

## Project proposal



### Project Classification (check all that applies)

- ☐ Culture and Tourism
- ☐ Human Resources Development
- ☒ Agriculture and Rural Development
- ☐ Infrastructure
- ☐ Information and Communication Technology (ICT)
- ☒ Environment
- ☐ Non-traditional Security Challenges

### Project Title

**Livelihood development for sustainable forest governance in Northern Laos**

### Brief Description of the Project

Recent proposed project will support the government to implement two key important strategies. These include the National Forestry Strategy to increase national forest coverage and sustainable forest management and the Poverty Reduction Strategy to improve rural people's livelihood in rural areas.

The government of Laos is piloting REDD+ activities in 6 provinces in Northern Laos. These include Houaphan, Sayyabouly, Luang Prabang, Oudomxai, Luang Namtha and Bokeo. These provinces have been included in Emission Reduction Programs of Laos. At the same time, Provincial REDD+ Action Planning had been developed for these provinces. However, whether REDD+ activities will be implemented by concerned local institutions on the ground has not clearly seen. Therefore, in order to initiate the related REDD+ activities that had been stated in the Provincial REDD+ Action Plans, this proposed project aims to support the implementation of related activities to REDD+ in two provinces (out of 6 total target provinces of REDD+) in Northern Laos; these include Houaphan and Xayyabouly provinces.

<p>Current proposal project aims achieve with following outputs</p> <ol style="list-style-type: none"> <li>1. Enabling environment for implementation of REDD+ activities in Laos</li> <li>2. Livelihood improvement and mitigation agricultural drivers of deforestation</li> <li>3. Implementation of climate change mitigation activities</li> </ol> <p>Detail of individual outputs has been clearly described in the section called <i>“Project Description/ Implementation Arrangement”</i> and in the section namely <i>“Outcomes, Outputs, Activities and Inputs at Project level”</i></p>	
<b>Country / Region</b>	
Lao PDR or Laos	
<b>Estimated Budget</b>	
<b>Total proposed budget: 499,600 USD</b> ( <i>four hundred, ninety-nine thousand and six hundred U.S. Dollars only</i> )	
<b>Proponent</b>	
Name	Department of Forestry, Ministry of Agriculture and Forestry (MAF)
Address	Thatdam Road, Chanthabouly District, Vientiane Capital, Lao PDR Tel: +856-21-215000
<b>Date of Submission</b>	25/08/2021

(2)



**Mekong-ROK Cooperation Fund (MKCF)**

**Project Proposal**

Brief Project Information	
1.1. Project Title	Livelihood development for sustainable forest governance in Northern Laos
1.2. Country (ies) / Region	Laos
1.3. Date of Submission	25/08/2021
1.4. Proponent Contact Details	
Contact person, position	- Dr. Thoumthone Vongvisouk; Director of REDD+ Division
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1.5. Project Area (check all that applies)	
<input type="checkbox"/> Culture and Tourism <input type="checkbox"/> Human Resources Development <input checked="" type="checkbox"/> Agriculture and Rural Development <input type="checkbox"/> Infrastructure <input type="checkbox"/> Information and Communication Technology (ICT) <input checked="" type="checkbox"/> Environment <input type="checkbox"/> Non-traditional Security Challenges	
Project Milestone	
Estimated implementation start date	<u>01/01/2022</u>
Estimated implementation end date	<u>30/12/2023</u>
Project lifespan	2 years 0 months
Description of Financial Elements	

<b>Estimated cost</b>	<p>Total project cost: <b>499,600 USD</b> (<i>four hundred, ninety-nine thousand and six hundred U.S. Dollars only</i>)</p> <p><b>Please kindly see detail in Annex 1: Budget proposal</b></p>
<b>Background / Justification</b>	
<p>forest cover in the country is about 58% of its total land area, which is significantly lower than 70% of forest cover found in the mid-1960s. There are numbers of drivers causing deforestation and forest degradation in Laos, these include agricultural expansion, harvesting of forest resources for both commercial and household use purposes, and infrastructure development. Deforestation encompasses reductions in forest stock, changes in plant species composition and size structure and loss of important habitats biodiversity (include endangered species)<sup>1</sup>; while deforestation is concerned by conversion of forested areas to other land uses such as agricultural expansion, mining, hydropower development and others.</p> <p>Livelihoods of some 80% of total population of Laos are relying on forest resources for their daily food, fuel, shelter, medicines and income generation<sup>2</sup>. Many livelihood activities are impacting both deforestation and forest degradation. Agricultural cultivation (for household subsistence and income generation) is one of the main livelihood activities for rural people causing deforestation in the country. Agricultural cultivation is characterized by low productivity due to limited use of high-quality inputs including quality of seed and fertilizers, irrigation, and low soil quality. Since population increases, farmers need more land for agricultural land for securing household food products and income. While, in the meantime, the land suitable for agricultural cultivation is limited, especially in the northern provinces of the country due to mountainous coverage. Farmers in the northern provinces are conducting shifting cultivation (slash-and-burn forested area for upland rice and other crop cultivation). Therefore, recent agricultural practices in the northern provinces are impacting deforestation; this highly need agricultural cultivation support to ensure that local people reduce clearing forest area for agriculture while at the same time securing their livelihoods.</p> <p>According to emission reduction programme document<sup>3</sup>, Laos emitted Greenhouse Gas (GHG) about 34.1 million tCO<sub>2</sub>eq/year during a decade 2005-2015 due to deforestation and forest degradation; in contrast, carbon removals about -7.53 million tCO<sub>2</sub>eq/year due to reforestation and forest restoration. Overall, forestry and land use change sectors are responsible for 67% emission in Laos and agricultural sector contribute about 28%<sup>4</sup>.</p> <p>Laos identifies it as a least developed country with limited capacity in adaptation to high vulnerable to climate change impacts<sup>5</sup>. Apart from improving capacity of concerned stakeholders (public, private and</p>	

<sup>1</sup> Thomas, I. L. (2015), *Drivers of Deforestation in the Greater Mekong Sub-region - Lao PDR Country Report*

<sup>2</sup> NAFRI (2006), *Improving Livelihoods in the Uplands of Lao PDR – A Sourcebook*, <http://www.mekonginfo.org/assets/midocs/0001773-environment-improving-livelihoods-in-the-uplands-of-the-lao-pdr.pdf>

<sup>3</sup> FCPF Carbon Fund (2018), *Emission Reductions Programme Document: Promoting REDD+ through Governance, Forest Landscapes and Livelihoods in Northern Lao PDR*, [https://www.forestcarbonpartnership.org/sites/fcp/files/2018/May/LaoPDR\\_ER- PD\\_FinalDraftMay.2018-Clean.pdf](https://www.forestcarbonpartnership.org/sites/fcp/files/2018/May/LaoPDR_ER- PD_FinalDraftMay.2018-Clean.pdf)

