



LAO PEOPLE'S DEMOCRATIC REPUBLIC
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Ministry of Agriculture and Forestry

Department of Forestry

Annual Review of REDD+ Activities in Lao PDR

Vientiane
February 21, 2011

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ABBREVIATIONS

AFOLU	Agriculture, Forestry and Other Land Uses
ASEAN	Association of South East Asian Nations
ADB	Asian Development Bank
AFD	French Development Agency
AWG-LCA	Ad-hoc Working Group for Long Term Cooperative Action
AWP	Annual Work Plan
C & I	Criteria and Indicators
CBNA	Capacity Building Needs Assessment
CoC	Chain of Custody
ClIPAD	Climate Protection for Avoided Deforestation
COP	Conference of Parties
CSO	Civil Society Organisation
CSPT	Community Support Program Tool
CTA	Chief Technical Advisor
CTS	Case Tracking System
DAFO	District Agriculture and Forestry Office
DFMU	District Forest Management Unit (DAFO)
DIMEX	Department of Import and Export
DOF	Department of Forestry (MAF)
DOI	Department of Inspection (MAF)
DOP	Department of Planning (MAF)
EGDP	Ethnic Group Development Plan
FCMS	Forest Cover Monitoring System
FCPF	Forest Carbon Partnership Facility
FDF	Forest (Resource) Development Fund
FIP	Forest Investment Program
FIPD	Forest Inventory and Planning Division (DOF)
FMA	Forest Management Area
FMP	Forest Management Plan
FPIC	Free, Prior, Informed Consent/Consultation
FSC	Forest Stewardship Council
FSIP	Forestry Strategy Implementation Promotion
GCDA	Green Community Development Association
GHG	Green House Gas
GIS	Geographical Information System
GTZ	German Technical Cooperation
GVD	Grouping of Villages for Development
GVFO	Group of Village Forestry Organizations
HCV	High Conservation Value
HCVF	High Conservation Value Forest
IDA	International Development Agency
JCC	Joint Coordination Committee
JICA	Japan International Cooperation Agency
LAN	Local Area Network
LEA	Lao Extension Approach
LERS	Law Enforcement Reporting System
LKTS	Lesser Known Timber Species
LNFC	Lao National Front for Construction
LWU	Lao Women's Union
LWIA	Lao Wood Industry Association
MAF	Ministry of Agriculture and Forestry
M&E	Monitoring and Evaluation
MFA	Ministry for Foreign Affairs, Finland
MIS	Management Information System
MODIS	Moderate Resolution Imaging Spectroradiometer
MOF	Ministry of Finance
MOIC	Ministry of Industry and Commerce
MRV	Monitoring Reporting and Verification
NAMA	Nationally Appropriate Mitigation Action
NAFES	National Agriculture and Forestry Extension Service (MAF)
NAFRI	National Agriculture and Forestry Research Institute (MAF)
NGPES	National Growth and Poverty Eradication Strategy
NPA	National Protected Area
NPSC	National Project Steering Committee

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NTFP	Non Timber Forest Product
NUOL	National University of Lao PDR
PAFO	Provincial Agriculture and Forestry Office
PFA	Production Forest Area
PFS	Provincial Forestry Service (PAFO)
PHI	Pre-harvest inventory
PM	Prime Minister
PSFM	Participatory Sustainable Forest Management
PSP	Permanent Sample Plot
REDD	Reducing Emissions from Deforestation and forest Degradation
REL	Reference Emission Level
RL	Reference Level
R-PP	Readines Preparation Proposal
SIDA	Swedish International Development Agency
SNV	Netherlands Development Organisation
Sub-FMA	Sub forest management area
SUFORD	Sustainable Forestry and Rural Development Project
TA	Technical Assistance
TFT	Tropical Forest Trust
TNA	Training Needs Assessment
UNFCCC	United Nations Framework Convention on Climate Change
VBED	Village based enterprise development
VCS	Voluntary Carbon Standard
VD	Village Development
VDC	Village Development Committee
VDU	Village Development Unit
VFO	Village Forestry Organization
WB	World Bank
WCS	Wildlife Conservation Society
WWF	World Wild Fund for Nature
WREA	Water Resources and Environment Agency

EXECUTIVE SUMMARY

Reducing Emissions from Deforestation and forest Degradation (REDD+) has become an important driver in project development in the forest sector over the past two years in Lao PDR. During 2009, there was a flourish of pilot activities and new projects under the Ministry of Agriculture and Forestry (MAF) sponsored mainly by bilateral government efforts. In 2009, the Department of Forestry and REDD Task Force committed considerable time planning and preparing documents for donors to support future REDD+ activities in Lao PDR.

Lao PDR's submission of its Readiness Preparation Proposal (R-PP) on August 23rd to the Forest Carbon Partnership Facility (FCPF), and its acceptance in the FCPF Participants Committee meeting in October was the most important milestone for the Department of Forestry and the REDD Task Force in 2010. The R-PP has been internationally commended for its technical merits and strong national ownership and commitment demonstrated throughout the process.

In 2010, project activities financed through multilateral channels received more attention with Lao PDR named as one of the first pilot countries for the Forest Investment Program (FIP).

In general, bilateral projects under the Department of Forestry progressed throughout 2010 providing a growing number of reports and material to support government decisions on reference levels development, Monitoring, Reporting and Verification (MRV), national REDD+ strategy development, institutional strengthening, and capacity building at all levels. Non-Governmental Organisations (NGOs) provided a number of workshops, training opportunities and reports across a broad spectrum of REDD+ areas and cross cutting themes including biodiversity and rural development.

Lao officials were active throughout 2010 within the international climate change negotiation processes, that led to an agreement at the 16th Conference of Parties (COP16) in Cancun, Mexico. Lao PDR participated in achieving a common position on REDD+ through the Association of South East Asian Nations (ASEAN). Other regional meetings, including the G77+CHINA and Least Developed Countries forum on climate change were also attended by delegates from the Department of Forestry, Water Resources and Environment Agency, and National Agriculture and Forestry Research Institute.

The Department of Forestry would like to thank the following donors and organisations for assisting Lao delegates with financing that supported their participation in the numerous national, regional and international processes and meetings throughout 2010; Finnish Ministry for Foreign Affairs, Food and Agriculture Organisation of the United Nations (FAO), German Technical Cooperation (GTZ), Japan International Cooperation Agency (JICA), Norwegian Agency for Development Cooperation, RECOFTC, REDD+ Partnership, Swedish International Development Agency, United Nations Development Program (UNDP), United Nations Framework Convention on Climate Change (UNFCCC), Winrock, and Woods Hole Research Centre.

1. INTRODUCTION

1.1 Background

Reducing Emissions from Deforestation and forest Degradation (REDD) has become an important driver in project development in the forest sector over the past two years in Lao PDR. During 2009, there was a flourish of pilot activities and new projects under the Ministry of Agriculture and Forestry (MAF) sponsored mainly by bilateral efforts. In 2010, project activities financed through multilateral channels are now receiving more attention with Lao PDR named as one of the first pilot countries for the Forest Investment Program (FIP) and Lao PDR's agreement to join the REDD+ partnership. Furthermore, Lao PDR's submission of its Readiness Preparation Proposal (R-PP) on August 23rd to the Forest Carbon Partnership Facility (FCPF), and its acceptance in the FCPF Participants Committee meeting in October was the most important milestone for the Department of Forestry and the REDD Task Force.

1.2 Purpose

The purpose of this report is to improve and facilitate communication and information on REDD+ and climate change activities related to forestry in Lao PDR between the Government of Lao PDR, project implementers and donors. This report aims to enhance internal communication within government departments by informing government officials on activities, reports and policy processes that are under implementation or planning for REDD+. The report also aims to enhance external communication by providing information useful for stakeholder decision making and share information and results between projects and interested parties.

1.3 Report Outline

This report is intended to give a broad overview of all work done on REDD+ in Lao PDR during 2010, the first part of the report reviews that outcome of Lao PDR's Readiness Preparation Proposal (R-PP) submitted to the FCPF, which outlines how Lao PDR will develop its REDD+ strategy over the next 3 years. The report will then review current bilateral and NGO project activities and reports which support REDD+ in Lao PDR throughout 2010. Section 5 of the report reviews REDD+ capacity building and awareness raising activities in Lao PDR, mainly driven by organisations financed by donors and NGOs. The international processes that are driving REDD+ will also be reviewed, especially with respect to Lao PDR's participation in the United National Framework Convention on Climate Change (UNFCCC), the REDD+ partnership and the Association of South East Asian Nations (ASEAN).

2. REDD+ STRATEGY DEVELOPMENT AND IMPLEMENTATION

2.1 Readiness Preparation Proposal (R-PP)

For further information contact Mr Khamsene Ounekham (ounekham_k@yahoo.com) or Mr Oupakone Alounsavath (dofadm@gmail.com)

<p>STATUS: Completed, submitted and accepted IMPLEMENTATION PERIOD: 2009 IMPLEMENTING AGENCIES: Department of Forestry FINANCE: Forest Carbon Partnership Facility of the World Bank USD 200 000 CO-FINANCE: FSIP project, SUFORD project, CliPAD project</p>

2.1.1 Summary of Lao PDR's REDD+ Readiness Preparation Proposal

In August 2010, Lao PDR submitted its REDD+ Readiness Preparation Proposal (R-PP) to the World Bank's Forest Carbon partnership Facility (FCPF), which was presented to the 7th Participants Committee meeting in Washington DC, in October. The R-PP was organised into 5 components under which are the subheadings.

Component 1: Organise and Consult

- 1a. National Readiness Management Arrangements
- 1b. Consultation and Participation

Component 2: Prepare the REDD+ Strategy

- 2a. Land Use, Forest Policy and Quick Governance Assessment
- 2b. Strategy Options
- 2c. REDD+ Strategy Implementation Framework
- 2d. Social and Environmental Impacts

Component 3: Develop a Reference Scenario

Component 4: Monitoring, Reporting and Validation

- 4a. Emissions and Removals
- 4b. Other Benefits and Impacts

Component 5: Schedule and Budgeting

All submissions and Annexes, as well as comments received from the World Bank are online, and can be downloaded at the following web-link:

<http://www.forestcarbonpartnership.org/fcp/LA>

2.1.2 REDD+ Implementation Framework Development WORKING PAPER

For further information contact Mr Dietmar Brautigam (dblaos@hotmail.com)

As a basis to the section for REDD+ Strategy Implementation Framework in the R-PP, a separate and extensive report was developed based on the following Terms of Reference:

- Assess the scope of work required to implement a framework to effectively and efficiently regulate national participation in markets and/ or financial mechanism for REDD;

- Review and assess *existing legal and administrative systems* in relation to forest carbon tenure, implementation of the proposed REDD options, registry of REDD activities and harmonization of local activities and national level accounting, benefit distribution system, compliance with possible obligations under a future UNFCCC REDD mechanism, assurance of transparency, accountability and equity, monitoring of performance of REDD implementation framework including meaningful involvement of various stakeholders;
- Assess precedents within *national institutional and project supported frameworks* analogous and/or useful to potential REDD implementation frameworks;
- Assess *investment and capacity building requirements* associated with planning REDD implementation framework development and rough estimates of investment and capacity building requirements for development of a REDD implementation framework;
- Prepare a *stakeholder consultation and participation plan* for establishment of a REDD Implementation Framework during R-PP implementation period;

2.2 Forest Investment Program (FIP)

For further information contact Mr Oupakone Alounsavath (dofadm@gmail.com) or Ms Khamlar Phonsavat (kphonsavat@worldbank.org)

STATUS: Expression of Interest confirmed by Lao PDR, under preparation
IMPLEMENTATION PERIOD: Under discussion
IMPLEMENTING AGENCIES: Department of Forestry
FINANCE: World Bank and Asian Development Bank USD 30 million

The FIP Sub-Committee (SC) meeting was held on Tuesday November 9 in Washington D.C. Key topics discussed during the meeting were:

1. Results Framework for FIP;
2. Resource Allocation to Pilot Countries and;
3. Development of the dedicated grant mechanism for local communities and indigenous people.

Other issues discussed included the application and approval of a Preparation Grant.

Purpose and Status of the FIP

The main purpose of the FIP is to support developing countries' REDD-efforts, providing up-front bridge financing for readiness reforms and public and private investments identified through national REDD readiness strategy building efforts, while taking into account opportunities to help them adapt to the impacts of climate change on forests and to contribute to multiple benefits such as biodiversity conservation, protection of the rights of indigenous peoples and local communities, poverty reduction and rural livelihoods enhancements.

The FIP will finance efforts to address the underlying causes of deforestation and forest degradation and to overcome barriers that have hindered past efforts to do so. The FIP mechanism is intended to have strong linkages and to be compatible with the Forest Carbon Partnership Facility and UN-REDD programs also ongoing in the selected countries.

The FIP mechanism has so far received pledges in the form of both grants and capital amounting to over USD 550 million from 6 key donors.

Pledges to Date		
Donor	Contribution Type	Pledge USD million
Australia	Grant	10
Denmark	Grant	10
Japan	Grant	67
Norway	Grant	146
UK	Capital	159
USA	Grant	168
Total		558

There are currently 8 FIP pilot countries which have been classified into 4 levels.

