



**LAO PEOPLE'S DEMOCRATIC REPUBLIC**  
**Peace Independence Democracy Unity Prosperity**

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Luang Prabang Province  
 Department of Natural Resources and Environment  
 Environment Section

Ref.No...../ES/PONRE-LPB  
 Luang Prabang Province dated, 23 May 2017.

## Environment Protection Fund LENS2 Sub-project Application

<b>Subproject Proposal Code:</b>	
<b>1. Sub-project delivery agency (SDA)</b> <i>(name/address)</i>	Luang Prabang Provincial Department of Natural Resources and Environment Street: Kaison Phovihan, ban Thathluang, Luang Prabang province Tell/fax: 071252970,
<b>2. SDA focal point</b> <i>(name/function/contact details)</i>	Mr Vilaphong Kanyasone Head of Environment Session Tell/: 020 28654222 Email: Vila.k@hotmail.com Mr, Khampadith Phonnachit, Deputy Head of Environment Session Tell/: 020 99870008 Email: dith1985@gmail.com Mr. Sakdaphone Keophahanh, ESIA session Tell/: 020 23246519 Email: <a href="mailto:sackda29@yahoo.com">sackda29@yahoo.com</a>
<b>3. Geographic scope</b> <i>(can be more than one option)</i>	<input type="checkbox"/> International <input type="checkbox"/> Central/National. <input checked="" type="checkbox"/> <b>Provincial/District</b> , please specify the name of Province (Vientiane Province)
<b>4. Sub-project title:</b>	Build Capacity of PONRE-LPB on Application & Monitoring of IEE and Associated Legislation.
<b>5. Amount requested:</b> <i>(in US Dollar)</i>	<b>150,000 USD</b> including 10% contingency
<b>6. EPF's eligible funding window</b> <i>(please check only one window)</i>	<input checked="" type="checkbox"/> policy Implementation and Capacity Enhancement (PICE) <input type="checkbox"/> Biodiversity (Please check if it is necessary to use in the frame of CEF <sup>1</sup> )

<sup>1</sup> To be implemented according to the rule as set in the document of Community Participation framework (CEF) be ensured that various details of subprojects related to the implementation of CEF preparation, tasks, indicators and budget are included in the related heads of proposed subproject (project output frame, Budget, Tasks, Monitoring & Evaluation)

<b>7. Project Development Objective:</b>	To help strengthen selected environmental protection management systems, specifically for protected areas conservation, enforcement of wildlife laws and environmental assessment management
<b>8. Sub-project related sectoral and institutional context, challenges and priorities</b> <i>(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).</i>	<p>Recently, socio-economic development of Luang Prabang Province has been progressed significantly, especially development of infrastructure (road and high speed railway), hydropower (Mekong, Nam Khan, Nam Ou, Nam Xienag), mining project (survey and exploitation), and banana farms. This number is higher than that of other provinces of the country. These activities are challenging in term of monitoring on non-compliance on the impacts to environment and social as required by EIA/IEE regulations. Besides, because the PoNRE-LPB and DoNRE-LPB are newly established (2012), they face many challenges such as limited qualified staffs who have limited knowledge and experience to manage investment projects such as report review, monitoring, law enforcement; and non performance (no any meetings) of Provincial Environmental Committee (PEC).</p> <p>Therefore, in order to tackle such challenges, it requires a capacity building for staffs of PoNRE-LPB and DoNRE-LPB; enforcement of related environmental law and regulation to manage investment projects within the province; actively monitor and encourage investment projects, which do not apply IEE, to comply related environment regulations and ECC; support the performance of PEC; conduct data collection and create simple database system to support environmental activities' management and monitoring together with line departments of MONRE, Faculty of Environment Science and National University of Laos (NUoL).</p>
<b>9. Sub-project objective</b> <i>(only one sentence)</i>	To improve the percentage of IEE/ECC attainment and degree of compliance with resulting ESMMP in Luang Prabang Province
<b>10. GoL Policy/Plan/Strategy supported by Sub-project</b> <i>(including provincial if applicable)</i>	<p>This subproject supports the strategy, plan and various pro grams as follows:</p> <ul style="list-style-type: none"> <li>• Ten Years (2016-2025) Natural Resources and Environment Strategy MoNRE, which aims to manage environment for sustainable Urban and Rural Development such as: Pollution Management and Control, Monitoring and Control of Environment – Social Impacts from various Development Projects.</li> <li>• Luang Prabang Province Environment Strategy 2016-2020; Management of Environment and Natural Resources should proceed effectively, with systematic continuation and in parallel with Socio-Economic Development of the province.</li> <li>• Ten Years Development Strategy (2016-2025) of Luang Prabang Province to ensure fortified economic growth in connection with sustainable development on the direction of green growth.</li> <li>• 2003: Constitution of Lao PDR : reedited version (N0 25/NA)</li> <li>• 2003: Law on Land (No 04/NA)</li> <li>• 2005 : Law on Grievance (No.07/NA)</li> <li>• 2005: Decree on Resettlement and Compensation of damages caused by Development Projects(No 84/PM)</li> <li>• 2006: National Policy on Sustainable Environment-Social in Hydrology Power Plant Sector in Lao PDR.</li> <li>• 2015: IX<sup>th</sup> Five Years National Socio-Economic Development Plan (2016-2020)</li> <li>• 2013: Instruction on consultation with impacted ethnics from Development Projects (Lao National Construction Front).</li> <li>• 2013: Instructions of MONRE Minister on Environment Impact Assessment No 8030 and Initial Environment Examination No 8029.</li> </ul>

