

Laos People's Democratic Republic Peace Independence Democracy Unity and Prosperity

Environment Protection Fund

PAW/LENS2 Sub-project Application

General Instructions:

- Applications can be submitted in Lao but need to be translated into English at stage of submission to WB for non-objection. Translations will be under EPF's responsibility.
- Eligibility criteria are: (a) supports a GOL policy, strategy and/or an official plan; (b) contributes to at least one outcome indicator and at least one intermediate outcome indicator (see PAW/LENS2 results framework); (c) for protected area and wildlife related sub-projects only:contributes to a regional or global outcome such as cross-border cooperation, knowledge transfer or prevention of illegal wildlife trade; (d) aligns with project's geographical scope (central level and target provinces (Bolikhamxay, Khammouane, Houaphan, Xiengkhouang, Luang Prabang (PAW), Savannakhet, Vientiane and Xaysomboun (all LENS2)); (e) fits into one of the eligible EPF funding windows (PICE, CBI (PAW), WRM (all LENS2)); and(f) excludes activities in negative check-list in project implementation manual.
- Sub-projects will be approved for the duration of the proposal but are subject to annual sub-grant
 agreements, which will be signed, based on previous years' performance. The defined annual
 performance triggers relate to input (use of funds and governance) and outputs and will be defined in
 the AWPB.
- Only one sub-project at a time per central department, or per provincial office division, or per faculty
 or per autonomous institution or partnership is permitted.

EPFO Sub-project number:

1. Sub-project delivery agency (SDA) (name/address)	Faculty of Environmental Sciences, National University of Laos. P.O.Box 7322. Xaythany District, Vientiane Capital, Lao PDR. Email: fes@nuol.edu.la , Tel and Fax: (856) 21 770561. www.fes-nuol.com
2. SDA focal point (name/function/contact details)	1) Asso. Prof. Kenchanh Sinsamphanh, Project advisor Email: s.khenchanh@nuol.edu.la ; Mobile: 02022229839 2) Ms. Khemngeun Pongmala, Project Coordinator Email: kpongmala@gmail.com ; Mobile: 02055566541 3) Mr. Khenpanh Xayaseng, Financial - procurement officer Email: xayasengk@hotmail.com ; Mobile: 02028007800 4) Dr. Vatthanamixay Chansomphou, Project Evaluation Email: vatthanamixay@hotmail.com ; Mobile: 02058580344 5) Oulavanh Sinsamphanh, Project Assistant Email: noi_nd@hotmail.com ; Mobile: 02054258679 6) Somban Vannavonsy, Accountant Email: sombane@yahoo.com ; Mobile: 02055588145
3. Geographic scope (can be more than one option)	✓ Central/national level ⊠ Provincial/district level. Please indicate target provinces: all provinces

	Protected area. Please indicate (NPA, protection forest, conservation forest and name):
4. Sub-project title	Building country capacity for technical knowledge of Environmental Impact Assessment (EIA)
5. Amount requested	, ,
(US\$m)(estimation)	658,075 USD
6. EPF's eligible funding window (please check only one window)	☑ Policy Implementation and Capacity Enhancement (PICE) ☐ Community Biodiversity Investment (CBI)please check if CEF applies¹ ☐ WRM (LENS2)
7a. PAW Project development objective	To strengthen the management systems for national protected areas conservation and for enforcement of wildlife laws
7b. Revised LENS2 Project development objective ²	To strengthen the country systems for managing protected areas, for enforcing wildlife laws and for implementing environment and social regulations. Proposed sub-project for LENS2
8. Sub-project related sectoral and institutional context, challenges and priorities (Describe role of SDA, current capacity and activities related to PA/wildlife/env. and social safeguards, challenges and priority needs and approach proposed to address priority needs/gaps).	Environmental Impact Assessment in Lao PDR. Important national strategies and plans are in place to guide the protection of the environment, forestry, biodiversity, land, climate change, disaster, ecotourism, renewable energy, and sustainable transport. Key elements of the environmental legal framework and EIA include the Environment Protection Law (1999) and its Implementing Decree (2002), as well as the Decree on Environmental Impact Assessments (No. 112/PM, 2010). On these basis, the Ministry of Natural Resources and Environment (MONRE) and its provincial and district agencies (PONRE and DONRE) are the main focal governmental agency to assess and monitor the implementation of the EIAs and Environment Management and Monitoring Plans (EMMPs) submitted by investors/ project developers. PONRE and DONRE also have the authority to issue Initial Environment Examination (IEE) reports, and are expected to monitor the implementation of EIA and EMMP. These government agencies have a mandate for ensuring that national environmental laws, regulations and standards are complied with by development projects within the country. In order to achieve these mandates, government staff need to have specific technical knowledge relevant to EIA, which needs to be applied during: - Review the IEE / EIA / EMMP reports (technical knowledge is needed to understand the nature of projects and impacts), in order to issue certificates; - During the implementation of projects, government agencies are mandated to monitor the quality of environment surrounding project's area and this also requires specific skills, for example in measuring waste discharges, emissions, etc. In addition, specific skills and methods are used for reviewing and monitoring the different types of impacts that could potentially be caused by diverse development projects (hydropower, mining, agriculture,
	infrastructure, industrial/factory projects). This means that while some areas of knowledge will be similar across sectors, there is also a need to

