

Concept Note

REDD-plus results based payments

Version 1.0

Accredited entities are expected to develop a concept note, in close consultation with the relevant national designated authority and REDD-plus entity/focal point, in response to the request for proposals for the Pilot Programme for REDD-plus results based payments (Decision B.18/07). The concept note should follow the terms of reference of the approved Board decision and will be assessed per Stage 1 of the scorecard also included in the same Board decision.

Programme Title:	Lao People's Democratic Republic: REDD+ RBP for results period [2015 - 2018]
Country:	Lao People's Democratic Republic
Results period:	2015 – 2018 (4 years)
National Designated Authority:	Department of Climate Change, Ministry of Natural Resources and Environment
REDD-plus entity/focal point	Department of Forestry, Ministry of Agriculture and Forestry
Accredited Entity:	Japan International Cooperation Agency
Date of first submission/ version number:	<u>[2020-09-09] [V.001]</u>
Date of current submission/ version number	<u>[2020-09-09] [V.001]</u>



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A. Eligibility criteria

A.1. Warsaw Framework for REDD-plus requirements

National REDD-plus Strategy or Action Plan

Link to document (s): Lao People's Democratic Republic (PDR) is finalizing the National REDD+ Strategy which is to be approved by the Ministry of Agriculture and Forestry (MAF) by the 3rd quarter 2020.
(or provide attached and indicate in the comments below where the information is made publically available)

Comments (max 500 words):

Provide further information indicating the period for which the strategy was developed, the scale at which the National REDD-plus Strategy or Action Plan was designed and implemented, and any other relevant information.

In July 2008, Lao PDR became one of the first 14 partner countries of Forest Carbon Partnership Facility (FCPF). Since then, the government has pushed forward its activities related to REDD+ in collaboration with development partners working at national and provincial levels. These activities have ultimately contributed to Lao PDR gaining targeted experience across all components of REDD+.

The National REDD+ Strategy to 2025 with Vision to 2030 (NRS) will be approved within the 3rd quarter of 2020 as the official government document for guiding REDD+ implementation. The NRS aims to improve the quality and extent of forests nationwide to provide economic, social and environmental benefits, and also to demonstrate its contribution to the global ambition on climate change mitigation by achieving the national emission reduction target set in its Nationally Determined Contribution (2015) (note that Lao PDR is currently updating the Nationally Determined Contribution (NDC)).

For achieving its goal, the NRS identifies 5 programs: (1) promote sustainable agriculture aligned with forest protection objectives; (2) promote commercial tree plantation and forest rehabilitation; (3) mitigate the impacts of infrastructure and industrial development to forests; (4) prevent illegal harvesting of wood and other forest products; and (5) stabilize uncontrolled shifting cultivation and forest fires. A total of 24 priority activities are designed under the 5 programs to support the implementation.

The NRS require all stakeholders, including households, communities and the private sector, to actively participate in the reduction of deforestation and degradation, and the promotion of forest restoration and reforestation. The consultation process for the NRS were conducted primarily (but not exclusively) through the following channels:

- Intensive technical level consultation with the six REDD+ Technical Working Groups (TWG) and among central/provincial government agencies (with participation of other non-government partners for thematic-area discussions), approximately one-third of the official TWG membership are women;
- Strategic-level consultations with the National REDD+ Task Force (NRTF);
- Existing sector coordination mechanisms (Forestry-sub-sector Working Group) under the Agriculture and Rural Development Sector Working Group, participated by a wide stakeholder working in the sector;
- Consultations with representatives of provinces, districts, and kumban (village cluster); and
- Focused consultation meetings with non-government stakeholder groups of REDD+, e.g. civil society organizations, private sector, and development partners.

While the REDD+ in Lao PDR will eventually include a roll out for the national scale, in the early phase of the REDD+ readiness, a number of projects supported by development partners focused their REDD+ pilot actions in the Northern provinces. This approach gave way to increased capacity and preparedness of these provinces for REDD+, and the eventual selection of the six Northern provinces into the Lao ER Program under the FC PF Carbon Fund, and also the "Implementation of the Lao PDR Emission Reductions Programme through improved governance and sustainable forest landscape management" (FP117) approved by the GCF at the 24th Meeting of the Board. The use of proceeds of the GCF REDD+ results based payments will be designed to ensure complementarity with the two programs above as well as with other programs being implemented or planned across the country.

