

Laos – IDA and SCF-FIP Grants for the Scaling-Up Participatory Sustainable Forest Management Project

May 31, 2013

U.S. Position

The United States supports the Bank's engagement in the Lao forestry sector through this project financed by IDA and the Forest Investment Program (FIP), and welcomes the project's goals to promote sustainable forest management, enhanced carbon storage, and reduced emissions from deforestation. The United States appreciates that the project is rated Category A in light of the significant social safeguard risks identified, and the United States urges the Bank to proceed promptly in collecting remaining baseline data and to provide robust monitoring and project supervision. The United States takes comfort that the project's objectives will also be supported by a strong program of technical assistance financed in parallel by Finland. The United States looks forward to the Bank following through on the development of clear, effective and transparent benefit sharing mechanisms that are established in a consultative and participatory manner with key stakeholders. It will be important to monitor how participatory sustainable forest management (PFSM), including Community Action Plans and timber harvesting activities, are effective in advancing REDD+ objectives.

Strong attention to ethnic minority issues will be essential to project success. The United States urges the Bank to employ adequate anthropology/ethnography expertise at all levels of the project to ensure that knowledge concerning ethnic groups is appropriately integrated. It will be important to identify early on which ethnic minorities will be involved in the project to enable the Bank to develop specific, culturally appropriate approaches, learning lessons from the reviews of the Bank's previous forestry projects in Laos. A strong understanding of vulnerable groups' needs must be followed through in project activities. The United States expects the project to respect the rights of ethnic minorities that are set forth in the Laotian constitution. The United States is pleased that the project includes an Ethnic Group Planning Framework, an access restriction process framework and a grievance redress mechanism to ensure that ethnic minorities are fully included in project benefits and that impacts on customary land or access restrictions are handled appropriately. The United States also welcomes that the Dedicated Grant Mechanism under the FIP plans to support indigenous peoples groups and local communities in Laos, helping increase their voice and effective engagement in forest-related activities.

Minority women face very particular constraints. The United States is pleased that the project team will carry out an annual gender assessment and that results will be employed to strengthen implementation of the Community Action Plans.

The United States welcomes the plans for integrated spatial mapping of the forest area in Northern Laos. This will enable the government at the national and sub-national levels to have a better understanding of the implications and trade-offs of the various land allocations. This is an essential step toward illuminating, and eventually addressing, the difficult political economy issues that underlie the key drivers of deforestation in Laos.