Grants for FIP investments will finance capacity development activities and activities related to policy, regulatory and institutional frameworks in the context of miti-

gating risks for future investments and readiness. Also project components with very high additional costs that constitute a substantial portion of the total costs or with significant risks, and innovative financing instruments to soften commercial and/or MDB lending terms for forest projects or programs are eligible for grants. Finally, the grant mechanisms for indigenous peoples and local communities in FIP pilots are also expected to be part of the FIP for Lao PDR.

Concessional Loans will be used to catalyze scaling up activities that initiate transformational change, fill identified investment gaps (amounts and structures) to address the underlying causes of deforestation and forest degradation, offset the additional costs associated with initiating transformational change in the forest sector and those affecting forests by deploying technology and mitigate risks and finally, support programs and projects that incentivize engagement with carbon markets.

FIP Operational Cycle

Country-led Joint Missions: the purpose of this is to assist the recipient country prepare its forest investment strategy. If requested, FIP can provide a grant to the Lao PDR of up to USD 250,000 to cover up-front costs of the Investment Strategy preparation. The country-led mission starts by Lao PDR preparing a mission in collaboration with the World Bank and Asian Development Bank. Based on documentation provided, Lao PDR, with the World Bank and ADB will prepare joint mission terms of references. The focus of the country-led joint mission is to engage in stakeholder consultations, as well as take a results oriented and diagnostic approach. A report will be available at the end of the mission.

For Lao PDR, the first scoping mission will be held in **January 2011**.

Endorsement of the Investment strategy: The Investment Strategy is reviewed and endorsed by the Lao Government. Once approved it is then submitted to the FIP Steering Committee, which reviews it taking into account the FIP investment criteria (presented below). Once endorsed, the investment strategy provides the basis for moving forward to develop proposed projects ideas and approves funding requested for project preparation. The FIP SC provides comments on draft Project Concept Note at time of endorsement of the investment strategy and the program and project activities will be prepared and implemented according to the World Bank's and ADBs procedures.

The FIP investment criteria applied are:

- Climate Change Mitigation Potential
- Addressing drivers of deforestation and degradation
- Forest-related governance
- Country ownership, preparedness and ability to undertake REDD+
- Leveraging additional financing including private sector
- Integrating sustainable development
- Inclusiveness of process and participation of stakeholders
- Capacity building measures
- Coordinating with other REDD+ efforts
- Demonstration, learning and impact capacity
- Safeguarding the integrity of natural forests
- Measurable outcomes and results-based approach

Preparation of the FIP Projects and Programs: Once the investment strategy is endorsed by the FIP Steering Committee, the project preparation phase begins. A project preparation grant can be made available to enable Lao PDR to prepare each project or program component, following the World Bank procedures. The grant amount will be included in the FIP funding available for Lao PDR to be approved by the FIP Sub-committee but will be made available up-front for country-driven preparation activities.

The decision on FIP financing is then made, and the World Bank with the ADB will process the disbursement for Lao PDR.

The Dedicated Grant Mechanism for Indigenous People (IP) and Local Communities: There have been extensive discussions and issues raised by the civil society and indigenous people (IP) representatives at the Sub-Committee meetings on the needs to conduct free, prior and informed consultation with these groups, a dedicated grant mechanism was proposed and a working group established to develop this mechanism further. Below are summaries of the progress achieved so far by the WG members:

- The IP developed the ToR for the dedicated Grant Mechanism which was endorsed by the Sub-committee in Manila this year.
- There will be 4 regional meetings for IP planned in Latin-America, Asia, Africa and the Pacific. IPs constitutes among themselves called the “Advisory Group” to provide advices to the FIP SC. The first regional IPs and LCs meeting was held between 18-20 November in Ghana, Africa. The dates for the other 3 regions have not been set but it is likely that it will take place in January (i.e. in Peru for Latin America, in Laos for Asia and Pacific-TBD). This regional caucus will feed into the global caucus (forming soon).
- For a global workshop, there will be 10 representatives each from Africa, Asia, LA and 5 from Pacific
- The output of the meetings/workshops will be the draft proposal which will be submitted to the FIP-SC for consideration/approval;
- Revised draft proposal will be circulated for information to UN Permanent Forum on Indigenous issues. The final proposal will be submitted to FIP-SC in June 2011.

In Lao PDR, the regional IP meeting planned to organize in January is coordinated by IUCN. There is no clear provision, at this stage, of the potential stakeholders and logistics arrangement. It was suggested by the WB country office staff that the meeting shall be closely involved the Lao National Front for Construction and DoF shall be informed. WB Laos will need to closely coordinate with IUCN to ensure that key stakeholders are invited to participate.

Monitoring and Evaluation: Monitoring must be participatory, transparent, and verifiable based on the FIP Results Framework. Independent forest monitoring should be adapted to include REDD+ to enable independent assessment of forest governance dimensions. The Lao government should establish multi-stakeholder national -level steering committee to assist in planning, implementation and monitoring. An independent evaluation of FIP is to be carried out after three years.

3. PROJECT ACTIVITIES

3.1 Forestry Strategy 2020 Implementation Promotion (FSIP) Project

For further information contact Mr Nori Kitamura (noriyoshi.kitamura@gmail.com)

STATUS: Completed	
IMPLEMENTATION PERIOD: 2006-2010	
IMPLEMENTING AGENCIES: MAF, DoF	
FINANCE: Japanese International Cooperation Agency (JICA)	USD 645 000
Swedish International Development Agency (Sida)	USD 966 000

The Forestry Strategy 2020 Implementation Promotion (FSIP) project was jointly financed by the Japanese International Cooperation Agency (JICA) and Swedish International Development Agency (Sida) implemented through the Department of Forestry. The main components of the project were:

1. Preparation of the MAF 5 year and annual Forestry Strategy 2020 Implementation Plans and Reports
2. Monitoring of the forestry strategy 2020 implementation status and forestry sector performance
3. Establishment of institutional framework to promote effective inputs of stakeholders to Forestry Strategy 2020 implementation
4. Establishment of proper institutional framework of sector planning and management for the following period after project termination
5. Addressing policy related Actions and policy implementation/law enforcement

The FSIP project finalised and concluded its activities at the Department of Forestry at the end of September 2010, and the follow-on phase and hand-over of the project commenced in the beginning of October, see Forestry Sector Capacity Development Project (FSCAP) below. The FSIP project played an important role in building REDD+ readiness and supporting REDD+ capacity building, institutional strengthening, multi-stakeholder consultations and REDD+ studies in Lao PDR.

Strengthening Sector Planning and Management for REDD+

Training has been provided to DOF staff in English, information technology and accounting. Provincial staff members have received training in report writing and project proposal preparation. For senior management, the FSIP project supported the participation of senior forestry officials in a variety of important regional and international meetings, conferences and workshops especially related to issues on forest carbon financing and REDD+.

In terms of promoting stakeholder dialogue, the FSIP project supported a number of multi stakeholder efforts within the Lao forest sector, and specifically supported a number of REDD+ stakeholder consultations. FSIP has served as the Secretariat for the Forestry Sub-working Group (FSWG), one of the sub-working groups under a larger Government-donor Working Group supporting the Ministry of Agriculture and Forestry, and for which a number of workshops and meetings focused on REDD+ issues.

The FSIP project provided important assistance and financial support for Lao PDR's High Level REDD+ meeting and subsequent stakeholder consultations that supported the development of Lao PDR's Readiness Preparation Proposal (R-PP).

3.3 Sustainable Forestry and Rural Development Project (SUFORD)

For further information contact Mr Esa Puustjärvi (esa.puustjarvi@indufor.fi) and Ms Majella Clarke (majella.clarke@indufor.fi)

<p>STATUS: Under Implementation IMPLEMENTATION PERIOD: 2009-2012 IMPLEMENTING AGENCIES: DoF, NAFES, NAFRI, Provincial and District Forest Offices, Village Forestry Organisations/Units FINANCE: World Bank USD 10 million Government of Finland USD 9 million</p>

The SUFORD project continued to provide a REDD+ technical advisor to the Department of Forestry throughout 2010 and provided support to Lao PDR's participation in United Nations Framework for Climate Change negotiations, REDD+ Partnership meetings, and the World Bank Forest Carbon Partnership Facility's Readiness Preparation Proposal (R-PP) process.

The *Annual Review of REDD+ Activities in Lao PDR 2009* was completed under the SUFORD project in March 2010 and recommendations for future reporting, were received. The report presented a summary of the different REDD projects and pilots which were planned or implemented in Lao PDR in 2009. The report has been presented to a number of potential REDD+ donors, in addition to REDD Task Force members and other REDD stakeholders in Lao PDR.

The SUFORD project continues to provide support to the recent REDD+ partnership process, through developing a number of policy briefs to inform the Department of Forestry of the recent developments. The following briefs were prepared:

- REDD+ Partnership Briefing Note – Main Outcomes from Brazil, July 4-5th
- REDD+ Partnership Briefing Note – Voluntary REDD+ Database
- REDD+ Partnership Briefing Note – Component 2: Analysis of Financing Gaps and Overlaps
- REDD+ Partnership Briefing Note –Component 3: Discussion on the Effectiveness of Multilateral Initiatives
- REDD+ Partnership Briefing Note – Outcomes from Tianjin REDD+ Partners Meeting
- REDD+ Partnership Briefing Note – Outcomes from Cancun

Briefing notes from the UNFCCC negotiations on REDD+ have also been distributed to REDD Task Force members.

Preliminary work on the feasibility of REDD+ in production forest areas is now finalised and ready to go through a review process. In this respect, a number of technical reports have been submitted to the SUFORD CTA:

1. Technical Report on Historical Baselines, Reference Levels and Projected Crediting Scenarios for the Dong Sithuane Production Forest Area
2. Technical Report on the Financing of REDD+ Scenarios in the Dong Sithuane Production Forest Area.
3. Report on the Feasibility of Incentives for Reducing Emissions from Deforestation and Forest Degradation with Sustainable Forest Manage-

ment and Enhancement of Forest Carbon Stocks in SUFORD Production Forest Areas

In addition to the feasibility study for REDD+ in production forest areas, the following reports and presentations were prepared through the SUFORD project which support REDD+:

1. The over-the-counter market for forest carbon offsets: an insight into pricing in a market without common price signals
2. Economic Valuation of Ecosystem Services in Lao PDR
3. Forest Policies for Adapting to Climate Change in Lao PDR
4. The SUFORD project supported the workshops on Ecosystem Services for Climate Mitigation - Payments for Ecosystem Services (PES) in February in Lao PDR. The SUFORD project provided presentations on *Strategies for Sustainable Management of Production Forest Areas and REDD+ Opportunities in Lao PDR*, and *A Characterisation of the Market for Forest Carbon Offsets: REDD+ Opportunities for Lao PDR*.

The Department of Forestry and the SUFORD project responded to the FAO program "Linking communities in south-east Asia to the forest related voluntary carbon market", calling for potential model sites and a concept note was drafted, reviewed and accepted by the Department of Forestry. A workshop was held in Chiang Mai, Thailand, September 20-22nd which developed model site selection criteria and provided the SUFORD project with the opportunity to present its project to other project participants. The proposal concept note proposes the Dong Sithuane Production Forest Area as a model forest project site to provide opportunities for "hands on" learning and information sharing for rural communities and policy makers within the voluntary carbon market for Reducing Emissions from Deforestation and forest Degradation (REDD) and Sustainable Forest Management, with the possibility to a) restore degraded forest areas, and/or b) rehabilitate the dry dipterocarp ecology within the Production Forest Area (PFA). A national workshop will be held in Lao PDR by FAO in January 2011.

Recognising the important role forest law enforcement will play within the national REDD+ framework, the SUFORD project, in cooperation with the GTZ CliPAD project, sponsored two Department of Forestry Inspection officials to attend the Asian Forestry Partnership Dialogue in Bali, Indonesia, August 4-6th, which focused on illegal logging and REDD+. The Forestry Inspection advisor and the REDD+ advisor to the SUFORD project, held a number of informal information sessions before the event to help prepare and inform the DOFI officials on REDD.

Finally, two reports based on field work in Savanhakhet, Salavan and Champasak examine the SUFORD project's impact on poverty reduction were submitted to the SUFORD CTA:

1. The village rice-buffalo economy: village and household case studies on the SUFORD project's village development fund
2. Poverty Reduction Impact Assessment for the SUFORD project

The field work included village and households interviews and verification of village development grants. REDD+ elements were integrated into the surveys which will support three ongoing efforts to be finalised in 2011:

1. An analysis of site specific opportunity costs for frontier agricultural expansion into natural production forests in Savanhakhet, Salavan and Champasak
2. Lessons learned for REDD+ implementation from the SUFORD project's benefit sharing and village development grants

3. An assessment of the SUFORD project's contribution to REDD+ Readiness in Lao PDR

3.4 Climate Protection through Avoided Deforestation (CliPAD)

For further information contact Mr Georg Buchholz (georg.buchholz@gtz.de)

<p>STATUS: Under Implementation IMPLEMENTATION PERIOD: 2009-2018 (first phase TC Module 2009-2012) IMPLEMENTING AGENCIES: MAF, DoF, Provincial and District Forest Offices Sayaboury and Houaphan FINANCE: GTZ 2.0 million EUR (until 2012) additional 2 million committed but not programmed yet KfW 10 million EUR Financial Cooperation Module</p>

The overall goal of the CliPAD project focuses on the development of suitable framework conditions and pilot models for effective forest conservation in and around NPAs on the basis of the international discussion on REDD+. This directly depends on good REDD+ framework conditions and joint development measures from a number of stakeholders. The Department of Forestry, Climate Change Office under the Water Resources and Environment Agency, the National Land Management Authority, along with local government stakeholders, will act as decisive actors in shaping future REDD+ policies. On the local level, REDD+ implementation rests on the commitment and ownership of Provincial and District government, and ultimately on the inclusion of local communities.