National Forest Monitoring System

Link to document / information on the UNFCCC REDD+ Web Platform or in the technical annex to the Biennial Update Report (BUR): Lao PDR have submitted its 1st BUR to the UNFCCC in July 2020. Lao PDR

is also preparing 'NFMS roadmap' – a document which outlines the status of NFMS, future orientation, capacity gaps, etc., which shall be completed by the 3rd Quarter 2020.
(or provide attached and indicate in the comments below where the information is made publically available)

Comments (max 500 words):

Provide any additional relevant information of the national forest monitoring system, including on monitoring and reporting of emission displacement at the national level, if appropriate, and reporting on how displacement of emissions is being addressed, and on the means to integrate subnational monitoring systems into a national monitoring system.

Status of Lao NFMS

As proved by the submission of the REDD+ technical annex to the BUR (submitted in July 2020), Lao PDR already has the initial phase of National Forest Monitoring System (NFMS) which supports the REDD+ MRV. It should be noted that Lao PDR currently has three different scales of REDD+ MRVs: national level, and sub-national level (FCPF Carbon Fund ER Program), and project level (two VCS projects and one JCM-REDD+ project). The FREL/FRLs for the national level and the sub-national level were constructed in fully consistent methodologies using same datasets, therefore, considered as highly consistent.

In order to allow reconstruction of FREL/FRL and REDD+ results, Lao PDR has developed NFMS database system and web-based portal <<http://nfms.maf.gov.la:4242/nfms/>> (as of June 2020, the web-portal is currently inaccessible due to its system upgrading in progress, and the temporary back-up website can be accessed through <<http://www.nfms-laos.net/nfms>>).

The NFMS is also being developed step-wise to support monitoring of the deforestation and forest degradation drivers. There are several related forest monitoring initiatives progressing in parallel, and they will be coordinated under the NRTF and the REL/MRV TWG so that the NFMS will contribute to the overall monitoring of the forestry sector.

Recognizing the importance of a robust and transparent NFMS, Lao PDR is currently developing its 'NFMS roadmap' with support from JICA and in collaboration with other development partners. The 'NFMS roadmap' shall outline the overview of the current NFMS, expected step-wise improvements, related actions (e.g. future MRVs, forest monitoring for field-level management, updating of REL), capacity building needs, etc. This 'NFMS roadmap' shall help to clarify how Lao Government wants to continue the development of its NFMS with technical supports from development partners. The 'NFMS roadmap' is expected to be completed by the 3rd Quarter of 2020.

Scale

The scale of the FREL/FRL and the REDD+ results proposed here are both national. The NFMS is also designed for national-scale monitoring. Therefore, emission displacement from one location to another, will be addressed by the Government's intention to roll out REDD+ at the national-scale, and the amount of displacement is in any case captured in the estimation of REDD+ results through the NFMS.

Monitoring and reporting of displacement

As Lao NFMS is designed for national-scale monitoring, displacement will be captured within its system. There are several on-going forest monitoring initiatives (apart from the measurement of emissions and removals) using satellite-based and ground-based tools to monitor the deforestation/forest degradation drivers. This will facilitate the process of addressing displacement risks within the territory of Lao PDR.

FREL/FRL that is applied to the results period for which payments are requested has been submitted to the UNFCCC and Technical Assessment finalized.

Links to FREL/FRL: <https://redd.unfccc.int/submissions.html?country=lao>

(or provide attached and indicate in the comments below where the information is made publically available)

Link to Technical Assessment report: <https://redd.unfccc.int/submissions.html?country=lao>

Comments (max 500 words):

If applicable, provide any relevant additional information not included in the FREL/FRL submission.
n.a.

A safeguards information system (SIS) to inform how the safeguards are addressed and respected

Link to document/information: Lao PDR is currently in the process of developing its National Safeguards Information System (SIS). The SIS will be in place by the 3rd quarter of 2020.

(or provide attached and indicate in the comments below where the information is made publically available)

Comments (max 500 words):

Provide any relevant information regarding the system for providing information on how the safeguards referred to in appendix I of COP Decision 1/COP.16 are being addressed and respected during the results period (period when the results that are requested for payment were achieved)

Lao PDR has made considerable progress to develop its Lao National Safeguards Information System (LNSIS) and plans to have the framework for the LNSIS in place within the 3rd quarter of 2020. The scope of the LNSIS will be national and cover all the forest areas of Lao PDR.

The development of the LNSIS has been undertaken through a consultative, multi-stakeholder design process. As a starting point, draft "Technical Proposal" for the establishment of LNSIS was presented at the Safeguards Technical Working Group meeting in July 2019.