<sup>4</sup> WRI CAIT database (2014 data), <https://www.climatewatchdata.org/countries/LAO?source=31>

<sup>5</sup> *Lao PDR Second National Communication to the UNFCCC* (2013), <https://unfccc.int/sites/default/files/resource/Laonc2.pdf>



none governmental organizations), the government of Laos and development partners also attempt to mitigate carbon emission by implementation of sustainable forest management for reducing deforestation and forest degradation in the country. Institutional framework had been taken in place at the national and sub-national levels for implementation of Reducing Emissions from Deforestation and Forest Degradation (REDD+) in Laos. This include the establishment of a national REDD+ taskforce with its six technical working groups (legal framework, land tenure, MRV/REL, safeguards, benefit-sharing, and enforcement), implementation of mitigation activities, establishment of REDD+ office and REDD+ taskforce at the provincial level, development of national REDD+ strategy, forest Reference Level (FRL), establishment of National Forest Monitoring System (NFMS) and others.

Although the government of Laos and development partners are actively implement concerned activities to climate change mitigation and adaptation, number of important REDD+ components and activities are pending due to limitation of resources (both human and financial supports). The government of Laos is highly requiring financial support for development capacity on climate smart agricultural practice, agricultural extension promotion, and reducing livelihood depending on natural forest resources. Such support will help the government of Laos in mitigating carbon emission from agriculture, forestry and land use sectors in Laos and help adaptation in agriculture sector to climate change. Therefore, this proposed project on livelihood development for sustainable forest governance will help the government to implement two related strategies in the target project area in the Northern provinces of Houaphan and Sayyabouly. These strategies include (1) forest governance for increasing forest cover and biodiversity conservation; and (2) rural poverty reduction and livelihood improvement.

#### **Problems (to be addressed)**

1. The government of Laos received financial and technical supports from various institutions through bilateral and multilateral cooperation for REDD+ readiness preparation. With these respective supports, the government established National REDD+ taskforce with its 6 technical working groups. At the same time, the government of Laos also developed Provincial REDD+ action plans for 6 pilot provinces in northern region of the country. However, REDD+ activities at national level have not been well coordinated amongst the concerned national institutions. At the same time, although REDD+ action plans at the provincial level had been developed, the REDD+ activities are not actively integrated into the socio-economic development and annual action plans of concerned local governmental institutions (province and district). Therefore, one of the expected outputs of this proposed project is to enable environment for REDD+ activity implementation in Laos.
2. According to the National Forestry Strategy to 2020 (new National Forestry Strategy to 2030 will be submitted to the National Assembly to get official approval soon), the government of Laos considered that the expansion of agricultural land area to forested area, especially through shifting cultivation system, is one of the main drivers of deforestation in Laos. The government expected to increase forest cover in the country into 70% of total country's land area by 2020 by halting shifting cultivation, restoration of forest, supporting permanent agricultural cultivation and provision of various livelihood activities to avoid accessing to forest resources by local villagers. Recent proposed project aims to provide various livelihood activities through provision of village development fund; at the same time, the proposed project also aims to support permanent agricultural cultivation to villagers in the target villages of the project. This includes survey for suitable area and operation (development) new paddy paddy rice area (wet rice cultivation area) and

provision technical extension for agricultural cultivation.

3. Since early 1990s, the government of Laos received supports from bilateral and multilateral cooperation and funding for land use planning in the country. Land use planning in Laos had initiated by demarcation of village forested and agricultural land, then followed by allocation of agricultural land for individual households. Through the land use planning, regulation of village land and forestland management had been developed and approved by the government of district. However, such regulation is not fully functioned and enforced in many villages in the country due to various reasons include limited financial support for monitoring the implementation of regulations, regulation is not suitable to realistic environment of the villages and others. Hence, this proposed project aims to support not only revision of regulation of forest and forestland management in the project target villages, but also strengthening the enforcement of the regulation to ensure that village forest and forestland areas are sustainable managed by villagers. At the same time, the project will also support forest restoration in the identified highly degraded forest area in the target villages, districts and provinces.

#### Project Objective

The main objective of this proposed project is to support the government of Laos to implement related framework and activities to adaptation and mitigation to climate changes; which involve the sustainable livelihood development in the high vulnerable deforestation and forest degradation areas in the country. The specific activities of the project include

1. Enabling environment for implementation of REDD+ activities in Laos

This objective is to unlock of various obstacles for REDD+ implementation through revising and strengthening the legal and regulatory framework for forestry sector and improving enforcement of forestry regulatory framework.

2. Livelihood improvement and mitigation agricultural drivers of deforestation

This objective will support enhancing good agricultural and agroforestry practices in the target project areas in two northern provinces (Houaphan and Xayaboury). Good agriculture and agroforestry practice include improving agricultural productivities through provision of agricultural extension support to selected farmers in the highly deforestation due to the expansion of agriculture. Provision of technical assistances to agricultural extension staff at the provincial and district levels by applying a training-to-trainer approach (ToT), development of training materials on agribusiness development, livestock production, agricultural cultivation and agroforestry practices. At the same time, under this objective, the project will provide initiative agricultural production funding to village level for supporting good agricultural practices of target families in the selected villages in the three mentioned provinces in northern Laos.

3. Implementation of climate change mitigation activities

The proposed project aims to support reducing emissions through sustainable forest management and promotion of forest restoration in the selected villages in the two target provinces. This will include the management of existing forest and restoration of forest (ie. enrichment approaches) in the degraded areas in the village demarcated forest areas based on village land use planning territories. sustainable forest management activities include (1) development of village forest management regulation, (2) investment for forest restoration in identified degraded land, and (3) reeducate villagers for understanding the important

of forest management for their future livelihoods.

#### Project Description / Implementation Arrangement

##### **Output 1: Enabling environment for implementation of REDD+ activities in Laos**

Activity 1: Supporting institutional restructuring for REDD+ in Laos. Although the Forest Carbon Partnership Facility (FCPF) of the World Bank (WB) supported the government of Laos for readiness phase for REDD+, study indicated that there is still need to reform the policies and institutions on REDD+<sup>6</sup>; for instance, there is no guideline state who (in which state organization) at the national and sub-national levels will perform as focal point for carbon credit registration. At the same time, although Provincial REDD+ Action Plan (PRAP) was developed for 6 REDD+ pilot provinces in the northern part of the country, but whether and how activities stated in PRAP will be brought into action has not been clearly seen. This needs to negotiate among the concerned stakeholders at the national and sub-national levels on how to push provincial national and provincial REDD+ taskforce to fully function and coordinating the implementation of REDD+ activities at both national and sub-national levels. Actions under this activities include (1) organizations numbers of stakeholders workshops; (2) establishment roadmap in coordination REDD+ activities at national and sub-national levels; (3) mainstreaming REDD+ activities stated in the PRAP into socio-economic development plans and annual work-plan of concerned organizations at the national and sub-national levels; and (4) Support revision and finalization of national REDD+ strategy and dissemination the strategy to key stakeholders at national and sub-national levels.