¹ Please follow the procedures outlined in the CEF document and ensure that details related to sub-project CEF implementation including implementation arrangements, activities, indicators and budget are correctly included in the related sub-project application sections (RF, budget, activities, M&E)).

This is the proposed LENS2 PDO. Until LENS2 project becomes effective, sub-projects for LENS2 will not be

processed for approval.

train official in a specific set of technical skill and knowledge according to their sector.

A gap exists between the mandates and responsibilities for reviewing EIA documentation prior issuing certification and for monitoring compliance during implementation, and the existing technical knowledge and skills of local as well as national government officials on EIA, EMMP, and IEE. Current capacity levels are insufficient to ensure the proper reviews and compliance monitoring of EIA processes. This gap has become a key challenge in recent years in view of the rapid growth in the resource and industrial sectors - a trend set to continue in coming decades. Government policies to ensure sustainable development will only be achieved if the country is able to ensure proper environmental management process and compliance. Thus, strengthening technical skills for EIA among responsible agencies is a key priority.

- **II. Role of SDA.** The Faculty of Environmental Sciences (FES) of the National University of Laos (NUOL) was founded in 2004 and has a mandate on:
 - (1) Organizing teaching and training;
 - (2) Conducting scientific research;
 - (3) Providing academic services to society;
 - (4) Conserving and promoting good practice of Lao culture, as well as learning from other nations.

In over a decade of work, FES has expanded its range of work to play a significant role on river basin management, the study of social and environmental impact assessment, and other environmental aspects within Lao PDR. Also a growing number of FES graduates are been recruited to work at MONRE and its local offices, as well as the Ministry of Energy and Mines (MEM), Ministry of Agriculture and Forestry (MAF), and other public and private entities in Lao PDR.

FES has some experience implementing projects previously, including collaboration with various NUOL faculties, universities in the region (Hanoi University, Royal University of Phnom Penh, Ruc Riskide University of Denmark). Between 2010 and 2011, FES implemented the PICRI project supported by Ile de France to conduct a study on the downstream impacts of hydropower projects in Lao PDR (Nam Mang, Nam Lik1 and Nam Lik2).

FES is engaged in a variety of research and practical work, for example on groundwater and surface water quality monitoring, and sewage treatment for transformation to biogas. FES has an established organizational structure and the institutional set up capable to provide training and technical support on Environment Impact Assessment (EIA), Initial Environment Examination (IEE), and environmental quality monitoring to different public and private sector projects. FES has previously conducted EIA trainings to build and enhance the knowledge and skills of district, provincial and central officials on the analysis and assessment of impacts of the development projects operating/to be operating in Lao PDR. However, these trainings have been limited to a few short courses given budgetary constraints.