<sup>1</sup>This is Proposed Project Development Objective but the Implementation of Subproject will not take place yet unless the project approval will be effective.

<p><b>11. Sub-project Regional or global outcomes</b> (for protected area and wildlife related sub-projects only: e.g. cross border cooperation, knowledge transfer, prevention of regional illegal wildlife trade)</p>	<p>This project will help create a system, mechanism, ability and related legal at provincial, national and regional levels in implementing sub-projects which will lead to better implementation of provincial environmental action plan, help develop provincial environmental management mechanism, strengthen environmental management staffs of PoNRE-LPB. Also, this project will contribute to the conventions international, regional sustainable management and international such as the treaty on reducing emissions of greenhouse, gases in the atmosphere (Montreal), the Convention on residues without degradation (Stockholm Convention), and the Convention on the Control of chemicals (Rotterdam Convention). Convention on protection of the ozone layer in 1987, the Convention on moving waste dangerous cross 1989, the Convention on the changing climate 1992 and the Convention on chemical residues harm and framework cooperation sector resources and natural environment (ASEAN).</p>
<p><b>12. Sub-project Outcome Indicators</b> 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 longer-term benefit of particular goods or services to a target group.</p>	<p><b>Key indicators are as follows:</b>  <b>Indicator 1:</b> Increase the functional capacity of PONRE on environmental impact assessment and monitoring (annually). Direct support to LENS2 PDO indicator # 3   <b>Indicator 2:</b> Category 1 projects that are under construction or operation in the province that have a valid ECC (per year). Direct support to LENS2 Intermediate Indicator 1.4.   <b>Indicator 3:</b> # projects (with ECC) that are non-compliant with their ESMMP for which remediation measures are agreed with the developer and monitored.</p>
<p><b>13. Sub-project main outputs</b> (Goods or services provided by the sub-project's intervention (supply-driven) e.g. x staff trained; guidelines on x developed)</p>	<p><b>Component 1: Strengthen the capacity of provincial and district staff on the social and environmental management</b>  1.1 (# of) staff of SDA and SDA partner's institutions that received training courses related to IEE/ICC/ESMMP compliance and DESIA database management (cumulative). Direct support of LENS2 Intermediate Indicator of 1.1. (A person receiving several courses is counted as several beneficiary)   <b>Component 2: Monitoring the implementation of legislations and regulations on the IEE &amp; ESIA</b>  2.1 Report/data of IEE/ECC projects to DESIA and EPF  2.2 ESMMP monitoring mission where a monitoring report is issued by the PONRE  2.3 Issues notices of PEC to address companies with continued environmental and social non-compliance activities including obligation on environment protection.  2.4 Simple database and available data for reporting   <b>Component 3: Sub-Project Management</b>  3.1 Report on the progress of Project implementation on time (reports twice a year or as agreed with EPFO)  3.2 "Deliverables" proposed in the AWPB completed each year (annual)</p>
<p><b>14. Sub-project Components and Activities:</b> 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.</p>	