Activity 2: Strengthening the implementation of Nationally Determined Contribution (NDC) in Laos. This includes the provision of technical and financial support to ensure that NDC is fully functioned. According to recent study, NDC of Laos has listed all key responsible stakeholders and their tasks were clearly mentioned. However, the stakeholders have not fully functioned due to the lack of coordination among different concerned national institution due to insufficient financial and technical support the coordination and implementation of activities of NDC at the national and local levels<sup>7</sup>. Once the coordination and technical capacity has been supported, National REDD+ strategy will be integrated into the NDC. Key actions under this activity include (1) reviewing the NDC and understanding the tasks of concerned organizations to NDC; (2) organization of negotiation workshops to redefine the tasks and responsibilities of recent related organizations to NDC; (3) mainstreaming key NDC activities into annual work-plan of individual concerned ministries at the national level; (4) establishment tangible coordination channel for NDC; and (5) monitoring the progress of NDC implementation.

Activity 3: Improving institutional and staff capacity on REDD+. Key drivers and underlying drivers of deforestation and forest degradation had been clearly stated in the PRAP. However, concerned governmental organizations in those provinces still have lack of capacity to implement related activities for halting drivers and underlying drivers of deforestation and forest degradation. Actions under this objective include (1) assessment of need for capacity building (both institution and staff); (2) provide training to institutions and staff, the training-of-trainer (ToT) will be

<sup>6</sup> Vongvisouk, T., Lestrelin, G., Castella, J.-C., Mertz, O., Broegaard, R. B., & Thongmanivong, S. (2016). REDD+ on hold: Lessons from an emerging institutional setup in Laos. *Asia Pacific Viewpoint*, n/a-n/a. <https://doi.org/10.1111/apv.12134>

<sup>7</sup> Vongvisouk, T.; Thongmanivong, S.; Komany, S.; Inthaboualy, I.; Pham, T.T.; Moeliono, M.; Bong, I.W.; Phompila, C. (2020), "Lao PDR's Nationally Determined Contribution (NDC): Progress, opportunities, and challenges in the forestry sector", CIFOR, <https://www.cifor.org/knowledge/author/phompila-c/>

applied in the earlier stages, then will follow by technical trainings; (3) reeducation of concerned local communities (villagers) in halting drivers and underlying drivers of deforestation and forest degradation in the selected villages and district; and (4) monitoring whether activities related to drivers and underlying drivers of deforestation and forest degradation in certain villages and districts are halted (reduced), this action will be conducted in the last year of project (before project ends).

## **Output 2: Livelihood improvement and mitigation agricultural drivers of deforestation**

In order to reducing expansion of agricultural land into forested areas in the village territories, good agricultural practice and agricultural extension need to be introduced to local farmers in the target villages. At the same time, agroforestry need to be identified to improve people's livelihoods and income. Activities under this objective are listed below:

Activity 1: identify capacity gaps of the institutions and technical staff at the provincial and district levels.

In order to enhance capacity of concerned institutions and technical staff on agricultural extension and agroforestry expertise, capacity gaps need to be assessed. The assessment on the need for capacity building will be conducted in early stage of the project. This activity will be conducted by consultants (who are not working as project members). They actions for this activity include (1) selection of consultations and contract; (2) consultants conduct need assessment for capacity building; and (3) consultants submit assessment report and the report will be reviewed by project team and project committee.

Activity 2: provide agricultural extension trainings to technical staff at the provincial and district levels

Once capacity building gap assessment report has been submitted to project management committee, the committee will develop capacity building plans based on the assessment report and provide training for institutions, technical staff and farmers in the project areas. Actions under this activities include

- 1) Provide Training-of-Trainers (ToT). Once the capacity gaps had been identified, the ToT will be conducted for selected staff from concerned governmental organizations at the provincial and district levels. Building of local trainers will include trainers on agricultural extension, agroforestry, and livestock husbandry. These trainers will be working for concerned governmental organizations from provincial (i.e. Provincial Agriculture and Forestry Office) and district (i.e. District Agriculture and Forestry Office).
- 2) Support local trainers to improve capacity of technical staff at the provincial and district levels on agricultural extension, livestock husbandry and agroforestry. Once the local trainers are existed, the trainers will organize trainings for technical staffs at the provincial and district levels. This is to ensure that local extension staff is capable to advise local farmers on good agricultural practice, livestock raising and establishment of agroforestry in the selected project villages.
- 3) Provide extension to households in the target villages based on consultation with village authorities. The selected households are the poor households in the target villages whose livelihoods are high relying on forest resources that cause to forest degradation and deforestation. Once agricultural extension (include agricultural cultivation, livestock husbandry and agroforestry activities) is provided, people will reduce accessing to forest resource and keep forest regrowth for increasing carbon stock.

Activity 3: provide funding for development of permanent agriculture in lowland area.

In order to avoid expansion of agricultural land into forested areas within the village territories, villagers need to have permanent agriculture in lowland areas. Since landscapes in northern part of the country is covered by mountainous areas with high slope. Flat land suitable for permanent agriculture such as paddy field for wet rice cultivation. In some village although flat land areas are available for paddy, local people do not have sufficient funding for operation such area for paddy and they find difficulty to access to water for pouring paddy rice field due to lack of irrigation. Therefore, this objective is to provide finding support for operation paddy rice field in lowland area and construction/improvement of irrigation for paddy rice areas in the selected villages in target villages (2 villages per target province, in total there will be 4 project target villages). The actions under this objective are listed below:

- 1) Conduct geographical survey for suitable land for operation into paddy field area. This survey will include the survey of flatland that suitable for paddy field and possible irrigation. This needs the consultants to conduct the geographical survey with sub-contracting to the project management committee.
- 2) Negotiation with local villagers on who in the village should receive new operated paddy field. The selection target households will be based on certain criteria that the project team shall prepare in advance to the selection households. The target households should be the poor households that are highly relying on forest resources for their daily livelihoods.
- 3) Identify construction companies to operate paddy field for local farmers. The selected companies will be asked to have sub-contract with project management committee.
- 4) Monitoring the operated paddy field by project management committee together with Provincial Agriculture and Forestry Office (PAFO) and District Agriculture and Forestry Office (DAFO) as well as other concerned provincial and district offices.