The Technical Cooperation Module in particular aims at supporting the actors involved in forest conservation to develop suitable framework conditions and pilot models for effective forest conservation in and around NPAs on the basis of the international discussion on REDD+. To achieve this, the actors will be supported in the following processes:

- Initiation of the national REDD+ policy dialogue and the development of a REDD+ regulatory framework
- Consideration of the overall land use planning processes incorporating ecological services/values such as forest carbon and the potential for payment for these by conducting village land use planning in Nam Phui via the PLUP procedure
- Identification of local REDD strategies through conservation agreements/contracts and rehabilitation of pilot areas, as well as arrangements for user rights for local communities
- Development of sustainable financing models for NPA including a business plan geared towards the emerging forest carbon market, identification of potential investment either from public or private funds as well as the development or update of a management plan for one NPA
- Documentation and sharing of lessons learned for the international processes (e.g. REDD+ Partnership, UNFCCC) and conduction of the Impact oriented Monitoring and Evaluation system.

3.4.1 National Level Activities

The CliPAD Technical Cooperation Module commenced work in January/February 2010 and is now fully operational since the office space and staff at national (DoF, Vientiane) and province (Sayaboury) level is set up. During 2010 (early stage of

programme implementation) the main activities of the Technical Cooperation were the following:

- Development of CliPAD information material and REDD awareness material and participation at workshops to introduce and promote the programme and REDD in Laos
- Support of Lao PDR and DoF to participate at REDD related international meetings and conferences and to join the Norwegian REDD+ partnership at the Oslo Conference
- Support of the second RPP Consultation Workshop and the reporting
- Development of annual working plans for field-level implementation
- REDD Technical Feasibility Study for Nam Phui and Nam Et Pou Loy in cooperation with WCS (see 4.4.)
- Study on Options for Forest Carbon Legal Framework: consultancy within a joint initiative between FSIP-JICA/SIDA and GTZ-CliPAD to gather and assess regulatory information in support of the development of an appropriate legal framework for forest carbon (REDD+) activities and investments in Laos by public and private sector actors. (see 4.5)
- Study on Impact and M&E Monitoring System: consultancy to assess the technical feasibility of a remote sensing based monitoring system for CliPAD programme impacts in order to assess effectiveness of programme activities reducing vegetation fires/shifting cultivation fire in Laos (see 4.6)
- Study on Analysis of lessons learned of NPA management for Nam Et Pou Loy, Nam Phui and Hin Nam No (ongoing)

The Tendering Process for the Financial Cooperation has been finalized; the results are expected in December. Additional administrative steps are the signing of the financial agreement and special agreement.

3.4.2 Nam Phoui National Protected Area

3.4.2.1. Technical Cooperation Module

- Establishment of the CliPAD steering structure on province/district level and start field implementation in Sayaboury
- CliPAD office established in PAFO Sayaboury with GTZ staff
- Selection of target villages agreed upon
- The adopted guidelines for the participatory land use planning (PLUP) supported by GTZ and JICA laid the foundations for the future implementation of REDD+ and the Laotian REDD Readiness. Based on the guidelines GTZ is supporting DAFO and DLMA in conducting PLUP in the Nam Phouy. As of now the PLUP process has been conducted in 5 villages in and around the Nam Phouy area.
- REDD Technical feasibility study is currently ongoing in Nam Phui, including a detailed local deforestation driver analysis and remote sensing analysis of historical land use trends.
- In cooperation with WWF a Management Information System (MIST) capacity development package, including study tour, training of trainers and training for NPA staff is implemented.
- The second DED Technical Advisor, Mr. Christof Hahn, for CliPAD, is due to arrive in December 2010 and will start his assignment at PAFO Sayaboury in February 2011.

3.4.2.2 Financial Cooperation Module

The Tendering Process for the Financial Cooperation has been finalized, the results are expected in December. Additional administrative steps are the signing of the financial agreement and special agreement.

3.4.3 Nam Et Phou Louey National Protected Area (with WCS)

3.4.1.1 Technical Cooperation Module

The first DED Technical Advisor, Dr. Renate Herrmann, for livestock development in selected villages in and around the NPA has arrived in September 2010. First preparatory meetings with PAFO, NPA management and WCS were conducted in order to plan the next steps. 8 target villages have so far been identified. 6 of them receive support through ADB, 2 of them might be supported by GTZ, however details are yet to be finalized. DED is considering to hire a local expert for at least 6 months in 2011 in order to study the current livestock situation and develop possible intervention in collaboration with PAFO, DAFO, the communities and the other development partners.

3.4.1.2 Financial Cooperation Module

The Tendering Process for the Financial Cooperation has been finalized, the results are expected in December. Additional administrative steps are the signing of the financial agreement and special agreement.

3.5 Sub-national REDD projects in Lao PDR by the Wildlife Conservation Society

For further information contact Mr. Colin Moore (cmoore@wcs.org), REDD Technical Advisor, Wildlife Conservation Society – Lao PDR

The Government of Lao PDR is currently working with the Wildlife Conservation Society (WCS) under the international *Convention on Biological Diversity* to plan for and manage two large landscapes under the *Program of Work for Protected Areas*. These landscapes are, i) the Nam Et Phou Loey National Protected Area (NEPL NPA) in north-eastern Laos and, ii) Bolikhamxay province in central Laos, including the Nam Kading National Protected Area (NK NPA). Additionally, these two protected areas have been presented to the Lao PDR REDD Taskforce as two sub-national REDD demonstration priority sites. As such, WCS is collaborating with various partners to undertake feasibility assessments of both sites to determine how REDD projects focused on the voluntary carbon market might be developed and implemented to provide long-term sustainable financing for National Protected Areas while achieving the “triple benefits” of, i) reducing deforestation and degradation, ii) conserving biodiversity, and iii) improving local livelihoods.

The feasibility assessments for each landscape include: analyses of drivers of deforestation; analyses of deforestation rates, based on available satellite imagery and ground-truth data; assessments of carbon stocks, based upon existing studies; spatial modelling to construct a baseline scenario; estimation of a project scenario, based on the assumption of being able to reduce deforestation by a certain percentage; and consideration of each project’s overall technical, financial and operational feasibility. A pre-feasibility study of the Bolikhamxay site has been completed while activities to complete the NEPL feasibility assessment are currently being undertaken.

3.5.1 Nam Et Phou Loey National Protected Area (with CliPAD)

Nam Et Phou Loey National Protected Area (NEPL NPA) ranks high in the Lao national protected area system for contributing the highest biological diversity of any protected area in the Northern Highlands region of the country and supports the most important tiger populations remaining in Indochina. In this landscape, WCS has provided technical and financial support since 2003 for the GoL to train and employ over 120 NPA staff to initiate preliminary NPA land use planning and zoning, outreach and education, ongoing enforcement of government regulations on natural resource protection and management, as well as monitoring of law enforcement and wildlife to measure compliance.

During 2010 WCS entered into a partnership with the CliPAD program to assess the potential of the NEPL NPA to generate carbon finance. As part of the feasibility study, an analysis of the drivers of deforestation identified the principle drivers of deforestation in the 6,000 km² NEPL landscape in the past as shifting cultivation, poor land-use planning, population growth and livestock grazing. Today and in the future, the type of drivers are expanding to also include commercial agricultural expansion (rice, corn and Job's tears) and road expansion.

In order to further develop this site as a REDD demonstration project, the Department of Forest Resource Conservation, NEPL NPA and WCS are collaborating closely with the CliPAD program, and have support from the Blue Moon Foundation and U.S. Fish and Wildlife Service. Additional management activities needed to reduce the rate of deforestation include protection of the totally protected zone (TPZ), participatory planning and zoning of up to 30 village areas for sustainable utilisation of forest resources and incentives for compliance, as well as expansion of the NPA. Final results of the feasibility study which will identify both the priority REDD activities and areas of intervention in the NEPL NPA are expected in April 2011.

STATUS: Under Implementation

3.5.2 Bolikhamxay province in central Laos, including Nam Kading National Protected Area (NK NPA)

Bolikhamxay province in central Lao PDR, includes the Nam Kading National Protected Area (NK NPA), 4 provincial protected areas and another 617,369 ha of Watershed Protection Forest. Bolikhamxay province is also the watershed forest for the Nam Thuen 1, Theun Hinboun and Theun Hinboun extension hydropower projects. The NK NPA, covering 1,570 km², contains the largest block of high quality dry evergreen forest remaining in Indochina and the provincial protected areas and watershed protection areas contain many unique Annamite endemics such as a recently discovered forest dwelling ox called the Saola. In this landscape, WCS has provided technical and financial support since 2005 for the GoL to train and employ over 80 NPA staff to engage in preliminary NPA land use planning and zoning, outreach and education, ongoing enforcement for natural resource protection and management, as well as monitoring of law enforcement and wildlife to measure compliance.

A pre-feasibility study conducted this year identified agricultural encroachment due to the expansion of commercial agriculture, land-use for village expansion and government supported activities such as hydropower development and mining as the most important factors affecting the quality and quantity of forest in Bolikhamxay province. The feasibility study also piloted disseminating REDD messages

to the provinces. This study has shown that the implementation of the NK NPA Management Plan, supported by international donors, has been effective in reducing deforestation within the NPA to negligible levels (0.04% between the years 2005 – 2009). Furthermore, the deforestation rates in the park are significantly lower than those in the wider Bolikhamxay province over the same period (0.26%). Further work is being done to identify the best strategy to develop the NK NPA and the Nam Groung South Forest Protection Area as REDD demonstration activities and a project implementation plan is expected within the next six months. For implementation of these sub-national REDD projects, the Bolikhamxay PAFO and WCS are collaborating closely with Theun Hinboun Power Company, with support from the Blue Moon Foundation.

3.6 Participatory Land and Forest Management Project (PA REDD)

For more information, contact Kenichi Takano (takano1960@gmail.com) or Takayuki Namura (namura.takayuki@gmail.com)

STATUS: Under Implementation
IMPLEMENTATION PERIOD: 2009-2014
IMPLEMENTING AGENCIES: MAF, NAFES, DoF, PAFO/LPB
FINANCE: Japanese International Cooperation Agency (JICA) 1.6 million USD

Building upon the results of the Forest Management and Community Support (FORCOM) project through the joint efforts of the Government of Lao and JICA, PAREDD aims to produce a system for reducing deforestation applied to Northern Laos through consolidating the Community Support Program Tool (CSPT), which was used for supporting means of livelihoods in a sustainable manner as an alternative measure to stabilizing shifting cultivation within the FORCOM project. PAREDD specifically strives to consolidate the CSPT to align with mainstream upland development planning and improve the CSPT for specific utilisation under a REDD scheme. The project's purpose is to develop a system for reducing emissions from deforestation through participatory land and forest management.

Project document which includes detail activities and outputs was presented in 1st Joint Coordination Committee (JCC) which was held in February. After agreement at 1st JCC, this project started implementation.

The PAREDD project sites were selected 3 clusters in Luang Prabang province (Houay khot cluster in Xiengngun district, Houay khing cluster in Phonsay district, Tong si cluster in Phontong district) based. After selected the project sites, field study at village cluster level to identify the forest change factors were conducted in Houay khot cluster (Xiengngun district) and Houay khing cluster (Phonsay district). Detailed plan of operation for five years and implementation results from February to September were presented in 2nd JCC in October.

3.7 Forest Programme for Forest Information Management

For further information contact Hideto Yamazaki (hideto_yamazaki@kkc.co.jp) for program, Masamichi Haraguchi (masamichi_haraguchi@kkc.co.jp) for technical.

STATUS: Under Implementation
IMPLEMENTATION PERIOD: 2010 (July)-2013 (Mar)
FINANCE: JICA with Grant Aid Assistance 475 million YEN.]

The objective of the program is to improve the system for forest information management in order to contribute to sustainable forest and land management as well as to mitigate climate change through establishing the ability for development and management of forest base maps using multiple satellite information. The program proposes several important tasks to achieve the program objective:

- Establishment and construction of Forest Information Management Centre
- Procurement of equipments for Forest Information Management such as satellite imagery analysis, database development and sampling field surveys
- Capacity building to establish the system for Forest Information Management data collection/analysis with remote sensing, GIS/database and filed survey

The expected outcomes from the program include providing the forest base map and related database for the implementation of national REDD program, and enhanced capacity building opportunities and training for government officials to support a Lao led process on REDD.

List of technical assistance activities are as below.