Components	Main activities
<p><b>Component 1: Strengthen the capacity of provincial and district staff on the social and environmental management</b></p>	<p>This component aims to improve the skills of staff in PONRE (provincial, district and village) applying procedures of IEE (2013) and basic knowledge about protecting the social and environment aspects of related projects are implemented in the Luang Prabang Province as well as capacity improvement of the key stakeholders, private enterprises, development projects and organizations to comply with national legislation.</p> <p><b>Activity 1.1: Training</b></p> <p>1.1.1 Training on the project implementation (the project planning, reporting, and environmental and social planning).The training will be organized by EPF every year as required to build capacity of the project team as well as PoNRE.</p> <p>1.1.2 Training on the processes IEE/EMP and how to review the IEE, ESIA, EIA, EMP and monitor of EMP for the development projects and business units. The target groups are the Environment sectors – PONRE, environment units – DONREs, Department of Public Works and Transport, Department of Industry and Commerce, Department of Agriculture - Forestry, Department of Energy and Mines, Department of the planning and investment, and Environmental police.</p> <p>1.1.3 Attend training course on using IEE / ESIA data (DESIA). This training will be organized by DESIA</p>
<p><b>Component 2: Monitoring the implementation of legislations and regulations on the IEE</b></p>	<p>This component aims to build the capacity of PONRE staff through training in the field on the Monitoring and Evaluation (M&amp;E) and IEE. The direct beneficiaries will include officers from PONRE as well as others that can effective help in the implementation of ESMMP and ECC. Purchasing of 1 pickup for IEE/EIA monitoring for the whole province (13 districts) and required IT equipment to run database. Key activities will include the following:</p> <p><b>2.1 Improve coordination mechanism and provision of guidance</b></p> <p><b>2.1.1</b> An Ordinal Annual PEC Meeting to increase the coordination among line departments at provincial and district. The meeting will be the event to discuss and set a measures for those non-compliance companies and issue notices for actions. An Inordinal Annual Meeting will be conducted as nessessary.</p> <p><b>2.1.2</b> Conduct regular technical mission/meeting with DoNRE to support the monitoring of those non-compliance companies/projects</p> <p><b>2.1.3</b> Conduct ESMMP monitoring to those projects/companies with valid impacts/issues.</p> <p><b>2.1.4</b> Coordinate meetings with host departments to implement the PEC Notices for compliance enformcement.</p> <p><b>2.2 Setting IEE database in line with legislative standards established by DESIA</b></p> <p><b>2.1.5</b> Conduct meeting with DESIA and for brainstorming and software installation</p> <p><b>2.1.6</b> On the job training on database operation and data running</p> <p><b>2.1.7</b> Data collection from 13 districts and data entry</p> <p><b>2.1.8</b> Conduct meetings to upgrade data and system annually</p>
<p><b>Component 3: Subproject Monitoring and Management</b></p>	<p>- Administration and monitoring of sub-projects will follow the (PIM) of LENS2 and / or supervision and / or agreement of EPFO including of financial and procurement management, and reporting. The project will rely on technical advice of DESIA (for technical aspects) and EPF (for project management aspect). An accountant will be nominated (full time) to provide a convenient flow</p>