Activity 4: establish the village development fund.

One of the key obstacles of agricultural development in the northern provinces of Laos is the lack of financial support for agricultural productions. In order to halt key drivers and underlying drivers of deforestation and forest degradation in northern province, funding for key livelihood activities is needed. In order for sustainable funding for livelihood activities in the selected villages, the project will provide funding of \$5,000 per village as village development fund (total 4 villages). This fund can be accessed by villagers (both male and female) for supporting their livelihood activities. Actions for this activity include

- 1) Establish village development fund committee, which include the representatives of district offices and village authorities. At the same time, the regulation of management and use of village development funding will be developed.
- 2) Establish village development fund. Project money will be directly transferred to the account of village development fund of each target village (4 villages).
- 3) Selection of priority households that are prioritized accessing to the village development fund for their livelihood activities.
- 4) Evaluate the succession of village development distributed to priority households (first batch).

### Output 3: Implementation of climate change mitigation activities

Building up on output 1 and 2, the sustainable forest management will be applied for management of village's forested areas based on land use planning demarcation. Village's forests are forested area located within the village territories, which the government of Laos has allocated to the village to manage based on demarcation during land use planning. Village's forest may include production forest<sup>8</sup>, protection forest<sup>9</sup> and conservation forest<sup>10</sup>. Activities under this output are listed below:

Activity 1: develop village forest management regulation and enforcement.

In order to support villagers in the target villages for managing forests within village territories, regulation for village's forest management need to be developed and strongly enforced. Actions under this activity include

- 1) review existing policies, regulations and frameworks on forestry. Existing policies, regulations and frameworks will be integrated into the contents of village forest management regulation.
- 2) draft the village forest management regulation by project team at the provincial and district level.
- 3) present the village forest management regulation to villagers and allow for negotiation
- 4) finalize the village forest management regulations and disseminated to villagers.

Activity 2: investment for forest restoration in identified degraded land

In order for direct increasing forest cover for additional forest carbon stock at the village level, the project proposes to funding for forest restoration by naturally and enrichment into the degraded areas. Degraded areas within the village territories include the areas where local farmers used to clear for shifting cultivation and other meaning of agricultural practices. Actions under this activity are listed as follow

- 1) identify the degraded areas in the selected villages (4 villages). The project team at the provincial and district levels will be together village authorities identify the degraded areas for forest restoration. Then geographical mapping of the identified degraded areas will be processed and indicated for planning for restoration
- 2) plan for forest restoration. Forest restoration plan shall clearly indicates geographical locations and and approaches of restoration. Either naturally restoration or enrichment approaches will be applied for forest restoration, which is highly depending on conditions of degraded areas. In the areas with highly degraded

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<sup>8</sup> *Production forests* are natural and planted forests classified for the purpose of production of timber and none timber forest products (NTFPs). Timbers and forest resources in the *Production forests* may be harvested for the use for construction and commerce, which the management under the Department of Forestry (DoF) of the Ministry of Agriculture and Forestry (MAF).

<sup>9</sup> *Protection forests* are forests classified for the function of protecting water resources, river banks, road sides, preventing soil erosion, protecting soil quality, strategic areas for national defense, protection from natural disasters and environmental protection. In *protection forests*, individuals and villages have certain rights with respect to the harvesting of timber and forest products for their own consumption. The *protection forests* are managed by DoF.

<sup>10</sup> *Conservation forests* (at the national level, this forests are called National Protected Areas, NPAs) are forests classified for the purposes of conserving nature, preserving plant and animal species, forest ecosystems and other sites of natural, historical, cultural, tourism, environmental, educational and scientific value. In *conservation forest*, individuals and villages have certain rights with respect to the harvesting of timber and forest products for their own consumption. the *conservation forests* are managed by DoF.

and lack of mother trees available for natural restoration, enrichment approaches will be applied. In contrast, naturally restoration will be applied into the areas with potential restoration by naturally conditions and mother trees are available for distribution of seedlings for natural restoration.

- 3) In case enrichment will be applied for forest restoration, the plan need to state suitable tree species that will be planted in the enrichment areas.
- 4) Encourage villagers participate forest restoration from the planning stage. Villagers' participation in village forest restoration is important for long-term sustainable management of village's forests. This applies for both naturally restoration and enrichment.

Activity 3: awareness raising to local people on the important sustainable village forest management for their future livelihoods and generations.

It is very important that local people aware the important of sustainable forest management for their future livelihoods and the negative impacts of deforestation and forest degradation on their new generations. This activity aims to raising awareness of the relationship between forest management and livelihoods of local people. It is expect that once local people understand the impacts of deforest and forest degradation on their livelihoods and generation, people will highly participating in conservation of forest resources in their village's territories. Actions under this activities are

- 1) disseminating related policies, laws and regulations to forestry to local villagers in the target villages. The dissemination will be processed by different dissemination approaches include (but not limited to) (1) organize village meeting; (2) posters and brochures; and filming of good practice in forest management as examples from other locations.
- 2) promoting example households for actively participating village forest management activities. The activities households should receive incentives from the projects can be certificate of honor from district or provincial level, having right to hold paddy rice field that operated by the project funding (as stated in output 2, activity 3) and others.

#### **Value Added for the MKCF Involvement/Impact Potential**

The support from this proposed project will help Lao government (Department of Forestry) to extend activities with regards to the sustainable forest management in target provinces in Northern Laos (Houaphan and Xayabouly provinces). Some critical villages in these provinces has been recently supported by FCPF of the World Bank. However, funding from this proposed project will strongly increasing target areas for sustainable forest management and supporting livelihood development of rural poor people in the two target provinces. Therefore, the funding consideration for this proposed project will help the government of Laos to increase forest covers (as set in the National Forestry Strategy) and support rural livelihood development (based on the National Poverty Reduction).

#### **Exit Strategy**

This proposed project is to support the implementation of sustainable forest management in Laos, which had been stated in the recent National Forestry Strategy (which soon will be submitted and approved by the National Assembly of Laos). The project will strengthen capacity of technical staff at national and sub-national levels; halting drivers of deforestation and forest degradation in the project target areas in northern Laos. Once the capacity of technical staff is existed and livelihood activities are launched, the activities will be continuation after the project ends. This is because forest management and livelihood development

ent in rural areas are the target strategies of the government of Laos. At the same, once institutional structure on REDD+ has been setup, the coordination and responsibilities on REDD+ related activities will be functioning within the governmental system, even the project ends in the next two years.