1. Satellite imagery and GIS analysis using LANDSAT imagery taken around 1990 and 2000 / (basic level: including conceptual lectures)
2. Satellite imagery and GIS analysis using SPOT 4 and 5 imagery taken around 2005 (intermediate level)
3. Satellite imagery and GIS analysis using multiple satellites such as ALOS, SPOT5 and Rapid Eye to be taken in 2010 (advanced level)
4. Field surveys planning and implementation necessary for the satellite imagery and GIS analysis to be taken in 2010
5. Development and management of the basic database on forestry throughout all of the technical assistance activities
6. Change detection by means of forest base maps to be developed in 2010 and ALOS imagery to be taken in 2011

This program is signed in March and start in July 2010. The activity 1 and 2 are completed and activity 3 and 4 are under implementation at the time of writing this report. Activity 1 is conducted as cooperation with AIT (Asian Institute of Technology, Thailand) as basic training for over 20 FIPD staffs in Lao PDR to enhance basic knowledge of remote sensing and GIS. Activity 2 is conducted as intermediate training for 3 leading engineers and 1 manager of FIPD in Japan for practical on the job training and preparatory study for 2010 forest base map development.

3.8 Winrock International Asia Regional Biodiversity Conservation Program's REDD+ Activities in Lao PDR 2010

For further information contact Dr Sarah Walker (carbonservices@winrock.org)

During 2010 Winrock International's Asia Regional Biodiversity Conservation Program (ARBCP), funded by the US Agency for International Development – Regional Development Mission for Asia (USAID/RDMA), was involved in assisting Lao PDR with their development of national REDD+ activities.

Activities included:

- 1) a Needs Assessment that provided an indication of what capacity and data currently exist, and subsequently highlighted the gaps in technical capacity to implement REDD+ and,
- 2) a 3 day technical capacity building workshop on GIS/RS and Forest Carbon Inventory and Assessment.

3) a technical manual on REL and MRV development.

3.9 Grassroots Capacity Building for REDD in Asia Pacific with RECOFTC

For further information contact Dr Chandra Silori (chandra.silori@recoftc.org)

STATUS: Under Implementation
IMPLEMENTATION PERIOD: 2009-2013
IMPLEMENTING AGENCIES: National University of Laos, DoF
FINANCE: 10.5 Million NOK (for three years project in 4 countries)

RECOFTC – The Centre for People and Forests, Bangkok, received financial grant from Norad to implement a project on Grassroots Capacity Building for REDD in Asia Pacific region. The overall goal of the project is that “Grassroots forest sector stakeholders in the Asia-Pacific region actively contribute to the success of REDD plus mechanism and take full advantage of the resultant benefits for local socio-economic development”. The project aims to address “Key gaps in knowledge among grassroots forest stakeholders, enabling them to participate to their full potential in the planning and implementation of REDD plus related programs and activities in target countries”. In the first phase (August 2009-July 2010), project was implemented in three countries- Nepal, Lao PDR and Indonesia. Norad has approved financial support to RECOFTC for the second phase (August 2010-July 2013). During this phase, in addition to three countries of the first phase, project will also focus on capacity building of grassroots stakeholders in Vietnam.

In Laos, project is being implemented in partnership with National University of Laos and Department of Forests (DoF). During first phase, following key activities were completed:

1. Capacity building needs assessment (CBNA) for grassroots stakeholders for REDD - A participatory assessment was organized and a report prepared, which will be reviewed and revised in the second phase of the project.
2. A Training of Trainers (ToT) was organized in Vientiane on May 4-5, 2010. This two days national level training programme was attended by a total of 17 participants, including 3 women participants.
3. Two days provincial level training programmes were conducted in two clusters for the participants from eight provinces. The first one was conducted in Luang Prabang on May 24 and 25, 2010. This was attended by a total of 30 participants, including 7 women participants from four provinces – Luang Prabang, Xayaburi, Huaphan and Xieng Khouang. The second one was organized in Odomxy on May 27-28, 2010 and attended by 28 participants, including 8 women participants from four provinces - Odomxy, Phongsali, Luang Namtha and Bokeo.
4. The participants to the training programmes represented government organizations, universities, NGOs, Civil Society Organizations, Women Unions and related Project staffs.
5. One day national level reflection workshop was also organized in Vientiane on June 11, 2010 to review the progress and identify the key issues, which need to be addressed in the second phase. This workshop was attended by a total of 22 participants, majority of whom were participants to the National and Provincial level training programmes.

6. Few other regional level events were also organized under the project, which were attended by project team members and other officials from Laos. Following is a list of such activities:
 - a. Formation of a regional consortium and a multi-stakeholder workshop for developing a guidebook on Free, Prior and Informed Consent (FPIC), with a particular focus on REDD+ in collaboration with GTZ, Indonesia and Laos was organized on June 9-10, 2010 in Bangkok.
 - b. A regional level research workshop conducted on July 19-22, 2010 in Bangkok and attended by the national project team members from Laos
 - c. A regional level reflection workshop for reviewing the progress of the project and sharing lessons learned from first phase was organized in Bangkok on November 11-12, 2010, which was attended by national project coordinator and officials from National University of Laos and DoF.

3.10 SNV-Lao PDR Assessment of Implementing a REDD project in Nam Xam National Protected Area, Huaphanh

For further information, contact Martin Greijmans (mgreijm@yahoo.com) and Rob Ukkerman (rukkerman@snvworld.org)

In 2010, SNV further explored possibilities to support the REDD process in Laos, which was done by meeting with major REDD actors in Lao PDR and assessing gaps and opportunities and by participating in the REDD Task Force meetings and RPP stakeholder workshops. As SNV is already active in Huaphanh, the Nam Xam NBCA was chosen for a first assessment of implementing REDD project there (together with GCDA). Additionally, a consultancy was done on land tenure related to agriculture, forestry and REDD and looking at possibilities to achieve communal tenure rights.

All activities were funded by SNV-Lao PDR and are presented point-wise below:

1. Member of the international advisory group to the REDD Task Force.
2. Early 2010 in REDD Task Force meeting the following publication was presented and discussed: Holland, T. & R. McNally, 2009. Mapping Potential for REDD in Lao PDR: Forest cover, forest cover change, and forest carbon density. SNV-Asia.
3. Support to the R-PP process (High level REDD+ meeting, RPP stakeholder consultation workshops).
4. Awareness raising and role of civil society in REDD+ (LBA REDD workshop).
5. Internal orientation on SNV's future involvement in REDD+ in Lao PDR and Stakeholder mapping.

Planned activities for 2011:

- Recruitment of a part-time international REDD adviser.
- Elaboration of a project proposal for Nam Xam.
- Pursue (new) partnerships and resource mobilisation
- Align activities within the R-PP and with other stakeholders
- Develop tools and methodologies for:
 - i. Alternative livelihood strategies in REDD programs
 - ii. Assessment of opportunity costs and implementation costs

- iii. Benefit sharing mechanisms for REDD
- iv. Brokering for land and carbon tenure for REDD
- Knowledge brokering and capacity development at national level through active membership of REDD Task Force and other REDD platforms where field experiences can be shared.

A detailed description of the recent SNV report “Socio-economic assessment and analysis of drivers for deforestation and forest degradation of the Landscape of Nam Xam NBCA, Huaphanh Province” is presented in the following section for specific studies.

3.11 Pre-planning for REDD+ Pilots in Xe Pian NPA and Xe Sap NPA by the World Wild Fund for Nature (WWF)

For further information contact Roland Eve (roland.eve@wwfgreatermekong.org)

Through 2010, WWF Laos has been working toward developing pilot REDD activities in support of sustainable source of funding for protected areas in Lao PDR. So far two initiatives are in preparation in Southern Laos.

As part of Improving the Management of Xe Pian National Protected Area project, pre-planning has been conducted for a REDD+ pilot focusing in and around Xe Pian NPA in Champasak and Attapeu provinces, to support the Project Design Document PDD as part of the initial activities due to commence early 2011. This PDD will include analysis of deforestation, definition of and reference to emission levels, measurement of carbon density of selected forest, assessment of carbon offset potential, selection of appropriate methodology, development of marketing strategy and capacity building.

The second initiative is planned to support Xe Sap NPA in Xekong and Salavan provinces by strengthening enforcement and addressing potential leakage. After GoL approval, work is scheduled to begin in mid 2011. This work will include establishment of sub-national framework and creation of MoU, analysis of forest condition, assessment of carbon offset potential, development of appropriate methodology and capacity building.

In addition, WWF is recruiting a Forest Carbon Officer and Regional Forest carbon Co-ordinator to support these projects.

4. REDD+ STUDIES AND REPORTS

4.1 Study on the Change of Forest Cover and Biomass in Lao PDR

For further information contact Mitsuo MATSUMOTO (machan@ffpri.affrc.go.jp)

In October 2008, an MoU was signed between the Department of Forestry (DoF), National Agricultural and Forestry Research Institute (NAFRI) and the Forest and Forest Products Research Institute of Japan (FFPRI). The test site area was the Xiang Ngeun district in Luang Prabang. The project aimed to identify and propose mechanisms related to reducing emissions from deforestation through examining the feasibility and issues of avoiding deforestation within the technical and institutional fields. The purpose of the project was to:

1. Development of a methodology for estimating emissions from deforestation using remote sensing
2. Study and identify causes of deforestation and forest degradation for understanding and estimating the trend forest cover and forest biomass changes in the past and future
3. Study influence of land and forestry policy for formulation of appropriate REDD policy and program

The team reported on the methodology for estimating deforestation and degradation, causes of deforestation and degradation and influence of land and forest policy in shifting cultivation areas in Xengen district, Luang Prabang province. A final technical report has been completed.

4.2 Study on the Strengthening of Methodological and Technological Approaches for Preventing Deforestation and Forest Degradation within the REDD+ Implementation Framework

For further information contact Satoshi FUJITA (satoshifujita1@gmail.com)

In August 2009, a Memorandum of Understanding (MOU) between Asia Air Survey of Japan and the Department of Forestry was signed for the study on the strengthening of methodological and technological approaches for reducing deforestation and forest degradation within the REDD implementation Framework (renewal of MOU in July 2010). A progress report was prepared in April 2010 and its detail was presented at international seminar on REDD in Developing Countries (Tokyo, March 2010) and ISAP2010, International Forum for Sustainable Asia and the Pacific (Yokohama, Japan, July 2010). The main objectives of the study are;

1. To assist the forestry sector efforts in a variety of ways for the establishment of a REDD system,
2. To implement technological development for enhancing the monitoring system for deforestation and forest degradation using remote sensing and GIS systems, and
3. To provide technical transfer and capacity development assistance to relevant organization through the above activities and training programs in Japan.

The pilot sites encompass two provinces of Bolikhamxay and Luang Prabang. The scope of the study includes a consultation with relevant organizations and counterparts concerning the pilots study areas, accuracy validation for satellite image classification, analysis of deforestation and forest degradation using remote sensing technologies, forest survey for estimation of amount of forest carbon, forest change modelling and simulation for reference scenario based on the results of vil-

lage survey and a development of a forest management and monitoring system that integrates spatial information management technologies. The researchers have been to two provinces many times to set the pilot study areas and collect some basic data. They have also organized 15 sessions of training and will provide training programs on remote sensing and REDD+ in Japan for FIPD staff in January 2011.

4.3 REDD Technical Feasibility Studies for Nam Et Phou Louey and Nam Phui NPAs (GTZ/WCS)

For further information contact Georg Buchholz (Georg.buchholz@gtz.de)

Starting from November 2010, work began on the development of two Technical Feasibility Studies for the Nam Phui National Protected Area in Sayaboury Province and Nam Et Phou Louey National Protected area in Houaphan Province. This work, undertaken in partnership with the Wildlife Conservation Society focuses on:

1. Ground-truthing of super high-resolution satellite imagery (0.60m),
2. Establishing a 10-year record of historical deforestation
3. Undertaking a detailed forest-cover classification of both NPAs
4. Comprehensive provincial, district and village stakeholder meetings
5. Conducting a ground-based driver and risk assessment
6. Running a computer-simulated model of future deforestation in and around the NPAs
7. Identification of reference areas,
8. Stratification of forest areas based on Tier-2 carbon stocks,
9. Establishing a rough baseline of emission levels,
10. Recommending appropriate ground-level project activities to mitigate emissions,

The REDD Technical Feasibility Study work of the CliPAD project will produce two detailed reports, one each for the National Protected Area of Nam Phui and Nam Et Phou Louey. Each study will consider and give conclusions on the financial, technical and operational feasibility of developing a REDD project for the voluntary carbon markets at each site.

4.4 Options for a Legal Framework for Forest Carbon in Lao PDR

For further information contact Georg Buchholz (Georg.buchholz@gtz.de)

This study looks at the possible design options that could form the basis of a legal framework for carrying out forest carbon activities and investments in Laos by both public and private sector actors. It provides an overview of the features of forest carbon schemes across the globe and examines Laotian forest-related legislation and implementation. It then suggests possible REDD+ options for Laos consistent with and building on both current Laotian policies and international thinking. Items investigated include scope and eligibility requirements, linking sub-national activities to national level accounting, institutional arrangements, MRV systems, and carbon registries.

Current UNFCCC REDD proposal and CDM AR project requirements were assessed, along with a mix of practical national, sub-national and project-based approaches across compliance and voluntary markets. These include Brazil's Amazon Fund and policies of the State of Amazonas, Indonesia's evolving policies,

New Zealand's ETS, and the Climate Action Reserve of North America. The evolving national forest carbon MRV systems of Australia, Canada and India were also examined.