FES currently has 76 staff members. Of these, 4 have a PhD, 53 a Master degree, and 19 a Bachelor degree. A challenge for FES is to continue building its capacities to provide learning and research services to public and private organizations. In particular, FES has a priority to upgrade the breadth and depth of knowledge, skills, and research potential of its academic staff in areas relevant to EIA and environmental

sustainability.

III. Approach of Sub-project. To strengthen technical knowledge and skill on EIA in country this sub-project proposes: (i) strengthening the capacities of FES to deliver high quality and systematic training to public sector officials responsible for technical aspects of EIA; (ii) develop training courses targeted to develop specific technical capacities of five key government line agencies (hydro, mining, agriculture, industry, transport) at central and local levels, particularly those tasked with review of EIAs and monitor the implementation / operation of development projects; and (iii) develop the capacities of the next generation of environmental professionals skilled on EIA through formal academic courses.

These aims will be achieved through a combination of approaches including: (i) international academic training for FES staff (professional internship) to increase the number of faculty in the country with formal specialization on EIA; (ii) the development of systematic and practical technical training modules for government officials of 5 key sectors (hydropower, mining, agriculture, industry/factory, infrastructure) at various levels of responsibility of EIA; (iii) the organization of study tours in country and regionally as well as knowledge sharing events for the public sector exposing them to best practices and innovative approaches; (iv) developing core course (EIA, GIS, Water quality, modeling, Wastewater treatment technology, Hydrology, research method, environmental economic, Waste management, Toxicology) and (v) the development of an advance curricula on EIA for senior FES students enrolled in bachelor and master's degrees.

IV. Scope and Coordination. The sub-project will focus on the technical aspects of reviewing and monitoring EIA processes and will coordinate closely with the Department of Environment Impact Assessment (DESIA) at MONRE to ensure that all training materials are in line with national regulation. Given the technical focus of the training, the sub-project will also coordinate with the departments of personnel of the various line ministries to ensure that participants attending the courses are directly responsible for EIA tasks. For this, FES will develop a set of criteria for the selection and acceptance of participants to its courses.

9. Sub-project objective (only one sentence)

To enhance the technical knowledge and skills on EIA, EMMP, and IEE of responsible national and local government staff, and lecturers and students of the Faculty of Environmental Sciences at NUOL.

10. GoL Policy/Plan/Strategy supported by Subproject(including provincial if applicable)

The proposed sub-project directly supports the implementation of the Lao Environmental Protection Law (1999), its Implementation Decree (2002), and will in particular enhance the effective application of EIA as established in Decree No. 112/PM (2010).

At the policy level, the proposed sub-project supports the achievement of policy goals set out in the National Socio-Economic Development Plans 2011-2015 and the upcoming NSEDP 2016-2020. Both five-year plans emphasize the need to maintain growth levels and promote economic development, while ensuring the appropriate environmental management and sustainable use of natural resources. A challenge identified for achieving this goal has been the weak technical capacities in country and the sub-project addresses this aspect directly.

The sub-project will also support the implementation of the National Environment Strategy to the Year 2020, which specifically highlights the

	importance of promoting social and environmental impact assessments in investment projects. Furthermore, through the development of capacities at local levels, the sub-project will have an impact on the implementation of the decentralization policy (three-pillar policy or Sam Sang).
11. Sub-project Regional or global outcomes (for protected area and wildlife related sub-projects only: e.g. cross border cooperation, knowledge transfer, prevention of regional illegal wildlife trade)	Not Applicable
12. Sub-project Outcome Indicators Select and list the related outcome and intermediary outcome indicators from the PAW/LENS2 Results Framework and describe additional sub-project specific outcome indicators. Outcome/impact is the longerterm benefit of particular goods or services to a target group.	 Sub-Project Outcome Indicators: Score of functional capacity of FES (annual) is 61% Direct project beneficiary of which (32%) is a women as measured central, provincial, district governmental staff and FES staff, including students having completed EIA training and study tours. Component 1: EIA Capacity Building for the Public Sector Training modules on EIA technical aspects prepared, piloted, delivered and evaluated (EIA in hydropower, mining, agriculture, industry, and infrastructure) An advanced EIA course is prepared and integrated into Master and Bachelor FES courses.
	 Component 2: Capacity Building of FES faculty and students At least 27 EIA training courses for government staff, FES faculty members and FES students are delivered. A minimum of 35 government staff members in charge of EIA trained on EIA technical aspects at central level.