#### Outcomes, Outputs, Activities and Inputs at Project level

Expected Result	Indicator	Means of Verification	Target		Remarks
			Mid-term	Final	
Project outcomes					
1. Mainstreaming REDD+ activities into action plans and implementation strategies	Responsible for forest carbon registration has been assigned and focal point of REDD+ at the provincial level has beet setup	Minutes of consultation workshops/meeting and the assigned documents	Final		
	REDD+ activities are planned for implementation by key concerned stakeholders	Minutes of consultation workshops and work-plan of concerned institutions	Final		
	Local trainers on REDD+ staff have been strengthened	Minutes of trainings and list of improved key local REDD+ staff	Mid-term		
Encouraging local villagers to implement smart agriculture and livelihood activities	Smart agricultural cultivation have been introduced to farmers in the target project areas	Technical reports	Final		
	Capacity of technical agricultural extension staff have been improved	Technical reports and list of technical staff that have upgraded their technical capacity	Mid-term		
	Local farmers improve their agricultural cultivation system through extension	Technical report	Final		



	services provision			
	Development fund is established in target villages	Minutes of village development fund establishment negotiation; regulation of village development fund	Mid-term	
Mainstreaming mitigation activities into village level	Village land and forestland management regulation has been developed or improved	Regulation on land and forestland management in each target village	Final	
	Highly degraded forest areas have been identified and restored	Technical report	Final	
	Dissemination information to sustainable forest management to villagers	Minutes of awareness raising meeting and list of disseminated documents.	Final	
Project outputs (that contribute to outcomes)				
1. Enabling environment for implementation of REDD+ activities in Laos	REDD+ Taskforce are fully function and REDD+ activities are closely coordinated amongst concerned national stakeholders	Minutes of stakeholders workshops and taskforce negotiation meeting	Final	
	Activities of National Determined Contribution (NDC) are well coordinated amongst concerned national stakeholders	Minutes of stakeholder negotiation meetings and list of key responsible institutions and their ToR	Final	
	REDD+ activities are included in action plan of concerned institutions	Minutes of consultation workshop and Annual work-plan	Final	

	At least 2 local trainers on REDD+ for each target province are built	Minutes of ToT and list of trainers that have been built	Mid-term	
Livelihood improvement and mitigation agricultural drivers of deforestation	At least 5 poor households in the target villages receive new paddy rice for wet rice cultivation	New paddy rice field and hand-over document	Final	
	At least 2 technical agricultural extension trainers are built for each target district	Minutes of ToT and list of technical trainers	Mid-term	
	At least 50% of total households in the target village get benefits from agricultural extension services	Technical report	Final	
	Local villagers (especially the poor) have accessed to village development fund	Technical report	Mid-term	
Implementation of climate change mitigation activities	Village land and forestland management regulation has been developed or improved	Regulation on land and forestland management in each target village	Final	
	Highly degraded forest areas have been identified and restored	Technical report	Final	
	At least 60% of total population in the village received related information to sustainable forest management	Minutes of awareness raising meeting and list of disseminated documents.	Final	

Activities	Description
<b>1.1. Institutional restructuring for REDD+ in Laos</b>	In order to ensure that REDD+ activities have been brought into implementation, the National REDD+ Office (under Department of Forestry, Ministry of Agriculture and Forestry) needs to negotiate among the concerned stakeholders at the national and sub-national levels on how to push provincial national and provincial REDD+ taskforce to fully function and coordinating the implementation of REDD+ activities at both national and sub-national levels. Actions under this activities include (1) organizations numbers of stakeholders workshops; (2) establishment roadmap in coordination REDD+ activities at national and sub-national levels; (3) mainstreaming REDD+ activities stated in the PRAP into work-plan of concerned organizations; and (4) Support revision and finalization of national REDD+ strategy and dissemination the strategy to key stakeholders at national and sub-national levels.
<b>1.2. Strengthening the implementation of Nationally Determined Contribution (NDC) in Laos</b>	Although key stakeholders on Nationally Determined Contribution (NDC) has been appointed, NDC activities have not fully coordinated due to insufficient financial and technical support the coordination and implementation of activities of NDC <sup>11</sup> . Key actions under this activity include (1) reviewing the NDC and understanding the tasks of concerned organizations to NDC; (2) organization of negotiation workshops to redefine the tasks and responsibilities of recent related organizations to NDC; (3) mainstreaming key NDC activities into annual work-plan of individual concerned ministries at the national level; (4) establishment tangible coordination channel for NDC; and (5) monitoring the progress of NDC implementation.
<b>1.3. Improving institutional and staff capacity on REDD+</b>	Key drivers and underlying drivers of deforestation and forest degradation had been clearly stated in the PRAPs. However, the implementation of activities in halting drivers of deforestation and forest degradation has not clearly seen due to lack of capacity and financial support. Actions under this activity include (1) assessment of need for capacity building (both institution and staff); (2) provide training; and (3) reeducate concerned local communities on the impact of activities on deforestation and forest degradation.
<b>2.1. Identify capacity gaps of the institutions and technical staff at the provincial and</b>	In order to enhance capacity of concerned institutions and technical staff on agricultural extension and agroforestry expertise, capacity gaps need to be assessed. This activity will be conducted by hired consultants. Key actions of this activity include (1) selection of consultations and contract; (2) consultants conduct need assessment for capacity building; and (3) consultants submit assessment report and the report will be reviewed by project team and project committee.

<sup>11</sup> *Vongvisouk, T.*; Thongmanivong, S.; Komany, S.; Inthaboualy, I.; Pham, T.T.; Moeliono, M.; Bong, I.W.; Phompila, C. (2020), “Lao PDR’s Nationally Determined Contribution (NDC): Progress, opportunities, and challenges in the forestry sector”, CIFOR, <https://www.cifor.org/knowledge/author/phompila-c/>