Lao PDR has indicated that it is open to the range of possible REDD+ activities; to allowing sub-national activities within a national accounting system; to alternative financing mechanisms, and to both public and private actors implementing and participating in REDD activities. Lao's evolving **state Production, Protection and Conservation Forest Areas** cover roughly 70% of the national territory and are to be managed for biodiversity conservation, environmental protection and sustainable low-impact production. These lands are largely in natural forest, though much of it is degraded and subject to multiple conversion and degradation pressures from large and small-scale actors. Thus there is plenty of room to implement measures to reduce emissions from deforestation and forest degradation, enhance carbon stocks and sustainably manage the areas for the stated goals.

REDD+ could be implemented area-by-area and ultimately mandated on all the state forest land categories to reduce emissions at a national scale and avoid widespread leakage. Government management agencies, NGOs and donor projects are the likely implementers of REDD+ on these lands. As per current regulations, private sector involvement is not sought after and the local community's role may mainly be restricted to participatory inventory and patrolling activities, and restoring degraded areas. The roles of these actors could be reconsidered and optimized; and environmental, social and governance safeguards put in place. REDD+ Readiness Funds could help delineate and set up the Protection, Conservation, Production, Village Forest and Household Use Areas; develop management plans and benefit-sharing schemes; and provide alternative livelihoods and other incentives to communities.

On other **forest lands under individual, community or private sector management; voluntary REDD+ activities** by the owners, managers or lessees could be promoted to provide an avenue for these groups to participate and benefit, and reduce degradation and conversion pressures on adjacent state forest lands. Natural forest management, protection and enhancement activities could be conducted in village forests. On private sector or individual lands, only plantations are permitted at the moment. The activities should not result in conversion of natural forests or other natural ecosystems. Native and mixed species plantations, longer rotations, natural management practices and low-impact harvesting practices should be favored.

Small village forests and communal and household plantations have to be aggregated and supported for cost-effective REDD+ implementation, and monitoring and rewarding the outcomes. Satisfactory completion of the participatory land use planning and titling process, use of the FPIC concept and negotiated stakeholder agreement on rights and responsibilities are highly recommended. Legal clarification is required on the communal titling option, and whether villagers in villages within the three different state forest land categories can avail of the land lease/concession and contract farming options.

The report explores two instances where sub-national forest carbon activities coexist with higher level monitoring and accounting (New Zealand and Brazil). **A possible nested REDD+ model** that integrates the multiple crediting and financing pathways sought by Laos is presented in Section 5.4. It includes many of the pluses of the New Zealand and Brazilian models while attempting to overcome the

minuses and gaps. The model allows for REDD+ actions primarily through large to small sub-national project activities on the ground with clear boundaries, ownership and management plans. It simultaneously allows for national-level actions (such as policies, capacity-building and enforcement) that will also be reflected in national-level emissions reduction performance. Different types of sub-national activities –small household landholdings to large Production Forest Areas, mandatory and voluntary actions, avoided deforestation and reforestation – can all be integrated in the model. It provides choice in carbon crediting through national protocols, and external voluntary and compliance standards as and when they emerge. It allows for financing through funds, compliance and voluntary markets and refines the fund-based approach to also reward the stakeholders on the ground for their concrete REDD+ actions. Sub-national activities and credits are effectively integrated into national-level accounting to avoid double counting.

A rigorous National REDD+ regulation for all sub-national activities and a rigorous National REDD+ Fund protocol with clear streamlined processes and safeguards are required to effectively implement the model. These should ideally be developed participatory with national and international stakeholders and experts for credibility and widespread acceptance. Also sub-national project performance should be delinked from the risk of broader national program failure to encourage and sustain sub-national level actors and investments. Provision has to be made for permanence of emissions reductions at sub-national and national levels. The government takes responsibility and liability for overall net emissions reductions at the national level according to a pre-determined strategy.

Minimal **institutional arrangements** required to effectively implement REDD+ are forest area management/supervision agencies from national to local levels, a cross-sectoral coordinating institution to address the drivers of deforestation, a credible MRV institution that works with research and other agencies, an enforcement agency and an agency overseeing the carbon registry. The institutional roles and responsibilities should be clear and streamlined with no overlaps and effective coordination processes put in place. Transparent information and decision-making processes would help enhance credibility. As far as possible, Laos could use and strengthen existing institutions and coordination structures rather than build new institutions for REDD+ that overlap with existing ones.

Following the example of Annex 1 countries New Zealand, Australia, and Canada; and developing countries Brazil and India, Laos could gradually work towards setting up a satisfactory **Tier 3 MRV system** at the national level. The system would incorporate remote sensing, national forest inventory, and a data management and modelling system. Laos could start with aboveground biomass reporting and add the other four pools at a subsequent date. Protocols should be developed and tested for accurate, consistent and cost-effective estimates with credible independent verification. Till appropriate methodologies are developed for national-level accounting of IFM and forest degradation, the focus could be on reducing deforestation and on conservation and enhancement of forest carbon stocks. Sub-national and national level RELs and MRV should be reconciled to obtain consistent estimates. Laos could avail of any forthcoming technology and assistance from the other countries. Laos may also want to consider designing and implementing real-time deforestation monitoring for control and enforcement as Brazil has done.

Following the international examples, Laos should develop a national registry system to record and track: a) Discrete forest carbon activities on the ground and their

associated carbon emissions and removals, and b) National level emissions reductions and reconciliation with sub-national project activity emissions reductions. The registry should ensure no double counting or resale of the same credits. Standard and useful features of a registry system are listed in Section 8.5. Laos could develop and manage its own national registry or use an established commercial registry service to do the same based on a cost-benefit analysis. Ideally all carbon credits (REDD, CDM and any other mechanism) arising from Laos could be recorded and tracked in the same registry.

4.5 Technical Feasibility for Using MODIS data as an MRV Tool on a Local Level

For further information contact Georg Buchholz (Georg.buchholz@qtz.de)

Can the MODIS active fire hotspots be used to monitor vegetation fires in the Lao PDR? Fire is an important traditional land management tool and a major agent for the conversion of organic matter from vegetation and soils into carbon. Fire-related greenhouse gas emissions are of global concern, because they have large impacts on the climate system and are associated with adverse health effects. Yet, large uncertainties loom in the extent and the dynamics of fire patterns and fire emissions, because of the difficulties inherent in estimating the location, the amount and the type of biomass burned.

We assessed the feasibility of the active fire hotspots derived from the Moderate Resolution Imaging Spectroradiometer (MODIS) sensor for monitoring vegetation fires in the Lao PDR. The MODIS active fire hotspots have great potential to monitoring fire dynamics, because the data deliver free and near real-time information from a maximum of four satellite overpasses each day with a data record that spans more than a decade. We investigate the potential of the MODIS fire hotspots as an input into a monitoring, reporting and verification (MRV) system to assess the effectiveness of measures related to REDD+ (Reduced Emissions from Deforestation and Forest Degradation plus enhancement of forest carbon stocks). While the fire hotspots are not apt to calculate the size or the emissions associated with a fire, the data give daily indication of its location and may thus allow estimating changes in fire density over time and space.

We conducted a qualitative accuracy assessment of the fire hotspots that yielded mixed results with varying degrees of undetected fires (omission errors) and false detections (commission errors). The modest performance of the fire hotspots in capturing vegetation fires in the Lao PDR are mainly due to the gap between the satellite overpasses and due to the changing number and quality of the MODIS observations. For that reason, the fire hotspots for MRV need to be interpreted in conjunction with the corresponding MODIS image subsets and auxiliary data. Yet this requires considerable input for the data retrieval in near real-time and for the development of human resources.

If used in combination with additional information the MODIS active fire hotspots provide a valuable input into national level MRV at IPCC Tier 2 level by providing information about land use systems that are connected to the use of fire. The combination of the MODIS fire hotspots with secondary data such as time series of precipitation will further support the analysis of interannual changes. At Tier 3 the uncertainties inherent in the detection accuracy become too large. We suggest making use of the next burning season for a quantitative accuracy assessment to obtain reliable estimates of the detection accuracy at varying spatial resolutions, the cause for fires and the areas affected. We believe such an investment is justi-

fied given the manifold advantages of the MODIS fire products to support the monitoring of fire-related vegetation changes.

4.6 National Assessment of REDD+ Capacity Lao PDR

For further information contact Dr Sarah Walker (carbonservices@winrock.org)

The goal of the assessment implemented by Winrock International's Asia Regional Biodiversity Conservation Program (ARBCP) funded by the US Agency for International Development – Regional Development Mission for Asia (USAID/RDMA) was to obtain information on the current status of technical expertise, institutional capacity and data availability that may be required for implementing REDD+ strategies in the LMS countries. The assessment provides an indication of what capacity and data currently exist, and subsequently highlights the gaps in technical capacity to implement REDD+.

The Needs Assessment suggested that capacity building is required at all levels from senior to junior staff in REDD+ implementation REL and MRV. Current investments in software and hardware will need to flow to the necessary departments to efficiently implement REDD+ analysis needs. For Remote Sensing and GIS significant training of staff needs to be conducted. The most important Remote Sensing tasks that need to be achieved are national land cover maps for three points in time that will be used to establish Lao PDR REL. For the forest carbon inventory a substantial amount of data on timber volumes is available, however, standardized methods for transforming this information into carbon stock data needs to be implemented in order to create Emission/Removal factors for a REDD+ program. Improvement and standardization of field measurements and data processing is also needed.

4.7 Manual: Technical Issues related to Implementing REDD+ Programs in Mekong Countries

For further information contact (carbonservices@winrock.org)

The Manual was developed by Winrock International's Asia Regional Biodiversity Conservation Program (ARBCP) funded by the US Agency for International Development. The Manual provides instructions on technical steps required to create the activity data and emission factors required in the development of national REL and MRV plans. Provides information on the role of RS and GIS in developing REL and MRV scenarios; techniques for measuring and monitoring deforestation and forest degradation; and steps for creating estimates of the GHG emissions resulting from deforestation, degradation, and GHG removals from enhancements.

This manual starts with an introduction followed by five subsequent sections. Section 2 describes the key components and considerations for developing a national REDD+ strategy. Section 3 provides guidance on defining “activity data” for REL and MRV by RS and GIS team, while section 4 provides guidance on developing forest carbon inventory for REL and MRV at national level. Section 5 describes the steps for combining the “activity data” from the GIS/RS components and forest carbon stock inventory component to develop “emissions factors” for REL and MRV. Lastly, Section 6 provides guidance on tools for monitoring, reporting and verification available to GIS/RS and forest inventory component. The Manual is available in English and Lao.

4.8 RECOFTC's Capacity Building Needs Assessment for REDD+

For further information contact Dr Chandra Silori (chandra.silori@recoftc.org)

A Capacity Building Needs Assessment (CBNA) tool for REDD+ was developed under the project in order to assess the existing competencies of grassroots stakeholders and also to identify gaps in the knowledge and skills related to REDD+ and climate change issues. CBNAs have been successfully conducted in all three project countries – Indonesia, **Lao PDR** and Vietnam.

Outcomes

- With report for CBNA successfully completed in Lao PDR, training needs for REDD+ at national, sub-national and community levels have now been broadly identified and prioritized. The CBNA report for Lao PDR will be reviewed in the second phase of the project in order to further specify the training needs for grassroots stakeholders in the country.
- The CBNA module for REDD+ developed under the project has contributed to the design of RECOFTC's overarching CBNA guidelines for Community Forestry. The first of their kind in the region, the CBNA process and tools are expected to make a significant contribution to improving both the scale and impact of Community Forestry in the Region and beyond in the coming years.

4.9 RECOFTC's Guidebook on Free Prior Informed Consent for REDD+

For further information contact Mr. Ronnakorn Triraganon (ronnakorn@recoftc.org) or Dr Chandra Silori (chandra.silori@recoftc.org)

The project has also supported development of a guidebook for practical facilitation of community-based Free, Prior and Informed Consent (FPIC), with a particular focus on REDD+ in collaboration with GTZ, Indonesia and **Lao PDR**.

Outcomes

- A key regional consortium has been formed to undertake this work that includes the Asian Indigenous People Pact (AIPP), Thailand; Forest Peoples Programme, Indonesia; PACT, Cambodia; FECOFUN, Nepal; Tebtebba, Philippines; World Conservation Society; **Lao Land Issue Group**; Indonesia Environmental Law Centre; National Forestry Council, Indonesia; and the IUCN Regional Office, Bangkok. It is hoped that these organizations remain engaged, helping to ensure the impacts go beyond the initial scope of the project.
- A regional level workshop in June 2010 brought together consortium partners together and successfully delivered a comprehensive outline of the proposed guideline. Use of a participatory approach increased the chances of securing high levels of buy-in and ownership over the final product.
- The final draft of FPIC guidebook is completed and now under copy editing process. This lays a strong foundation for development, field testing and rollout of a more comprehensive FPIC training package in the project's second phase.

4.10 Supporting REDD+ Implementation in Laos through the Design of a REDD+ Compliant Benefit Distribution System

For further information contact Christoph Muziol (christoph.muziol@iucn.org)

A series of studies were financed through a small grant from the Swedish Environment Secretariat for Asia (SENSA) to examine the current legislation that could support the design of a REDD+ compliance benefit distribution system.