- A minimum of 180 government staff members in charge of EIA trained on EIA technical aspects at local level.
- At least 50% of the trained staff report use of one or more EIA techniques learned during EIA training.
- 25 FES faculty staff members (34%) are trained on EIA.
- At least 75 students participate in advanced university EIA training developed under project.

Component 3: Project Management

- Achievement of planned activities as per approved Annual Work Plan
- 13. Sub-project main outputs (Goods or services provided by the sub-project's intervention (supply-driven)
- Five EIA training modules for government agencies developed in coordination with MONRE's DESIA and relevant line ministries.

e.g. x staff trained; guidelines on x developed)

- At least 180 government staff members at local level are trained on EIA technical courses.
- At least 35 government staff members of relevant ministries are trained at central level.
- At least 25 FES staff are trained on EIA
- EIA advanced formal course for senior FES students is developed and integrated into bachelor and master degree program
- At least 75 senior FES students receive advanced EIA training
- Two knowledge sharing events organized at national level

14. Sub-project Components and Activities:

List the components and main activities to produce outputs above. Do not use more than 5 components. Details will be in Annual Work Plan and Budget (AWPB) annex attached.

Component Main activities **Component 1: EIA Capacity** The main activities under this component include: **Building for the Public Sector** Capacity Needs Assessment: During this first stage, FES will conduct a needs assessment survey in Vientiane Capital and targeted provinces to define capacity needs and gaps relating to EIA of government staff. Then, FES will organize consultative meetings with DESIA and relevant line ministries and other stakeholders as needed to define the scope of technical training to be provided based on the capacity needs and gaps of the target audience (government officials reviewing, approving and monitoring compliance with EIA and related instruments). This activity will be conducted during the first year of implementation. 2. Development of training modules. During this phase FES will recruit technical assistance as needed to develop the training courses based on agreement with DESIA and relevant agencies. FES will develop the curricula, materials, training approach, and criteria for the selection of participants. The modules will be piloted at central level, with a first series of courses in the five areas (hydro, mining, agriculture, industry and transport) delivered to FES staff and central level ministry staff of the five sectors. This activity will be undertaken during the first year of implementation. A core team of FES trainers will be prepared during this stage. 3. Module evaluation and review. During the final year of implementation, technical assistance will be contracted to evaluate the delivery and impact of training activities, and to review the modules based on lessons learned. Consultations will be organized to present the findings and recommendations to MONRE and relevant ministries. 4. EIA course for Bachelor and Master degree. FES will revise, update and improve existing curricula and training material and develop new material as needed to integrate EIA into existing Bachelor and Master degree. FES expects to train at least 75 students on EIA. The course will include study tours in country for students to observe first hand the application of EIA process.

Draft description of module content (see Annex 1)

Component 2: Capacity Building of FES faculty students	
	 Organization of training local level – based on the feedback obtained during the pilot, the modules and materials will be revised. During this phase FES will coordinate with the departments of personnel of the various ministries to select the right participants to the course. The courses will be offered in sequence. During the second year of implementation 2 modules will be delivered, most likely in the areas of hydropower and agriculture. Courses in these two areas will be organized in the North and South twice a year. That is a total of 4 training courses will be organized in the year with approximately 15 participants each. Two other areas (Industry and Mining will be delivered during the 3rd year, and the final area will be delivered during the 4th year. Refresher courses will be provided in the areas with most demand during the 4th and 5th years. Organization of study visits. In order to consolidate the learning, practical visits to observe EIA implementation in country and in the region will be organized for trainees and central level officials.
Component 3: Project management	 Under this component FES will conduct project planning and develop a monitoring system, data collection and analysis to ensure that the outputs and outcomes of the project are documented and reported. Financial management and reporting tasks will be conducted under his component as agreed with EPF as well as administrative and logistical tasks. A full-time national accountant will be hired to manage the finances and financial reporting.
15. Sub-project direct beneficiaries	☐ Governmental staff Total number (315) of which women (96) Central level (35) of which women (11) Provincial level (110) of which women (33) District level (70) of which women (21) FES Faculty (25) of which women (8) ☐ Rural communities () Number of people () of which women () ☐ Students (75) of which women (24) ☐ General public ☐ Private sector ()
16. Proposed Start	September 1, 2016
Date 17. Proposed End	August 31, 2021 (5 years)
Date (duration in years)	August 31, 2021 (5 years)
18. Co-	None
financiers (source and	
amount (US\$) including in- kind contribution; per	
mina continuation, per	