<b>district levels</b>	
<b>2.2. provide agricultural extension trainings to technical staff at the provincial and district levels</b>	Once capacity building gap assessment report has been submitted to project management committee, the committee will develop capacity building plans based on the assessment report and provide trainings accordingly. Actions under this activities include (1) provide Training-of-Trainers (ToT) to build local trainers on agricultural extension services; (2) support local trainers to improve capacity of technical staff at the provincial and district levels on agricultural extension services; (3) provide agricultural extension to households in the target villages based on consultation with village authorities.
<b>2.3. Provide funding for development of permanent agriculture in lowland area.</b>	In order to avoid expansion of agricultural land into forested areas within the village territories, villagers need to have permanent agriculture in lowland areas. Flat land for paddy rice field in Northern provinces of Laos is limited due to mountainous coverage. In some village although flat land areas are available for paddy, local people do not have sufficient funding for operation such area for paddy and they find difficulty to access to water for pouring paddy rice field due to lack of irrigation. Therefore, this proposed project aims to provide finding support operation paddy rice field in lowland area and construction/improvement of irrigation for paddy rice areas in the selected villages. Actions of this activity include (1) conduct geographical survey for suitable land for operation into paddy field area; (2) negotiation with local villagers on who in the village should receive new operated paddy field; (3) selection of construction companies to operate paddy field for local farmers; and (4) hand-over the new paddy rice field to selected poor households in the project target village.
<b>2.4. Establish the village development fund</b>	In order to halt key drivers and underlying drivers of deforestation and forest degradation in northern province, funding for key livelihood activities is needed. In order for sustainable funding for livelihood activities in the selected villages, the project will provide funding of \$5,000 per target village as village development fund (total 4 villages). This fund can be accessed by both male and female in the village in the form of credit with low interests for livelihood activities. Actions for this activities include (1) establish village development fund; (2) establish village development fund committee; (3) develop regulation for managing village development fund; and (4) selection of priority activities will be credited by the village development fund.
<b>3.1. Develop village forest management regulation and enforcement</b>	In order to support sustainable managing forests within village territories, regulation for village's forest management need to be developed or improved and strongly enforced. Actions under this activity include (1) review existing policies, regulations and frameworks on forestry in order to integrate relevant contexts into village land and forestland management regulation; (2) draft the village land and forestland management regulation; (3) present the village land and forestland management regulation to villagers and allow for negotiation; and (4) finalize the village forest

	management regulations; approval and dissemination the regulation.
<b>3.2. Investment for forest restoration in identified degraded land</b>	In order for direct increasing forest cover for additional forest carbon stock at the village level, the project proposes to funding for forest restoration by naturally and enrichment into the degraded areas. Degraded areas within the village territories. Actions under this activity are include (1) identify the degraded areas in the selected villages and mapping the degraded forest areas; (2) plan for forest restoration. Either naturally restoration or enrichment approaches will be applied for forest restoration is highly depending on conditions of degraded areas; (2) identify tree species that will be planted into the degraded forest areas; (3) encourage local villagers participate forest restoration and responsible for maintenance planted trees in the degraded forest areas.
<b>3.3. Awareness raising to local people on the important sustainable village forest management for their future livelihoods and generations.</b>	It is very important that local people aware the important of sustainable forest management for their future livelihoods and the negative impacts of deforestation and forest degradation on their new generations. This activity aims to raising awareness of the relationship between forest management and livelihoods of local people. It is expected that once local people understand the impacts of deforest and forest degradation on their livelihoods and generation, people will highly participating in conservation of forest resources in their village's territories. Awareness raising can be proceed in different approaches such as (1) printing related policies, laws and regulations to forestry then distributed to local villagers; (2) organize village meeting and explain related policies, laws and regulation; (3) writing key words of the policies, laws and regulations, then write the text into suitable boards and posted in the target villages.

**Indicative Work Plan (please kindly see the Full budget proposal in the Annex 1)**

[illegible]

Activity 2.2.	Provide agricultural extension trainings to technical staff at the provincial and district levels																							
	Budget: 32,000 USD																							
					X	X	X	X	X	X														
Activity 2.3.	Provide funding for development of permanent agriculture in lowland area.																							
	Budget: 104,000 USD																							
	X	X	X	X	X							X	X	X	X	X	X							
Activity 2.4.	Investment for establishment of village development fund																							
	Budget 40,850 USD																							
	X	X	X	X	X	X	X	X	X	X	X													
Output 3	Implementation of climate change mitigation activities																							
	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X						
Activity 3.1	Develop village forest management regulation																							
	Budget: 45,000 USD																							
	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X								
Activity 3.2	Investment for forest restoration in identified degraded land																							
	Budget: 80,000 USD																							
					X	X	X										X	X	X					
Activity 3.3	Awareness raising to local people on the important sustainable village forest management																							
	Budget: 20,550 USD																							
	X	X	X	X									X	X	X	X								

## ANNEX 1: BUDGET PROPOSAL

**Project Title : Livelihood development for sustainable forest governance in Laos**

**Implementing Agencies : Department of Forestry, Ministry of Agriculture and Forestry (MAF)**

**Duration / Period : (January 1, 2022 - December 30, 2023)**

### Project Components / Activities: Year 1

### A.1. Enabling environment for implementation of REDD+ activities in Laos

Budget Line	Description	Unit Cost (USD)	Quantity 1	Unit 1	Quantity 2	Unit 2	Total Cost (USD)
A. Direct Costs							
1. Personnel							
1.1	Part time Senior project manager	1,000.00	1	Person	8	Month	8,000.00
1.2	Project Manager	2,500.00	1	Person	2	Month	5,000.00
1.3	Project Officer	1,200.00	1	Person	4	Month	4,800.00
1.4	Project assistant	900.00	1	Person	4	Month	3,600.00
1.5	Project Secretariat	600.00	1	Person	4	Month	2,400.00
1.6	Provincial project officers	500.00	4	Person	4	Month	8,000.00
Sub total of category 1							31,800.00
2. Consultancy services							
2.1.	Consultant/Remuneration fee	300.00	2	Person	20	Day	12,000.00
2.2.	Reports, communication materials etc.	300.00	2	Person	5	Day	3,000.00
2.3.	Airfare	250.00	2	Lums Sum	1	Round trip	500.00
2.4.	Ground transportation	180.00	2	Vehicle	20	Day	7,200.00
2.5.	Accommodation	40.00	2	Person	20	Night	1,600.00
Sub total of category 2							24,300.00
3. Direct Supplies and Services							
3.1.	Meeting/training Package	45.00	30	Pax	2	Time	2,700.00
3.2.	Translation services	10.00	20	Page	2	Time	400.00
3.3.	Simultaneous translation services	200.00	1	Day	2	Time	400.00
Sub total of category 3							3,500.00



4. Travel							
4.1.	Airfare	300.00	2	Person	1	Round trip	600.00
4.2.	Ground transportation	180.00	2	Vehicle	10	Day	3,600.00
4.3.	Accommodation	40.00	10	Person	10	Night	4,000.00
4.4.	Per Diem/Food	30.00	10	Person	10	Day	3,000.00
4.5.	Travel insurance	5.00	10	Person	10	Day	500.00
Sub total of category 4							11,700.00
5. Equipment (10% of the budget)							
5.1.	Desktop computer	900.00	3	Computer	1	Time	2,700.00
5.2.	PC	1,200.00	7	PC	1	Time	8,400.00
5.1.	Equipment for workshop, training, meeting, etc.	200.00	1	Lump sum	2	Time	400.00
Sub total of category 5							11,100.00
6. Other Direct Costs							
...							-
Sub total of category 6							-
B. Indirect Costs							
1. Management fee (10% of the	Part time accountant and internal audit	200.00	1	Person	4	Month	800.00
TOTAL							83,200.00