The objective of the project was to deliver support to the successful implementation of future REDD initiatives in Vietnam, Laos and Cambodia, through the provision of input to the design of a REDD-compliant benefit distribution system in each country. The specific outputs of this project were:

1. Additional work to fill some of the gaps emerging from the benefit distribution system study that IUCN was contracted to conduct in Vietnam for UN-REDD.
2. A rapid benefit distribution system study that provides a roadmap for the legal and administrative reforms that Laos will need to implement to fully benefit from REDD (using the study from Vietnam as a model)
3. A preliminary study on REDD benefit distribution system possibilities and issues in Cambodia
4. Briefing of government and non-government stakeholders on the results of the studies, and specific reforms that will be required in order for these countries to position themselves to benefit from REDD (including addressing the flow of illegal timber from Laos and Cambodia into Vietnam).

The report for Lao PDR gives an overview of Lao REDD+ institutions, REDD+ relevant laws, reviews the mechanisms under the Poverty Reduction Fund, Environmental Protection Fund and the Forest Resource Development Fund.

The report concludes with recommendations for developing:

1. A REDD+ fund
2. REDD+ Special State Fund Legal Enabling Document
3. Revenue retention and payment structure

It is suggested that a legal enabling document is drafted and enacted in the near future that will create a REDD+ Special State Fund for the purpose of pooling and distributing monies being made available from the international community for REDD+ activities, including donor funds that are earmarked for the implementation of the REDD+ Strategic Plan that is scheduled to be drafted and approved later this year. The fund can then be modified as necessary over time in conjunction with the nested (local\province\national) and phased approach that the GoL has already decided is the best way forward in the Lao context.

In addition to financial resources contributed by donors in support of REDD+ activities, a portion of the revenues generated from the various sub-national private sector/voluntary carbon market or future cap & trade related sub-national projects could also be fed directly into the fund in order to ensure that monies generated from these projects go directly back to the local communities that are associated with the forest resources where the carbon credits were generated. The GoL can decide to either create an entirely new fund, or modify an already existing State Fund (i.e. FFRDF, EPF, or PRF) in order to maximize governance efficiency and to ensure the utilization of already existing knowledge and capacity that exists in the country.

4.11 Socio-economic Assessment and Analysis of Drivers for Deforestation and Forest Degradation of the Landscape of Nam Xam NBCA, Huaphanh Province

For further information, contact Martin Greijmans (mgreijm@yahoo.com) and Rob Ukkerman (rukkerman@snvworld.org)

The study took place in Nam Xam NBCA, Huaphanh Province and was done by the Green Community Development Association (GCDA) with technical backstopping by a REDD adviser from SNV-Vietnam. Nam Xam was chosen because SNV is already active in Huaphanh Province (NTFPs, WASH, tourism) and CLIPAD/KfW and WCS have a REDD / conservation program in the other NBCA in the province, Nam Et Phou Louey.

The goal of the study was to assess the socio-economic conditions and the drivers of deforestation in the landscape in and surrounding Nam Xam NBCA. This served two purposes. First, it tested methodologies and provided experience in the assessment of deforestation drivers and cross-border leakage. Second, it provided critical background information for further REDD pilot activities that may be developed in the area by SNV or other partners.

Working through a Lao NGO builds further on SNV mandate to build local capacity to ensure sustainable uptake for potential REDD interventions in the near future. SNV Lao and GCDA will work towards a long-term partnership to ensure continuity of knowledge and effort.

This study will provide SNV and GCDA with information to assess the possibility to start a REDD+ program in Nam Xam. If positive, a full project document will be written and submitted to donors. After funding is secured, the project will be implemented with local authorities and in the context of the R-PP.

Additionally, a consultancy on Land Tenure in the framework of SNV's Small Holder Cash Crop, Forest Products and REDD intervention areas was carried out in 2010. For REDD, this study included the analysis of the legislative framework and assessing options for SNV's involvement in developing policies in the area of community based forest ownership and management and identifying local partners with whom this can be done. The results will be used in 2011 to develop tools and methodologies to deal with land and carbon tenure in REDD programs. The study will be completed in December 2010

4.12 REDD+ in Lao PDR – Opportunities for French Support within the Framework for Fast Start Funding

For more information contact Marie Camel (marie.calmel@onf.fr)

The development of the Lao REDD+ strategy coincides with the French commitment on forest preservation. In August, a ministerial decision agreed the allocation of 250M€ to support REDD+ fast start implementation between 2010 and 2012, and among which 135M€ should be attributed to the French Development Agency (AFD), 60M€ to be distributed through grants and 75M€ through concessional loans.

While the level and timeframe of funding remain uncertain, the Lao and French calendars seem to suggest it is the suitable time to consider a sound collaboration

on REDD+ issues in Lao, responding, in doing so, to the willingness of the two governments.

The 10th donors' roundtable in Lao took place in Vientiane on October, 21 and 22 and offer to AFD and MAF the opportunity to announce and discuss any possible collaboration on REDD+ with other donors. In preparation to this event, AFD called upon ONF International to better understand the current progress and plans in the R-PP implementation and to identify any field for which French support would be relevant.

In that context, it quickly appeared that a French support would be very welcomed as long as well implemented in the existing landscape. Donors are firmly installed in the country and plan to support the R-PP implementation to the readiness stage. AFD could be complementary but should be cautious not to overlap with existing support. The mission enabled identifying several issues that could benefit from AFD support and would be welcomed by Lao PDR government and existing donors. Five of those issues could be directly dedicated to the national strategy while a sixth one would be the development of a demonstration activity, to test issues yet to be decided at national level..

The five main issues for which the government still need support and that could be funded by AFD are:

1. Illegal Logging and REDD+
2. REDD+ Office Implementation and running
3. MRV improvement
4. Participation and awareness strengthening
5. Reference Emission Level reinforcement

In addition, the opportunity of funding a demonstration activity remains fully open and would be very welcomed by all stakeholders. This opportunity appears to be the most interesting one both for AFD and MAF/DOF. Indeed, this approach would enable to cover several of the aforementioned components for which Lao government still needs support (as the demonstration activity will test – at its scale and targeting specific issues - an MRV system, a benefit sharing mechanism, participation systems, etc. that would afterwards feed the national strategy). Along with this opportunity to cover several issues and maximize French support, a demonstration activity would enable to centralize -and therefore limit - transaction, preparation and monitoring costs of the French support to Lao REDD+ strategy development.

4.13 Getting Ready with Forest Governance – World Resources Institute

For further information, go to <http://www.wri.org/gfi>

This working paper includes new analyses of R-PPs recently submitted by **Lao PDR**, Vietnam and Ethiopia, as well as updated R-PPs from Madagascar and Tanzania, all of which were presented at the seventh FCPF Participants Committee (PC) meeting in Washington, DC from 1 November – 4 November 2010.

The paper also reviewed five NPDs from Cambodia, Papua New Guinea, Paraguay, the Philippines and the Solomon Islands to be considered for funding allocation at the 5th UN-REDD Programme Policy Board meeting in Washington, DC on 4-5 November.

The analysis documents how deeply governance issues are addressed within each R-PP or NPD, considers what commitments are being made to further explore

these issues moving forward, and identifies existing gaps. We expect this information will be useful for those seeking to assess the adequacy of R-PPs or NPDs, including members of the FCPF Participants Committee, UN-REDD Programme Policy Board, civil society organizations in REDD+ countries, and other interested stakeholders. Recommendations on areas where additional efforts are needed should help those monitoring the readiness process as it progresses in specific countries

Although the list is not exhaustive and may not be equally relevant in all countries, it provides a working framework to highlight key governance issues for REDD+. In the tables following this introduction, each R-PP or NPD is analyzed relative to the above list of governance considerations, which in turn include several sub-components. An R-PP or NPD's treatment of the overarching governance consideration is summarized in a brief narrative, and each sub-component is marked green, yellow or red. A green mark indicates that the REDD+ strategy document has, in the view of the authors, convincingly discussed the issue and provided reason to believe that processes are in place to make further progress moving forward. A yellow mark indicates that the issue has been only partially or superficially considered and that the authors do not elaborate concrete future plans to address the issue. Finally, a red mark indicates that the issue has not been addressed in the R-PP or NPD.

4.14 Feasibility on the Development of REDD+ Project Scheme for Forest Conservation and Protection with Sustainable Forest Management – Oji Paper

A REDD+ Project feasibility study is currently under implementation until March 2011, will look into potential REDD+ funding for Oji Paper's plantations in central and southern Laos. The study is commissioned by Japan's Ministry of Economy, Trade and Industry. It is supposed to develop, "the methods to measure, present and evaluate effectiveness of plantation projects in CO₂ absorption and effectiveness of countermeasures against deforestation and forest degradation in reducing CO₂ emissions,".

Under a bilateral government agreement between the Governments of Japan and Lao PDR, the bilateral offset crediting system of Japan will issue certified carbon offset credits to project proponents which contribute to GHG emission reductions overseas, including Lao PDR, through implementing the latest low-carbon technologies. Compared with the current Clean Development Mechanism, the following advantages of the bilateral system include:

1. Expansion of target sectors or acceleration of technology diffusion – by including REDD+ project as a target sector, GHG mitigation activities in forestry can be promoted
2. Enlargement of target countries – increasing possibilities of implementing projects in developing countries other than in China and India
3. Simplification of accounting methodologies and certification processes - increasing the usability of methodologies by easing the conditions of "additionality". Also establishing efficient processes of utilizing approved methodologies under the current voluntary market schemes such as the VCS.

5. AWARENESS AND CAPACITY BUILDING ACTIVITIES

5.1 National Workshops and Consultations

5.1.1 High level REDD+ Meeting

The high-level REDD+ meeting was to introduce REDD+ to a wide range of stakeholders, including high-level decision makers from all sectors concerned, as well as representatives of international organizations, donor initiatives, NGO's and the private sector. It will provide a significant forum to present and discuss background information on REDD+, its relevance to the Lao PDR and on relevant support processes (FCPF/FIP). In line with this, it is anticipated that it will create sufficient awareness and intention to establish political will and commitment of concerned stakeholders to the benefit of the Lao REDD development process.

5.1.2 First R-PP Stakeholder Consultation Workshop

The first RPP stakeholder consultation workshop will kick-off the stakeholder consultation process for the RPP formulation as a part of the REDD readiness preparation. It intends to provide a forum to a wide range of relevant stakeholders, including government agencies from all concerned sectors, as well as representatives of international organizations, donor initiatives, NGO's and the private sector to introduce to the ongoing REDD RPP process in Lao PDR, to present and discuss first ideas on how to get "REDD ready", to identify interests of concerned stakeholders to get involved in REDD and to collect opinions on how to address REDD key themes during the readiness preparation period. This first event will be followed up by a second RPP stakeholder consultation workshop, which will provide a forum to present and discuss the draft version of the RPP with all relevant stakeholders to integrate their concerns mid of August.

5.1.3 Second R-PP Stakeholder Consultation Workshop

The first REDD readiness preparation proposal (RPP) stakeholder consultation workshop together with the High-Level REDD Meeting in May 2010 introduced an outline of REDD+, FCPF process, main components of RPP and gained many feedbacks from the wide range of participants on possible ideas concerning RPP. The Second RPP Stakeholder Consultation Workshop will provide a forum to present and discuss a draft version of RPP with all relevant stakeholders same as the first one to integrate their views and comments on the draft. RPP draft will be revised based on the outcome of this consultation and further finalized for submission to FCPF.

The objectives of the second RPP consultation workshop include:

- To continue to consult and work on REDD related issues,
- To propose and discuss RPP draft, and
- To revise the draft RPP so as to be in line with plans and strategies of concerned stakeholders and to submit to a higher level for consideration

5.1.4 CliPAD Strategic Planning Workshop

The workshop was held in Vientiane on March 30th, 2010. The objectives of the workshop were to:

- Serve as an introduction towards the concept behind the "Climate Protection through Avoided Deforestation (CLIPAD)" TC Module and form a common understanding of the goal of the TC Module.

- Develop the strategic framework for CliPAD interventions for the first phase of the project.

The workshop consisted of presentations and facilitated discussion. The discussions were held in the plenary and in working groups and led to a draft Strategic Action for CliPAD.

The participants of the meeting will include the relevant government officials within DoF, other relevant national and local stakeholders and developing partners.

5.1.5 REDD information sharing and deforestation drivers analysis workshop in Bolikhamxay province

As part of the Bolikhamxay Province feasibility study (see 3.5.2), WCS conducted a one day meeting on the 5th of May 2010 with representatives from the provincial and district governors offices, several sectors of the Provincial Agriculture and Forestry office, the military, police and Theun Hinboun Power to provide information about REDD and identify drivers of deforestation and forest degradation that affect forests in the province. The meetings objectives were as follows:

- Raise awareness of REDD amongst provincial stakeholders
- Introduce the REDD feasibility study which WCS is undertaking for the national REDD taskforce
- Understand the current and future threats to the forests in Bolikhamxay Province and how they relate to Nam Kading NPA and to the watershed of the proposed Theun Hinboun Expansion Project.

5.1.6 REDD+ Technical Capacity Building Workshop on GIS and RS and Forest Carbon Inventory and Assessment by Winrock

The workshop was held in Vientiane, Lao PDR, August 23 – 25 2010. This hands-on workshop provided training in the technical requirements to develop a Reference Emission Level (REL) scenario and Monitoring, Reporting and Verification (MRV) program to Lao PDR government staff directly involved in the analysis required to develop and implement a REDD+ strategy. Two concurrent trainings were held, the first for forestry specialists and the second for GIS and RS specialists.

