



LAO PEOPLE'S DEMOCRATIC REPUBLIC
Peace Independence Democracy Unity Prosperity

Ministry of Agriculture and Forestry
Department of Forestry

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GIZ Office Vientiane
Dr. Wolfgang Hannig
Country Director

Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Watnak Nyai Road, House 247, Sisattanak
Vientiane Capital, Lao PDR

Subject: Co-finance from villagers and farmers to the GCF project

Dear Dr. Wolfgang Hannig,

With regard to the Lao PDR Government/GIZ GCF project, 'Implementation of the Lao PDR Emission Reductions Programme through improved governance and sustainable forest landscape management', Activities 2.3, 2.4 as well as 3.1, 3.2, 3.3, 3.4 of the project envisage significant contributions from participating villagers and farmers.

These contributions will take the form of labour and time dedicated by villagers and farmers to GCF-supported activities – for example, in the context of adopting reduced-deforestation agricultural practices, adopting sustainable forestry management practices and attending training courses.

These contributions are genuinely 'new and additional' (i.e. are motivated solely by the GCF project) and will be a vital element of project success. They represent an important source of in-kind co-finance to the GCF project.

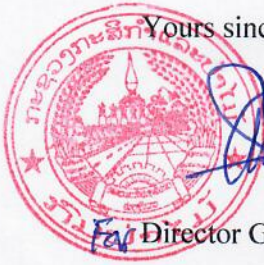
In the context of preliminary discussions with districts and villages during GCF project preparation, and with the implementation support of Government offices at the Provincial and District levels, village/farmer in-kind co-finance can be assured.

Given the GCF requirement for co-finance letters at the time of project submission, and given the obvious practical difficulties of obtaining co-finance letters from thousands of individual farmers (some of whom are illiterate), the Ministry of Agriculture and Forestry, as the appropriate Government authority with a sectoral mandate, hereby submits a co-finance letter on behalf of the participating villagers/farmers.

The Ministry confirms that the in-kind co-finance from villagers and farmers relating to the implementation of activities under the GCF project amounts to USD 19.15 million of in-kind co-finance.

Villager/farmer contributions to the project will be monitored during GCF project implementation through the use of surveys, attendance sheets, EPF disbursement documents and others.

Yours sincerely,



For Director General

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