### Project Components / Activities: Year 1

## A2. Livelihood improvement and mitigation agricultural drivers of deforestation

Budget Line	Description	Unit Cost (USD)	Quantity 1	Unit 1	Quantity 2	Unit 2	Total Cost (USD)
A. Direct Costs							
1. Personnel							
1.1	Part time Senior project manager	1,000.00	1	Person	2	Month	2,000.00
1.2	Project Manager	2,500.00	1	Person	5	Month	12,500.00
1.3	Project Officer	1,200.00	1	Person	4	Month	4,800.00
1.4	Project assistant	900.00	1	Person	4	Month	3,600.00
1.5	Project Secretariat	600.00	1	Person	4	Month	2,400.00
1.6	Provincial project officers	500.00	4	Person	4	Month	8,000.00
Sub total of category 1							33,300.00

2. Consultancy services							
2.1.	Consultant/Remuneration fee	300.00	2	Person	20	Day	12,000.00
2.2.	Reports, communication materials etc.	300.00	2	Person	5	Day	3,000.00
2.3.	Airfare	250.00	2	Person	1	Round trip	500.00
2.4.	Ground transportation	180.00	2	Vehicle	20	Day	7,200.00
2.5.	Accommodation	40.00	2	Person	20	Night	1,600.00
<b>Sub total of category 2</b>							<b>24,300.00</b>
3. Direct Supplies and Services							
3.1.	Meeting/training Package	45.00	20	Pax	1	Time	900.00
3.2.	Translation services	10.00	20	Page	1	Time	200.00
3.3.	Other expenditures under Category 3						
<b>Sub total of category 3</b>							<b>1,100.00</b>
4. Travel							
4.1.	Airfare	250.00	2	Person	1	Round trip	500.00
4.2.	Ground transportation	180.00	2	Vehicle	20	Day	7,200.00
4.3.	Accommodation	40.00	2	Person	20	Night	1,600.00
4.4.	Per Diem/Food	30.00	2	Person	20	Day	1,200.00
4.5.	Travel insurance	5.00	2	Person	20	Day	200.00
<b>Sub total of category 4</b>							<b>10,700.00</b>
5. Equipment (10% of the budget)							
5.1.	LCD Projectors	1,200.00	5	Projector	1	Time	6,000.00
5.2.	Equipment for training, workshop, meeting	200.00	1	Lump sum	1	Time	200.00
<b>Sub total of category 5</b>							<b>6,200.00</b>
6. Other Direct Costs							
6.1.	Sub-contract for operation paddy rice field	9,000.00	4	Village	1	Time	36,000.00
6.2.	Village development fund to support livelihood activities	5,000.00	4	Village	1	Time	20,000.00
<b>Sub total of category 6</b>							<b>56,000.00</b>
<b>B. Indirect Costs</b>							
1. Management fee (10% of the	Part time accountant and internal audit	200.00	1	Person	4	Month	800.00
<b>TOTAL</b>							<b>132,400.00</b>

**Project Components / Activities: Year 1**  
**A3. Implementation of climate change mitigation activities**

Budget Line	Description	Unit Cost (USD)	Quantity 1	Unit 1	Quantity 2	Unit 2	Total Cost (USD)
A. Direct Costs							
1. Personnel							
1.1	Part time Senior project manager	1,000.00	1	Person	2	Month	2,000.00
1.2	Project Manager	2,500.00	1	Person	5	Month	12,500.00
1.3	Project Officer	1,200.00	1	Person	4	Month	4,800.00
1.4	Project assistant	900.00	1	Person	4	Month	3,600.00
1.5	Project Secretariat	600.00	1	Person	4	Month	2,400.00
1.6	Provincial project officers	500.00	4	Person	4	Month	8,000.00
Sub total of category 1							33,300.00
2. Consultancy services							
2.1.	Consultant/Remuneration fee	300.00	2	Person	30	Day	18,000.00
2.2.	Reports, communication materials etc.	300.00	2	Person	5	Day	3,000.00
2.3.	Airfare	250.00	2	Person	1	Round trip	500.00
2.4.	Ground transportation	180.00	2	Vehicle	30	Day	10,800.00
2.5.	Accommodation	40.00	2	Person	30	Night	2,400.00
Sub total of category 2							34,700.00
3. Direct Supplies and Services							
3.1.	Meeting/training Package	45.00	30	Pax	2	Time	2,700.00
3.2.	Translation services	10.00	20	Page	2	Time	400.00
3.3.	Other expenditures under Category 3						
Sub total of category 3							3,100.00
4. Travel							
4.1.	Airfare	250.00	2	Person	1	Round trip	500.00
4.2.	Ground transportation	180.00	2	Vehicle	20	Day	7,200.00
4.3.	Accommodation	40.00	6	Person	20	Night	4,800.00
4.4.	Per Diem/Food	30.00	6	Person	20	Day	3,600.00
4.5.	Travel insurance	5.00	6	Person	20	Day	600.00
Sub total of category 4							16,700.00

5. Equipment (10% of the budget)							
...	Equipment for workshop, training, meeting, etc.	200.00	1	Lump sum	2	Time	400.00
<b>Sub total of category 5</b>							<b>400.00</b>
6. Other Direct Costs							
...							-
<b>Sub total of category 6</b>							-
<b>B. Indirect Costs</b>							
1. Management fee (10% of the budget)	Part time accountant and internal audit	200.00	1	Person	4	Month	800.00
<b>TOTAL</b>							<b>89,000.00</b>

Total: Year 1: A1-A2-A3	<b>304,600</b>
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## ANNEX 1: BUDGET PROPOSAL

**Project Title : Livelihood development for sustainable forest governance in Laos**

**Implementing Agencies : Department of Forestry, Ministry of Agriculture and Forestry (MAF)**

**Duration / Period : (January 1, 2022 - December 30, 2023)**

### Project Components / Activities: Year 2

### B.1. Enabling environment for implementation of REDD+ activities in Laos

Budget Line	Description	Unit Cost (USD)	Quantity 1	Unit 1	Quantity 2	Unit 2	Total Cost (USD)
A. Direct Costs							
1. Personnel							
1.1	Part time Senior project manager	1,000.00	1	Person	8	Month	8,000.00
1.2	Project Manager	2,500.00	1	Person	2	Month	5,000.00
1.3	Project Officer	1,200.00	1	Person	4	Month	4,800.00
1.4	Project assistant	900.00	1	Person	4	Month	3,600.00
1.5	Project Secretariat	600.00	1	Person	4	Month	2,400.00
1.6	Provincial project officers	500.00	4	Person	4	Month	8,000.00
Sub total of category 1							31,800.00
2. Consultancy services							
2.1.	Consultant/Remuneration fee	300.00	2	Person	20	Day	12,000.00
2.2.	Reports, communication materials etc.	300.00	2	Person	5	Day	3,000.00
2.3.	Airfare	250.00	2	Person	1	Round trip	500.00
2.4.	Ground transportation	180.00	1	Vehicle	20	Day	3,600.00
2.5.	Accommodation	40.00	2	Person	20	Day	1,600.00
Sub total of category 2							20,700.00
3. Direct Supplies and Services							
3.1.	Meeting/training Package	45.00	30	Pax	2	Time	2,700.00
3.2.	Translation services	10.00	20	Page	2	Time	400.00
3.3.	Other expenditures under Category 3	200.00	1	Day	2	Time	400.00
Sub total of category 3							3,500.00