The level of capacity in Lao PDR for implementing REDD+ was relatively low compared to other countries in the region. This was in part due to a lack of experience with REDD+ in the country. However, this did not affect the level of enthusiasm at the workshop. Participants were eager to gain a solid understanding of the key concepts as opposed to covering a wide range of material and assimilated a large amount of information in short time frame.

Attendees: About 35 people attended the two sessions from the following entities:

- Ministry of Agriculture and Forestry
- Department of Forestry
- Forest Inventory and Planning Division
- DFRC
- Protection Forest Division
- Planning Division
- Department of Forest Inspection
- National Agriculture and Forest Research Institute (NAFRI)

- Water Resource and Environment Administration (WREA)
- GIS Division
- National Land Management Authority (NLMA)
- GIS and RS data centre
- National University of Laos (NUoL)
- Faculty of Forestry
- Faculty of Environment

5.1.7 The Lao PDR Workshop on Payment for Ecological Services - Incentivizing Biodiversity Conservation and Climate Change Mitigation

The workshop was held in Vientiane, 24th February 2010. It is anticipated that the workshop will offer an opportunity for Lao policymakers, environmentalists and developers not only to share their research and experience, but also to learn from international best practices on environmental policy. The seminar was co-organized by Global Environmental Institute with the Water Resources and Environment Agency, and sponsored by Blue Moon Fund.

5.1.8 RECOFTC

Involvement of Lao PDR in RECOFTC activities, 2010
People, Forests and Climate Change

1. REDD Learning Network:

- a. **Event:** REDD Learning Network regional planning workshop,
Location and date: Bali, 3-5 February,
Participants: Dr Lamphouane Xayaphongsa and Dr Sithong Thongmanivong (NUoL)
- b. **Event:** Decoding REDD workshop 5, 'Effective REDD+ safeguards: Lessons from forest certification'
Location and date: Sandakan, Sabah, Malaysia 21-23 April
Participants: Dr Sithong (NUoL) and Phomma Pathoum-mavong (DoF)
- c. **Event:** Media training workshop, 'People, Forests and Climate Change'
Location and date: Bangkok, 11-12 November:
Participant: Panyasith Thammavongsa (Vientiane Times)
- d. **Event:** Regional research workshop
Location and date: Bangkok, Thailand 19-21 July
Participants: Dr Sithong (NUoL)
- e. **Event:** Regional reflection and planning workshop
Location and date: Bangkok, 11-12 November:
Participants: Dr. Sithong and Mr. Fongkeo Buarapha from NUoL and Mr. Bounsouane Phongphichith from DoF.

2. Benefit Distribution Study for REDD:

Dr. Nguyen Quang Tan of RECOFTC Vietnam country program worked as an advisor to IUCN's benefit sharing study for Cambodia and Laos between 2 February and 8 March, including meetings with key Lao stakeholders in REDD+ during this period.

3. REDD-net:

- a. **Event:** Regional civil society workshop, 'Carbon Rights and REDD+'
Location and date: Quezon City, Philippines, 17-19 August
Participant: Khamla Phoutarath, Village Focus International

5.1.9 Information and Awareness Raising on REDD+ in Lao PDR by the Lao Biodiversity Association

The workshop was held in Vientiane, 26th November 2010. Many REDD+ initiatives are underway in Southeast Asian countries; in Laos both bi and multi-lateral donors and government have given support to REDD+ and projects are advancing. But, what does this mean for the forests of Laos and the people which rely on them to sustain their livelihoods? Also, how will the work of development organisations which are assisting these communities be effected? The goal of the forum is to build understanding amongst local and international civil society in Laos about what REDD+ is and how it could impact rural development efforts. The forum included:

- Presentations by local and international civil society, donors and the Government of Laos, Department of Forestry.
- A panel of experienced (civil society, donor and government) individuals on REDD+
- An open forum to address various aspects and potential impacts (poverty reduction, biodiversity, land tenure, indigenous people, participation etc) of REDD+

Over 55 participants attended the forum, mainly representing Civil Society Organisations (CSOs).

In addition several provincial workshops have been held in:

- Champsak, June 22-23, 2010
- Phongsaly, November 17, 2010

The Lao Biodiversity Association has also translated the following documents to the Lao language:

- What is REDD? (IWGIA and AIPP)
- Simply REDD (CIFOR)
- REDD in Vietnam (UN-REDD)

5.2 International Conferences

Lao representatives from the Department of Forestry, National Agriculture and Forestry Research Institute, Department of Forestry Inspection, Water Resources and Environment Agency and the National University of Lao participated in a number of international conferences to build capacity and share knowledge and experiences on REDD throughout the region, see table below for summary of seminars and conferences attended.

Table 1 International Participation in Conferences and Seminars by Lao delegates in 2010

Date	Place	Seminar/Conference	Participants
June	Hanoi, Vietnam	Katoomba Group Payments for Ecosystem Services	NAFRI, DoF
June	Bangkok, Thailand	FPIC RECOFTC	GTZ, WCS
June	Bonn, Germany	UNFCCC negotiations	NAFRI, DoF, WREA
July	Brasilia, Brazil	REDD+ Partnership meeting	DoF
July	Bangkok, Thailand	Grassroots capacity building for REDD, RECOFTC – Regional Research Workshop	NUoL
July	Luang Prabang, Lao PDR	Grassroots capacity building for REDD RECOFTC	NUoL, Provincial forestry organisations
August	Bali, Indonesia	Asian Forestry Partnership Dialogue on illegal logging and REDD+	DoFI
August	Bonn, Germany	UNFCCC negotiations	WREA
August	Bonn, Germany	REDD+ Partnership	WREA
August	Seoul, South Korea	IUFRO	NUoL
August	Seoul, South Korea	ASEAN AKECOP-AFoCO	DG DoF
September	Hanoi, Vietnam	UN REDD, (GTZ)	DoF
September	Chiang Mai	FAO Linking forestry communities in SE Asia with forestry related voluntary carbon market	DoF, Ministry of Finance
October	Tianjin, China	REDD+ Partnership	DoF
October	Tianjin, China	UNFCCC negotiations	DoF, WREA
November	Siem Reap, Cambodia	Forest Dialogue on REDD by IUCN	DoF
November	Bangkok, Thailand	Regional UN REDD meeting	DoF, MPI and Ministry of Finance
November	Netherlands	Conference on UN REDD by UNDP	MAF, DoF
November	Bangkok Thailand	Grassroots capacity building for REDD Regional reflection and planning workshop RECOFTC	DoF, NUoL (2)
November	Kalimantan, Indonesia	Woods hole Research Centre Workshop on GIS for REDD+	NUoL, WREA
December	Cancun, Mexico	UNFCCC and COP 16	DoF, NAFRI, WREA, Ministry of Foreign Affairs

6. INTERNATIONAL PROCESSES

6.1 United Nations Framework Convention on Climate Change

Delegates from the Department of Forestry and from the National Agriculture and Forestry Research Institute participated in the United Nations Framework Convention on Climate Change (UNFCCC) negotiations specifically on REDD+ throughout 2010. The Lao delegates were involved in the REDD+ negotiations within the Ad hoc Working Group for Long-term Cooperative Action (AWG-LCA) and the Subsidiary Body for Scientific and Technological Advice (SBSTA). The meetings attended were:

- 10th AWG-LCA under UNFCCC in Bonn, Germany in June
- 11th AWG-LCA under UNFCCC in Bonn, Germany in August
- 12th AWG-LCA UNFCCC in Tianjin, China in October
- CMP/COP 16, 32nd SBSTA/SBI, 13th AWG-LCA and 11th AWG-KP under UNFCCC in Cancun, Mexico in December

The delegates reported the developments from the negotiations back to REDD Task Force members with presentations to the REDD Task Force.

Generally, Lao PDR rarely makes an intervention during the climate negotiations, despite having developed one of the most applauded national positions on REDD+. So how has Lao PDR increased its participation in the international climate negotiation processes during 2010? Lao PDR recently started using multilateral negotiating blocks that represent common positions across a number of countries, leading to a more efficient and effective strategy for achieving international consensus to reach a REDD+ deal in Cancun.

Prior to the COP16 REDD+ negotiations, the Lao negotiation team prepared by developing common positions on REDD+ with several negotiating blocks; the ASEAN group, to which Lao PDR is a member to, made a breakthrough in the week before COP16 with an official ASEAN common position on REDD+ (see section 7). During COP16, Lao PDR joined more than 25 other countries under the Coalition for Rainforest Nations and called for a REDD+ agreement in Cancun. Lao PDR joined the position of the Coalition for Rainforest Nations several times throughout the negotiation process in Cancun, to add support and push for an agreement.

The Least Developed Countries (LDC) group, to which Lao PDR is also a member to, prepared their view for a way forward to reach a REDD+ agreement during COP16. The LDC group held a preparatory meeting in Gambia in November, leading into the COP 16 negotiations, and presented a common position in the AWG-LCA drafting session.

Of key importance (though unsuccessful), the largest developing country negotiating block of the climate talks – G77+CHINA, also to which Lao PDR is a member to, attempted to reach a common position on REDD+ at COP 16 in Cancun to overcome an impasse caused by the positions held by Saudi Arabia and Bolivia.

By using these negotiating blocks, Lao PDR participated in many informal consultations with other countries – which, in the end, was an important part of the process that resulted in the REDD+ agreement from Cancun.

6.2 REDD+ Partnership

The following submission was prepared by the co-chairs of the REDD+ partnership for 2010, Federica Bietta representing Papua New Guinea and Junya Nakano representing Japan, and summarises the activities and main accomplishments of the REDD+ partnership throughout 2010.

The REDD+ Partnership was launched at the Oslo Conference on May 27th 2010 with the core objective to “contribute to the global battle against climate change by serving as an interim platform for the Partners to scale up REDD+ actions and finance, and to that end to take immediate action, including improving the effectiveness, efficiency, transparency and coordination of REDD+ initiatives and financial instruments, to facilitate among other things knowledge transfer, capacity enhancement, mitigation actions and technology development and transfer.” Lao PDR signed the Agreement in Oslo, and became an official partner in May 2010.

Since then, Partners have been engaged in constructive and insightful exchange of views at the meetings held in Brazil, Bonn, Tianjin, Nagoya and Cancun. In the very short time since the launch of the REDD+ Partnership, under the prescribed guidance of the co-Chairs, Partners have achieved the following concrete results:

- Agreement on procedural issues, namely the modalities for stakeholders participation and the provision of secretariat services by the FMT/PT in accordance with the REDD+ Partnership document and consequent Terms of Reference and reaching near closure of the role of co-chairs discussions;
- Agreement on the work program for 2010 including the following immediate actions:
 - Initiation of the voluntary REDD+ database which will:
 - Improve the transparency around REDD+ financing, actions and results;
 - Support efforts to identify and analyze gaps and overlaps in REDD+ financing and actions;
 - Help share experiences in REDD+ initiatives between Partners and other stakeholders
- Launch of the REDD+ Partnership website for enhanced information sharing, transparency and communication;
- Commission of a study for the identification and analysis of financing gaps and overlaps. This has allowed for:
 - Appointment of an independent consultant to provide a study on REDD+ financing gaps and overlaps with the aim to contribute to the scaling up REDD+ of actions and finance and to improve the effectiveness, efficiency, transparency and coordination;
 - This analysis will serve as a basis for a final report containing a preliminary identification and analysis of REDD+ financing gaps and overlaps and an initial set of recommendations on ways to address REDD+ financing gaps and overlap to be ready before COP-16;

Finally, and perhaps more importantly, Partners have agreed on the Work Program for 2011 and 2012 under the guidance of the co-Chairs summary of the Ministerial

meeting of Nagoya. This will continue to develop the four components of the Work Program 2010 and include important elements of the Partnership's core objectives to be developed in 2011 and 2012 such as:

- Facilitating readiness activities
- Facilitating demonstration activities
- Facilitating results based actions
- Facilitating the scaling up of finance and actions
- Promoting transparency

In Nagoya, Ministers reaffirmed the crucial role to be played by the REDD + Partnership as an interim platform for scaling up of REDD+ actions and finance, and to that end to take immediate actions to improve the effectiveness, transparency and coordination of REDD+ efforts. The Ministers welcomed the announcement of new pledges by Belgium, Canada and Italy to support REDD+ activities, as well as the achievements of 2010 and the importance of continuing to work and implement the core activities identified in 2010 and in the period 2011-2012.

From Lao PDR, His Excellency Dr Sitaheng Rasphone, Minister of Agriculture and Forestry, delivered the following speech at the REDD+ Partnership meeting in Nagoya:

Dear Chair and Esteemed Colleagues,

It is with a great sense of patience and urgency that Lao PDR participates within the REDD+ partnership. Obtaining the necessary financing to reduce emissions from deforestation and forest degradation is critical, if Lao PDR's potential to use its forests to mitigate climate change is to be realised.

Lao PDR has made considerable progress over the last 2 years with multilateral and bilateral efforts to reduce emissions from deforestation and forest degradation. Our Readiness Preparation Proposal, through the World Bank's forest carbon partnership facility is now complete and has set Lao PDR on its path towards developing its national REDD+ strategy, and strengthening its REDD+ institutions.