component if possible)	
19. Complementary ongoing or planned projects/programs/init iatives(name/source of funding/linkage)	N/A

20. Implementation Arrangements

- a. Describe the project management structure.
- b. What additional staffing or technical assistance is needed to successfully complete the proposed project (e.g. M&E officer, accountant, ...)?

a. Project Management Structure/sub-project implementation team

The FES has establish a structure of responsibilities that will ensure the smooth implementation of the sub-project:

- Overall supervision and oversight: Dean of the Faculty of Environmental Sciences
- <u>Coordination:</u> A faculty member has been appointed as day-to-day coordination The
 coordinator will also ensure that project monitoring is conducted and that quality periodic
 reports are presented timely to EPF.
- Monitoring and Evaluation: A staff member has also been appointed with monitoring and
 evaluation responsibilities, including establishing an M&E framework for the sub-project, data
 collection, analysis and report writing.

b. Additional Staffing/Technical Assistance (TA)

- <u>TA for component 1:</u> Short-term international consultants for the development of technical training modules
- <u>TA for component 2:</u> Short-term international consultants for the development of formal course on EIA
- <u>TA for component 3:</u> Accountant (national full-time) to support with financial management and financial reporting.

21. Summary Budget

Detailed activity plan and budget for total period and year one must be attached in annex. Provide a summary of the budget as part of the proposal. Note that the sub-project will be approved for the entire duration but the sub-grant agreement will be signed on a yearly basis based on previous year performance (and agreed triggers as defined in section 24). For approved sub-projects, a procurement plan will be developed by EPFO.

Components (not more than 5 components including project management)	US\$ Budget	Other direct and parallel financing (as applicable with source and in US\$
Component 1: EIA Capacity Building for the Public Sector	336,000	
Component 2: Capacity Building of FES faculty and students	70,000	
Project management (M&E) Component 3: Project management	192,250	
Contingency (5%)	29912.5	
Inflation rates (5%)	29912.5	

Гotal	658,075	
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22. Sustainability

Please explain how the benefits of the project will continue or be maintained once the sub-project is complete.

Sustainability is highly likely given the sub-project focus on developing simultaneous capacities at three levels: (i) for those currently tasked with regulatory and monitoring work (government at national and local levels); (ii) building medium and long term EIA research capacity in country by strengthening FES'; and (iii) targeting the next generation of professionals that will be taking over EIA tasks in the medium and long term, for government as well as the private sector. In addition, the materials produced by the project will continue to be used for training beyond the project's completion dates. Appropriate agreements will be made with FES' staff benefiting from formal training abroad ensuring that upon completion of their studies they will return to work at FES using the knowledge gained to develop country capacities through research and teaching.

23. Environment and Social Management Plan (ESMP)

Check if an Environmental and Social Management Plan (ESMP) needs to be prepared (see guidelines in the Environment and Social Management Framework (ESMF) to be obtained from EPF website).

Not applicable.

24. Community Engagement including gender issues at community level

Check if compliance with the Community Engagement Framework (CEF) is needed and follow guidelines on steps to be obtained from EPF website.

There will be over 30% of women participation among all trainees.

The sub-project will try as much as possible to include the analysis of gender aspects on environmental impacts and EIA.

25. Gender issues (mainstreaming)

Please explain how the sub-project is complaint with GoL commitment to gender issues under the project.

Environmental impacts have a larger effect on society as large, with specific and differentiated effects on men and women. While the sub-project intends to have a strong focus on technical aspects of EIA, effort will be made to include discussions on gender aspects in the training modules.