4. Travel							
4.1.	Airfare	300.00	2	Person	1	Round trip	600.00
4.2.	Ground transportation	180.00	2	Vehicle	20	Day	7,200.00
4.3.	Accommodation	40.00	4	Person	20	Night	3,200.00
4.4.	Per Diem/Food	30.00	4	Person	20	Day	2,400.00
4.5.	Travel insurance	5.00	4	Person	20	Day	400.00
<b>Sub total of category 4</b>							<b>13,800.00</b>
5. Equipment (10% of the budget)							
...	Equipment for training, workshop, meeting, etc	200.00	1	Lump sum	2	time	400.00
<b>Sub total of category 5</b>							<b>400.00</b>
6. Other Direct Costs							
...							-
<b>Sub total of category 6</b>							<b>-</b>
<b>B. Indirect Costs</b>							
1. Management fee (10% of total direct costs)	Part time accountant and internal audit	200.00	1	Person	4	Month	800.00
<b>TOTAL</b>							<b>71,000.00</b>

## Project Components / Activities: Year 2

### B2. Livelihood improvement and mitigation agricultural drivers of deforestation

Budget Line	Description	Unit Cost (USD)	Quantity 1	Unit 1	Quantity 2	Unit 2	Total Cost (USD)
<b>A. Direct Costs</b>							
1. Personnel							
1.1	Part time Senior project manager	1,000.00	1	Person	2	Month	2,000.00
1.2	Project Manager	2,500.00	1	Person	5	Month	12,500.00
1.3	Project Officer	1,200.00	1	Person	4	Month	4,800.00
1.4	Project assistant	900.00	1	Person	4	Month	3,600.00
1.5	Project Secretariat	600.00	1	Person	4	Month	2,400.00
1.6	Provincial project officers	500.00	4	Person	4	Month	8,000.00
<b>Sub total of category 1</b>							<b>33,300.00</b>



## Project Components / Activities: Year 2

### B3. Implementation of climate change mitigation activities

Budget Line	Description	Unit Cost (USD)	Quantity 1	Unit 1	Quantity 2	Unit 2	Total Cost (USD)
<b>A. Direct Costs</b>							
1. Personnel	Part time Senior project manager	1,000.00	1	Person	2	Month	2,000.00
1.1	Project Manager	2,500.00	1	Person	5	Month	12,500.00
1.2	Project Officer	1,200.00	1	Person	4	Month	4,800.00
1.3	Project assistant	900.00	1	Person	4	Month	3,600.00
1.4	Project Secretariat	600.00	1	Person	4	Month	2,400.00
1.5	Provincial project officers	500.00	4	Person	4	Month	8,000.00
<b>Sub total of category 1</b>							<b>33,300.00</b>
2. Consultancy services							
2.1.	Consultant/Remuneration fee	300.00	2	Person	10	Day	6,000.00
2.2.	Reports, communication materials etc.	300.00	2	Person	5	Day	3,000.00
2.3.	Airfare	250.00	2	Person	1	Round trip	500.00
2.4.	Ground transportation	180.00	1	Vehicle	10	Day	1,800.00
2.5.	Accommodation	40.00	2	Person	10	Night	800.00
<b>Sub total of category 2</b>							<b>12,100.00</b>
3. Direct Supplies and Services							
3.1.	Meeting/training Package	45.00	20	Pax	2	Time	1,800.00
3.2.	Translation services	10.00	20	Page	2	Time	400.00
3.3.	Other expenditures under Category 3						-
<b>Sub total of category 3</b>							<b>2,200.00</b>
4. Travel							
4.1.	Airfare	250.00	2	Person	1	Round trip	500.00
4.2.	Ground transportation	180.00	2	Vehicle	10	Day	3,600.00
4.3.	Accommodation	40.00	5	Person	10	Night	2,000.00
4.4.	Per Diem/Food	30.00	5	Person	10	Day	1,500.00
4.5.	Travel insurance	5.00	5	Person	10	Day	250.00
<b>Sub total of category 4</b>							<b>7,850.00</b>
5. Equipment (10% of the budget)							
...	Equipment for training, workshop, meeting	300.00	1	Lump sum	1	Time	300.00
<b>Sub total of category 5</b>							<b>300.00</b>



6. Other Direct Costs							
...							
Sub total of category 6							-
B. Indirect Costs							
1. Management fee (10% of t	Part time accountant and internal audit	200.00	1	Person	4	Month	800.00
TOTAL							56,550.00

Total: Year 2: B1-B2 -B3

195,000

## ANNEX 1: BUDGET PROPOSAL

Project Title : Livelihood development for sustainable forest governance in Northern Laos

Implementing Agency : Department of Forestry, Ministry of Agriculture and Forestry (MAF)

Duration / Period : (January 1, 2022 - December 30, 2023)

Budget Item	Description	2 years	
		A1. Enabling environment for implementation of REDD+ activities in Laos  A2. Livelihood development and mitigation agricultural drivers of deforestation  A3. Implementation of climate change mitigation activities	B1. Enabling environment for implementation of REDD+ activities in Lao  B2. Livelihood development and mitigation agricultural drivers of deforestation  B3. Implementation of climate change mitigation activities
<b>A</b>	<b>DIRECT COSTS:</b>		
1	Personnel	98,400	98,400
2	Consultancy services (Professional)	83,300	44,900
3	Direct Supplies and Services	7,700	7,900
4	Travel	39,100	40,300
5	Equipment	17,700	1,100
6	Other Direct Costs	56,000	-
	<b>Sub total of Programme Cost</b>	<b>302,200</b>	<b>192,600</b>
<b>B</b>	<b>INDIRECT COSTS (10% of management fee)</b>	<b>2,400</b>	<b>2,400</b>
	<b>Total (USD)</b>	<b>304,600</b>	<b>195,000</b>

<b>TOTAL BUDGET (USD)</b>	<b>499,600</b>
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