	of funds and prepare accounting documents and financial reports (in kind contribution). A project steering committee will be set up to steer project implementation and overlook the annual report and work plan
<b>15. Sub-project direct beneficiaries</b>	<input checked="" type="checkbox"/> Government staff - Total number ( __34__ ) women ( __07__ ) - Central ( __-__ ) women ( __-__ ) - Provincial level ( __10__ ) women ( __2__ ) - District level ( __24__ ) women ( __5__ )
<b>16. Project started date</b>	01 June 2017
<b>17. Project End date</b> (duration in Years)	31 December 2020
<b>18. Co-financiers</b> (source and amount (US\$) including in-kind contribution; per component if possible)	The province will provide in-kind contribution in terms of staff time, offices spaces, and basic utilities estimated at a value of about <b>25,200 USD</b>
<b>19. Complementary ongoing or planned projects/programs/ initiative</b> (Name/source of funding/linkage)	In parallel with the implementation of this project, there are two project namely Protect Area (PA) and Protected Forest (PF) management (on going project) costed \$283,000 and planning project for Phoupheung-Phouphathoun and Tad Kuang Se PPF (\$550,000).

## 20. Implementation Arrangements.

<p>PONRE will be responsible for implementation of the subproject and a Subproject Steering Committee and a Subproject Management unit will be established to implement the project. A Management Unit comprises of implementation team. Main responsibility of these committess and unit are brifely summarized as follows:</p> <ul style="list-style-type: none"> <li>- The Subproject Steering Committee has duty to supervise and monitor the subproject implementation activities, approve reports, action plan, decide the modification of activities and project budget;</li> <li>- The Subproject Management team has duty to be responsible for administrative management, leading to implement various activities as set out in project activities, financial management, vehicles management, equipment management, procurement, prepare technical reports, quarterly financial reports, annually financial reports, project completion report on time and to coordinate with all concerned parties to manage the project and project implementation to reach target objective;</li> <li>- The technical team comprises technical staff of the provincial environment section and the environment units of 13 districts. The technical team has duty to implement the subproject activities under the leadership of the Subproject Management Committee;</li> </ul> <p style="text-align: center;"><b><u>Organization Chart</u></b></p>
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**Steering Committee**

Mr. Khatiya Vannasack – DDG of PoNRE  
Mr. Souliphon Philakoun – Director of Environment  
Session

**Implementation Team**

1. Mr Vilaphong Kanyasone Project Coordinator
2. Mr, Khampadith Phonnachit, Deputy Project Coordinator
3. Mr. Sakdaphone Keophahanh, Field Implementator
4. Mr. Keonakhon – procurement
5. Ms. Ninlavanh Accountant

**Technical team**

1. Mr. Milee Lee;
2. Technincal staff of Environment Section;
3. Technical staff of DoNRE of 13 districts;

**Remark :** There was a Decree to assign Project Responsible Committee issued by Director of PoNRE-LPB

## 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.

<b>Component</b> ( Not more than 5 components including Project Management) in US\$	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total (US\$)</b>	<b>(*) Local Contribution (US\$)</b>	<b>EPF Budget (US\$)</b>
<b>Component 1:</b>	<b>3,200</b>	<b>6,450</b>	<b>6,450</b>	<b>0</b>	<b>16,100</b>	<b>0</b>	16,100
<b>Component 2:</b>	<b>68,994</b>	<b>13,400</b>	<b>12,400</b>	<b>11,400</b>	<b>106,194</b>		106,194
<b>Component 3:</b>	<b>6,210</b>	<b>11,020</b>	<b>11,020</b>	<b>11,020</b>	<b>39,270</b>	<b>25,200</b>	14,070
<b>Total base cost</b>	<b>78,404</b>	<b>30,870</b>	<b>29,870</b>	<b>22,420</b>	<b>161,564</b>	<b>25,200</b>	136,364