Working with donors, notably from the, Japan, Finland, Germany and the World Bank, has already resulted in a growing awareness of forests and their critical functions for not only climate mitigation, but for biodiversity, improving watershed services, as well as providing a source of food and shelter to the rural population of Lao PDR, many of which are ethnic minorities. Some 80% of Lao PDR's population relies on forests for their livelihoods, yet the rural population are also the most vulnerable to the impacts of climate change and poverty.

Participating in the REDD+ partnership in Nagoya at the kind invitation from our Japanese friends I would like to specifically make reference to the Japanese government's REDD+ assistance to Lao PDR, with great appreciation. With the assistance from our kind donors from Japan, we are building the forest resource information management centre, to improve our ability to monitor and assess our forest resources. In addition, the government of Japan's assistance provides Lao PDR's national agriculture and forest research institute the opportunity to cooperate with Japan's finest forest researchers on forestry and climate change through cooperation with the Japanese Forest Products Research Institute. The government of Japan has also commenced a REDD+ demonstration activity in Northern Lao PDR that provides alternative livelihoods to deforestation and forest degradation caused by forest dependent communities that practice shifting cultivation.

In addition to Japan, the Finnish Government, in cooperation with the World Bank, has been a long friend to the government of Lao PDR and its project for sustainable forestry and rural development, which has been on-going in Lao PDR for almost 10 years, is now providing important lessons learned for REDD+ and certified sustainable forest manage-

ment for the region. Our sustainable forestry and rural development project demonstrates something very important – that to be able to maintain permanence of emission reductions and sustainability of forestry, financing and partnership are required over a long period of time to deliver real and lasting emission reductions from forestry.

The Government of Germany has recently come to Lao PDR with its climate protection for avoided deforestation program in two national protected areas. We have great hopes for this project.

Lao PDR's position to climate mitigation through forestry and REDD+ is steadfast and unbendable, and its national forest strategy target for restoring the country's forest cover target to 70% of its area by 2020 is an example of Lao PDR's unquestionable commitment.

As a least developed country, with its sights on departing from this category by 2020, Lao PDR firmly believes that REDD+ is an opportunity for real climate change mitigation and socio-economic development. So today, I would like to urge a future program focus for the partnership. Focus on Actions that deliver emission reductions. Focus on providing the scale of finance that is sustainable, predictable and effective that reduces emissions from deforestation.

I understood that the Partnership has faced the great challenges to find common ground to move many immediate programs forwards. Individual countries' positions and requirements are still diverse. The progresses in discussions on technical aspects have moved slower than expectations, and that has frustrated many partners involved. I, however, firmly believe that we will be able to overcome those challenges very soon, and so, we will work together focusing on actions as soon as possible.

The REDD+ Partnership convened twice in Cancun, Mexico, which coincided with the 16th Conference of Parties. The first meeting was on Friday 26th November for the Workshop on Enhanced Coordinated Delivery of REDD+: Emerging Lessons, Best Practices and Challenges.

The Workshop had two objectives, as outlined in Annex II of the REDD+ Partnership Document and elaborated in Component 4 of the Work Program for the REDD+ Partnership 2010, specifically:

1. Share lessons on our REDD+ initiatives and share best practices regarding significant REDD+ actions and financing, practical experiences regarding safeguards, multi-stakeholders consultations and benefit sharing mechanisms.
2. Promote and facilitate cooperation among Partners including South-South partnerships and regional REDD+ networks as well as among multilateral and bilateral REDD+ initiatives.

Interested Partners were invited to present their countries' experiences related to the topics covered by the Workshop. The World Resources Institute (WRI); the Environmental Law Centre of IUCN (International Union for the Conservation of Nature); and Proforest in collaboration with an independent Safeguard Policies Expert prepared background papers for the Sessions on 'Stakeholder Consultations,' 'Benefit Sharing,' and 'Applying Safeguards', respectively.

The second meeting was on Sunday 28th November. The meeting discussed the REDD+ Partnership draft work program 2011-2012. Keith Anderson (Switzerland – coordinator of the drafting group) explained the drafting process. The group included also Victor Kabengele Wa Kadilu (DRC - components 1 and 2), Andrew Bishop (Guyana – component 3) and Jenny McInnes (UK – component 4). Component 5 of the draft work program was prepared by the coordinator. The group had started the work on 1 November 2010, having received a compilation of Part-

ners' and Stakeholders' comments from FMT/PT. The draft was compiled by the group, co-Chairs and FMT/PT on 26 November. The coordinator described it as a framework and living document, and emphasised the need to prioritise the activities, which Partners agreed.

With the view to respect the Nagoya co-Chairs summary endorsed by the Ministers and to adopt the work program by the end of 2010, Partners agreed that the document will be revised by FMT/PT to incorporate the generic and specific comments made at the meeting, including addressing the inconsistencies between operational measures, activities and deliverables, and clarifying Partnership activities. The Work Program 2010 will be integrated with the new program, to ensure continuity of the activities agreed.

Additional documents, meeting agendas, meeting minutes, presentations and papers for the REDD+ Partnership are available from the website: www.reddpluspartnership.org

7. REGIONAL PROCESSES

7.1 ASEAN

ASEAN COMMON POSITION PAPER ON REDUCING EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION PLUS (REDD+) IN DEVELOPING COUNTRIES

Concluded at ASOF High Level Executive Seminar on ASEAN Common Position for UNFCCC COP 16, 20 November 2010, Bogor, Indonesia

Principles

Recognizing the roles of forest as life support system including biodiversity conservation, watershed protection, livelihood for forest dependent people and the back bone of socio-economic development in many developing countries; and the roles of forest in climate change mitigation and adaptation;

Noting that tropical forest has high carbon stock and has great potential for CO₂ removal. Addressing deforestation and forest degradation could contribute to the reduction of global GHGs emission, which is estimated about 17 % of the total emission as reported by IPCC 4th Assessment Report;

Cognizant of the concern on the risks of climate change to forest ecosystems and forest dependent people as well as reduction in the provision of forest products and services, which are considered obstacles to the realization of the Millennium Development Goals;

Also recognizing that forests in ten ASEAN member states may contribute significantly to climate change mitigation and adaptation.

Affirming that adaptation measures to protect these forests from adverse impact of climate change must be supported with capacity building, technology transfer and development, and finance.

Acknowledging that reducing emissions from deforestation, reducing emissions from forest degradation, conservation of forest carbon stocks, sustainable management of forest, enhancement of forest carbon stocks (REDD+) is one of the most effective tools for strengthening international cooperation on forestry in responding to climate change;

Underlining the importance of collaborative efforts by the international community, including developed countries as well as through south-south cooperation, in fostering the development of REDD+ through adoption of practical and enabling financing mechanisms; and

Reaffirming the ASEAN Leaders' guidance on implementation of REDD+ in the ASEAN region with due consideration on the voluntary nature, respect of national sovereignty and progressive development.

Key Issues

- Shared vision on setting target for deep cut of the global GHGs emissions to the level that maintain temperature increase below 2 °C;
- Limited commitment of developed countries in reducing GHGs emissions;

- Success of mitigation actions by developing countries including REDD+ requires substantial support from developed countries such as finance, capacity building, and technology development and transfer;
- Elements for Decision on REDD+ in COP-16; and
- Balanced MRV of actions by developing countries and support by developed countries.

ASEAN Position

In acknowledging the crucial roles of REDD+ in developing countries in reducing emissions and increasing removals of GHGs from the atmosphere, the ASEAN member states, taking into account the above principles and key issues, express the views as the following :

1. All Parties should endeavour to reach consensus in COP-16 on balanced package of decisions between Bali Action Plan and the Kyoto Protocol and between elements of Bali Action Plan¹,
2. All Parties should collaboratively work to reduce GHGs emissions to the level that maintain temperature increase below 2 °C to prevent adverse impacts of climate changes, on the basis of common but differentiated responsibilities and respective capabilities,
3. REDD+ implementation should take into account the social and environmental safeguards, seek to create multiple benefits as well ensure the rights of forest dependent people and their meaningful engagement in the design, implementation, monitoring and evaluation of REDD+ based on national circumstances.
4. For REDD+ to be successful, there is a need for implementable modalities, rules and procedures.
5. Progress made by countries currently implementing REDD+ activities must be acknowledged and encouraged to continue their initiatives beyond readiness. In this regard, we express deep concern on any efforts to reduce elements of the negotiating text in document FCCC/AWGLCA/2010/14 (option 2) which was produced in a very conducive negotiation atmosphere since the COP-11 in Montreal when the concept was first brought into the COP agenda as “Reducing Emissions from Deforestation in Developing Countries” until what we have now as REDD+ in developing countries.
6. REDD+ implementation shall be in accordance with national capabilities and circumstances of developing countries, respect sovereignty, and thus allowing developing countries to continue their national development at the same time contributing to mitigation of climate change. In this regard, we would like to emphasize the importance of the following elements for a COP-16 decision on REDD+ :
 - Scope of REDD+ should be as in Bali Action Plan that covers the following activities : (a) Reducing emissions from deforestation; (b) Reducing emissions from forest degradation; (c) Conservation of forest carbon stocks; (d)

¹ Balanced package between Bali Action Plan and the Kyoto Protocol refers to equal treatment between commitment of developed countries under the Kyoto Protocol and Bali Action Plan,
Balanced packaged between elements of Bali Action Plan refers to Paragraph 1 of the Bali Action Plan.

Sustainable management of forest;(e) Enhancement of forest carbon stocks;

- The need for flexible approaches including national accounting with sub-national implementation, and a phased approach which allow developing countries to choose the phase they start and elements in each phase.
 - Developing countries should be allowed to choose either fund based, market based or combination of fund and market-based sources, to accommodate differing country circumstances, level of readiness, priorities and other relevant policies;
 - Emphasize the importance for COP 16 to mandate SBSTA to address outstanding technical, methodological and other relevant issues.
7. Requirement of MRV of actions by developing countries should be balanced with MRV of supports by developed countries.

ANNEX 1 LAO PDR'S NATIONAL POSITION ON REDD+

The national REDD+ position for Lao PDR has the objective of being flexible, adaptive to the national circumstances and capacities and based on the negotiating text for the Ad Hoc Work Group for Long-term Cooperative Action (AWG-LCA). The below position was prepared by the Lao delegation and presented at COP 15, December 2009.

Lao PDR desires a flexible stand-alone internationally binding agreement for reducing emissions from deforestation and forest degradation; with enhancement of carbon stocks, conservation and sustainable management of forests. Such a scope supports the Forest Strategy 2020 and the 5 year plan of the Ministry of Agriculture and Forestry. It also supports the ambitious target of achieving 70% forest coverage of land area in Lao PDR by 2020. Lao PDR does not support the imposition of targets related to REDD+, especially when the level of financing, and time frame is still unclear. Lao PDR does not support REDD+ being administered under Nationally Appropriate Mitigation Actions (NAMAs) framework, because Policies and Measures, as well as action plans and strategies are very difficult to quantify in terms of impact on emissions within the Land Use and Forestry sector.

With respect to principles, Lao PDR affirms that the principles and provisions of the Convention guide that implementation activities of REDD+ and that such activities should be country driven, voluntary, take into account national circumstances and capacities, respect country sovereignty, facilitate sustainable development, reduce poverty, promote broad country participation and be subject to equitable, adequate, predictable and sustainable financing, with financing included for technology support and capacity building.

Lao PDR foresees REDD+ as a mechanism which supports the conservation of natural forests and safeguards against their conversion to plantations. Lao PDR supports the necessary safeguards which should be in place to address risks of permanence and reduce leakage. As a country which has signed the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and the Convention for Biological Diversity (CBD), Lao PDR supports actions which take into account these relevant international agreements which complement the sustainable implementation of REDD+.

With respect to scale, Lao PDR supports the nested approach in which the overall aim is to implement REDD+ at a national level. However, having a subnational approach nested within a national framework is the most realistic option as it takes into account the national circumstances and capacities of the country, which differ by region, and supports project related REDD activities, as well as national level strategies, programmes and action plans. Having a sub-national approach also means that REDD+ demonstration activities can start very quickly, and have the option of access to the voluntary carbon market. The nested approach also supports the 3 phased implementation of REDD+ where the timeframe for implementing readiness (phase 1), demonstration activities (Phase 2), and full implementation (phase 3) , will differ significantly depending on the region in Lao PDR.

For implementation, Lao PDR supports the 3-phased approach. Phase 1 begins with the development of national strategies, action plans, policies and measures, and has a specific focus on capacity building. Phase 2 would follow with implementation of national policies and measures, and national strategies or action plans and, as appropriate, sub-national strategies that could further involve capacity building, technology transfer and results-based demonstration activities. Phase 3

would include results-based actions that are fully monitored, reported and verified. The timeframe for implementation of such activities should depend on national circumstances, capacities and capabilities.

Financing REDD+ is an essential feature and will be strongly related to the overall outcome and success of REDD+ in Lao PDR – flexibility is the most important element for financing REDD+ in Lao PDR. At this stage, Lao PDR prefers to build readiness for REDD+ with bilateral relationships with donors, given the extensive capacity building which is required within the readiness phase. As a participating country within the Forest Carbon Partnership Facility (FCPF), Lao PDR also supports multilateral approaches for financing. In the hope to keep financing flexible, particularly within the UNFCCC, Lao PDR supports the hybrid approach to financing which means financing REDD can come from both funds and market based approaches. Lao PDR is also interested in opportunities within the voluntary market to support sustainable project based approaches to REDD+.