The technical proposal outlines the approach to develop the LNSIS. The LNSIS package of documents will include a Terms of Reference that will provide the objectives and role of the LNSIS; a background document that will provide technical information on the functioning of the LNSIS, the national approach to safeguards in Lao PDR, information on policies and measures, linkages to the Cancun safeguards including a feedback and grievance redress mechanism; and an operations manual that will provide guidance to the implementation of the LNSIS including criteria for monitoring.

Objective of the LNSIS

The objective of LNSIS will be to establish a national mechanism for safeguards management. The LNSIS will be responsible for reviewing policies, laws, regulations and measures relevant to safeguards, maintain data and information, undertake capacity building and documentation. In addition the LNSIS will prepare reports that will provide information on how safeguards are being addressed and respected as per COP Decision 1/COP.16.

Information to be provided under the LNSIS

The LNSIS would provide information on how the REDD+ safeguards are being addressed and respected throughout the implementation of REDD+ in Lao PDR. LNSIS would also support monitoring and reporting of the results of implementation of forestry-related policies and law enforcement, thereby contribute to the enhancement of forestry sector governance.

Institutional structure of the LNSIS

The technical proposal proposes the establishment of a national Social and Environmental Safeguards Unit (SESU) with a mandate for safeguards management, at the national level for Cancun safeguards, and for other projects as appropriate. The SESU is likely to be located and managed by the REDD+ Division at the central level. Provincial Agriculture and Forestry Offices (PAFOs) would be responsible for safeguards implementation and reporting in each province and the National REDD+ Taskforce (NRTF) would have oversight on the LNSIS. Along with the gradual rollout of national REDD+, LNSIS will also rollout step-wise in terms of its geographic coverage and scope, considering the national capacity, resources, and priority for implementation of REDD+ activities.

Way forward

The TOR for the LNSIS will be finalized within the 3rd quarter 2020, and a work plan will be developed to operationalize the LNSIS after that. The background document will also be finalized and an operations manual will be developed to ensure efficient management of the LNSIS, including the development of a web-portal for disclosure for public access and transparency.

A summary of information on how all the Cancun REDD-plus safeguards were addressed and respected during the period for which payments are being requested

Link to document: Lao PDR is currently preparing a report “1st Summary of information on how safeguards for REDD+ were addressed and respected in Lao PDR for the period 2015-2018” (1st Sol Lao PDR) with a plan to submit to the UNFCCC REDD+ Web Platform in the 3rd quarter of 2020.

Comments (max 500 words):

If applicable, provide any relevant information not included in the safeguards information summary.

The Safeguard Technical Working Group (SG-TWG) established in late 2015 together with the other five TWGs under the new National REDD+ Taskforce (NRTF) has been serving as the main forum on coordinating issues related to REDD+ safeguards in Lao PDR. The recent progress and upcoming plan regarding the preparation of the 1st Sol Lao PDR are summarized below:

- **2nd QTR 2019:** the SG-TWG and relevant stakeholders meeting agreed to prepare the 1st Sol Lao PDR;
- **July 2019:** the SG-TWG meeting agreed on the drafting roadmap and outline. The SG-TWG also agreed to conduct local consultations targeting two different layers, i.e. provincial/district level and village level.
- **3rd QTR 2019:** local consultations were conducted with focus on Cancun safeguard b), c) and d) which particularly require evidence-based information from the local levels. In order to ensure transparency and equity throughout the local consultation processes, all the consultations were facilitated by a civil society organization working in Lao PDR and conducted in Lao language;
- **4th QTR 2019:** the SG-TWG and relevant stakeholders meeting reviewed the local consultation results and discussed how to reflect the feedbacks into the 1st SOI Lao PDR.
- **1st QTR 2020:** the SG-TWG and relevant stakeholders meeting reviewed and discussed the 1st draft of the 1st Sol Lao PDR. After the meeting, the draft was circulated to technical partners for commenting. Then, the 2nd draft was created, fully translated into Lao language and distributed to broader stakeholders for commenting.
- **May 2020:** a final draft of the 1st Sol Lao PDR was submitted to MAF through the Department of Forestry for approval.
- The final draft is currently under review by MAF and expected be approved within the 3rd quarter 2020.

As one unique feature of the 1st Sol Lao PDR: first, the five REDD+ policy and measures (5 REDD+ PaMs) which contributed to producing REDD+ results for the 2015 - 2018 period were identified; then how the Cancun safeguards were addressed and respected during the implementation of the 5 REDD+ PaMs were analysed.