26. Agreed Annual Performance Triggers

For information find below the list of agreed targets that must be achieved to trigger approval of next year's funds:

Agreed triggers:

- Compliance with fiduciary and safeguard requirements (at least Moderately Satisfactory in year 1 and Satisfactory in subsequent years)
- Compliance with reporting requirement (number, quality and timeliness) (at least Moderately Satisfactory in year 1 and Satisfactory in subsequent years)
- Year 1, at least 50 % of activities in AWPB completed. Year 2 and after, at least 75 % of activities in AWPB completed
- All outcome targets for current year are measured, evaluated and show progress toward target
- AWPB produced for the new fiscal year cleared by WB and approved by EPF Board

27. Document Checklist

Please ensure to attach the following based on templates (excel file) provided:

✓ Sub-project results framework (entire period)

Sub-project detailed budget entire period (2a. per component and 2b. per category)

Sub-project detailed activity wo	ork plan per component year 1
Sub-project Environmental and	d Social Management Plan (ESMP) if applicable
Signature	
Submitted by: Approved by: (Head/DG of SDA or equivalent)	Date:
by SDA and EPF, are summarize	on prior approval not requiringre-submission, accepted zed below: (Please list application form reference number (e.g. ammunication on accepted changes to SDA).

Annex 1: Negative Checklist

No	Item
1	New settlements or expansion of existing settlements outside the area defined by the PLUP of in any zone not gazetted for agriculture or habitation in the macro zoning of the NPA.
2	Creation of adverse impacts on local people including ethnic groups that are not acceptable to them, even with the mitigation measures developed in their participation.
3	Physical relocation and/or demolition of residential structures of households
4	Use of PAW sub-projects or activities as an incentive and/or a tool to support and/or implement involuntary resettlement of local people and village consolidation. Project finance can be used in villages that were consolidated only if the requirements provided in Section 9.1, Stage 1 of the CEF have been fully met.
5	Damage or loss to cultural property, including sites having archaeological (prehistoric) paleontological, historical, religious, cultural and unique natural values.
6	Construction of new roads, road rehabilitation, road surfacing, or track upgrading of any kind inside natural habitats and existing or proposed protected areas and in general any construction expected to lead to negative environmental impacts.
7	Introduction of non-native species, unless these are already present in the vicinity or known from similar settings to be non-invasive, and introduction of genetically modified plan varieties into a designated project area.
8	Forestry operations, including logging, harvesting or processing of timber and non-timbe products (NTFP); however support to sustainable harvesting and processing of NTFPs is allowed if accompanied with a management plan for the sustainable use of the resources.
9	Forestry operations on land or in watersheds in a manner that is likely to contribute to a villages increased vulnerability to natural disasters.
10	Conversion or degradation of natural habitat and any unsustainable exploitation of natura resources including NTFPs.
11	Production or trade in wildlife products or other products or activity deemed illegal under Lac PDR laws, regulations, or international conventions and agreements, or subject to international bans.
12	Production, processing, handling, storage or sale of tobacco or products containing tobacco.
13	Trade in any products with businesses engaged in exploitative environmental or social behaviour; or engaged in any unauthorized activities especially those related to natura resources.
14	Purchase pesticides, insecticides, herbicides and other dangerous chemicals exceeding the amount required to treat efficiently the infected area. However, if pest invasion occurs, smal amount of eligible and registered pesticides in Lao PDR is allowed if accompanied with a training of farmers or villagers to ensure its safe uses and World Bank's clearance is needed. If the use of pesticide is necessary, the SDA will refer to the Pesticide Management Plan.
15	Purchase of guns; chain saws; asbestos, dynamites, destructive hunting and fishing gears and other investments detrimental to the environment and in general purchase of goods intended for a military purpose or luxury consumption.
16	Labor and working conditions involving harmful, exploitative, involuntary or compulsory forms of labor, forced labor ³ , child labor ⁴ or significant occupational health and safety issues
17	Sub-projects or activities that require a full EIA.

³ Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

⁴ Harmful child labor means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development.