inputs paid for with grant money, and procurement categories for each budget line.

18. A bill of quantities for all materials to be purchased.

19. Technical specifications and site plan for any construction work.