Some aspects related to Cancun safeguards were reflected into the revised Forestry Law (National Assembly approval in August 2019) in order to strengthen safeguards implementation throughout the forestry sector-related actions in the future.

Furthermore, the Sol development on the REDD+ safeguards in Lao PDR was conducted through community participation and highlighting the importance of mainstreaming gender. REDD+ Safeguards will be implemented through active and equal participation of both males and females, which would enforce women empowerment as well.

A.2. BUR Technical Annex

REDD-plus results for which payment is being requested reported in the technical annex to the BUR

Link to BUR: <<https://unfccc.int/BURs>>

Lao PDR submitted its 1st BUR to the UNFCCC in July 2020.

Lao PDR has measured the REDD+ results (1st National REDD+ Results) in full consistency with the FREL/FRL in methodology and scope, by using updated data. The results for the period 2015 - 2018 (4 years) were calculated as the difference between the average annual emissions and removals of 2015-2018 and the FREL/FRL of 2005-2014.

Unit: tCO₂e

Year	Annual historical emissions and removals 2005-2014		Annual emissions and removals 2015-2018		1 st National REDD+ Results 2015-2018	
	Emissions: Deforestation and Forest Degradation	Removals: Reforestation and Restoration	Emissions: Deforestation and Forest Degradation	Removals: Reforestation and Restoration	Emissions reduction	Removals increase

2005	41,013,316	-7,533,558				
2006	41,013,316	-7,533,558				
2007	41,013,316	-7,533,558				
2008	41,013,316	-7,533,558				
2009	41,013,316	-7,533,558				
2010	41,013,316	-7,533,558				
2011	41,013,316	-7,533,558				
2012	41,013,316	-7,533,558				
2013	41,013,316	-7,533,558				
2014	41,013,316	-7,533,558				
	Reference period					
2015	41,013,316	-7,533,558	38,332,373	-8,001,883	2,680,944	468,325
2016	41,013,316	-7,533,558	38,332,373	-8,001,883	2,680,944	468,325
2017	41,013,316	-7,533,558	37,291,634	-8,001,883	3,721,683	468,325
2018	41,013,316	-7,533,558	37,291,634	-8,001,883	3,721,683	468,325
Total					12,805,253	1,873,301

Note: Figures have been rounded to the nearest whole number

In conclusion, the 1st National REDD+ Results for Lao PDR for the period of 2015-2016 and 2017-2018 is 2,680,944 tCO₂e/year and 3,721,683 tCO₂e/year respectively (12,805,253 tCO₂e over 4 years) for emissions and 468,325 tCO₂e/year (1,873,301 tCO₂e over 4 years) for removals.

The overall uncertainty of the proposed 1st National REDD+ Results is considered as 16.5% for emissions and 15.7% for removals for the 2015-2016 period, and 12.7% for emissions and 15.7% for removals for the 2017-2018 period.

Technical Analysis been completed Yes No

If yes, link to Technical Analysis report: _____

If no, expected date of completion: (tbc) November 2020

A.3. Scale

National Subnational

If subnational, provide a definition below:

Any subnational program proposal should be of significant scale, one political or ecosystem level down from national scale and defined by each country, demonstrating that an aggregation of such subnational scales can constitute the national level (e.g. states, provinces, biomes, etc.). Any subnational level proposal should also demonstrate ambition to scale up to national level, including information on when the country expects to do so, and should demonstrate a contribution to national ambition for emissions reductions, for example, the NDC and/or the implementation of the national REDD-plus strategy.

A.4. Support from REDD-plus national entity/focal point to the UNFCCC

Has written consent for participation in the RFP provided by the REDD-plus national entity/focal point to the UNFCCC where a national entity/focal point has been nominated by a country been provided?

Yes No

B. Is funding from the project preparation facility required to develop this concept note into a full funding proposal?

Yes No

If PPF support is being sought, please submit a request and attach to this concept note.

C. Supporting documents

Written consent for participation in the RFP provided by the REDD-plus national entity/focal point to the UNFCCC where a national entity/focal point has been nominated by a country;

Additional supporting documentation: *(Please list here the attached documents as annexes)*

Attachment 1: Clearance letter from the national designated authority (DCC, MONRE) to the GCF

Attachment 2: Clearance letter from the REDD+ national focal point (DOF, MAF) to the UNFCCC