<b>Contingency (10%)</b>	7,840	3087	2987	2242	16,156	2,520	13,636
<b>Grand Total</b>	<b>86,244</b>	<b>33,957</b>	<b>32,857</b>	<b>24,662</b>	<b>177,720</b>	<b>27,720</b>	<b>150,000</b>
Remark: (*) Local contribution is: Non monetary contribution of Lao Government ( Government staff,office,electricity,water supply and so on ,details are specified in budget plan.)							
<b>22. Sustainability.</b> <i>Explain output of subproject that will be continued or kept on after project termination.</i>	<p>Implementation of the subproject will enhance management capacity of PONRE to perform its basic functions on IEE\EIA implementation process and pollution control as well as enhancing knowledge and implementation experience of PONRE staff both at provincial and district level. Training on the IEE\ESIA review and monitoring will strengthen capacity of provincial staff to review IEE\ESIA reports, discussion with project owner on the ESMP before issuing an Environmental Compliance Certificate (ECC), and monitor compliance with the ESMP\ECC. Operation of the IEE\EIA database will help increasing effectiveness and efficiency of environmental management in the province and facilitate timely actions by decision makers. Providing necessary vehicles, equipment will facilitate active operation of the environmental section and units and this can be used after completion of the project.</p> <p>This project is also the first step to encourage project owners/developers to compliance their obligation for environment protection, which assumes that after project implementation, PoNRE will be in the further step of collecting those financial obligation to secure project sustainability</p>						
<b>23. Environment and Social Management Plan (ESMP)</b> <i>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).</i>	<p>The subproject activities are not included in the subproject “Negative List”. Implementation of the subproject will be positive. All the subproject activities are training, development of procedures, databases, and monitoring of ECC compliance. The subprojectNo negative impacts on local environment and communities are anticipated. Therefore preparation of an Environmental and Social Management Plan (ESMP) is not required.</p>						
<b>24. Community Engagement including gender issues at community level</b> <i>Check if compliance with the Community Engagement Framework (CEF) is needed and follow guidelines on steps to be obtained from EPF website.</i>	<p>The subproject activities will not involve ant PA\PFA as defined in the ESMF of LENS2. Preparation of CEF is not required. However, during the implementation of subproject activities, efforts will be made to facilitate consultation among key stakeholders, especially women, as much as possible (&gt;20%).</p>						
<b>25. Gender issues (Mainstreaming)</b> <i>Please explain how the sub-project is</i>	<p>Gender mainstreaming is priority for Lao Government. As stated in the Second Five Year National Strategic Plan that the vision for women progress promotion is to assure equal rights and development between men and women in all area of activities, to assure that women can fully participate in political, economic, socio-cultural and household</p>						

<p><i>complaint with GoL commitment to gender issues under the project.</i></p>	<p>activities with safe livelihood conditions. During the implementation of the subproject, efforts will be made to provide equal opportunity for women to receive training as well as participate in the subproject activities. It is expected that at least 20% of qualified women will participate in the subproject.</p>
<p><b>26. Agreed Annual Performance Triggers</b>  <i>For information find below the list of agreed targets that must be achieved to trigger approval of next year's funds:</i></p>	<p><b>Agreed conditions:</b></p> <ul style="list-style-type: none"> <li>- To undertake correctly transparency and requirements on impact protection (at least with medium level in the 1<sup>st</sup> year and satisfactory level in the following year);</li> <li>- To undertake correctly reporting standard (quantity, quality and timing) at least with medium level in the 1<sup>st</sup> year and satisfactory level in the following year;</li> <li>- In the 1<sup>st</sup> year at least 50% of plan activities should be complete, in the 2<sup>nd</sup> and following years at least 75% of each plan activity should be complete;</li> <li>- Annual target output being implemented is to be measured, evaluated and progress towards success as targeted shown;</li> <li>- Workplan and budget for next year is to be prepared through World Bank and approved by EPF council.</li> </ul>
<p><b>27. Document Checklist.</b>  Please be sure that following documents are attached herewith based on given formats.</p>	<ul style="list-style-type: none"> <li>✓ Subproject outputs framework (for whole project life)</li> <li>✓ Total Subproject Budget plan (Specified by components)</li> <li>✓ Detailed activity plan for First Year specified by components.</li> <li>✓ Scores of Staff Capacity Index.</li> <li><input type="checkbox"/> Subproject Environment-Social Management Plan.</li> </ul>

**Approved by:**

Date 10 March, 2017

**Proposed by:**

Attachments:  
Result framework

Checking forwarded subproject before approval no need to resend again. Approval by the Applicant (SDA) and EPF has a consolidation of data below. Record of document is required example 20 and annex document and the date of communication of EPF Office regarding the improvement sent to the Applicant of Subproject. (SDA).