# REDD+ Readiness of Lao PDR and Expectation and Challenges for Public-Private Partnership

UNFCCC COP21 Japan Pavilion Side Event
"Efforts by Japan's Public Private Partnership toward REDD+ Initiative"

December 1<sup>st,</sup> 2015 Paris, France

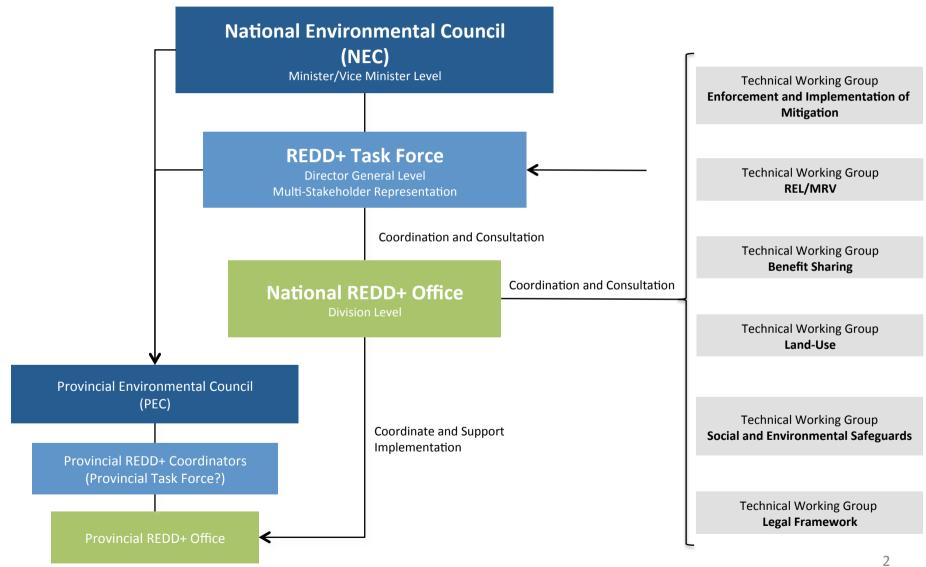
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Institutional Set-Up



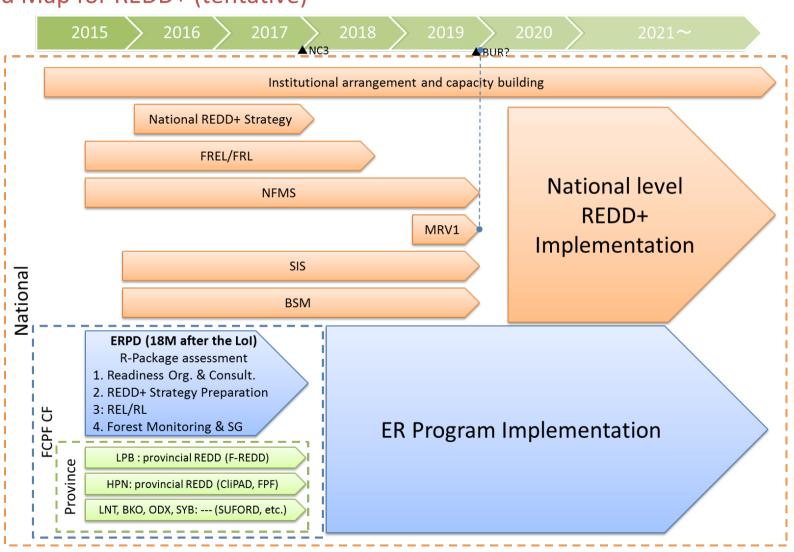
### **Institutional History**

- In 2013 responsibility for REDD+ was officially transferred form DoF (MAF) to DFRM (MoNRE) (Decision 0052/MAF)
- Key 2015 Tasks
  - ToR of National REDD+ Task Force; Done
  - 2. ToR National REDD+ Office; Done
  - 3. Establishment and functioning of 6 Technical Working Groups; Done and started
  - 4. Development Roadmap of Key REDD+ Elements (National REDD+ Strategy, REL/RL, NFMS, SIS and BSS); On-going
  - 5. Intended Nationally Determined Contribution to UNFCCC; Submitted

### **Policy History**

- Forest Strategy 2020 (FS2020) adopted in 2005
- National Climate Change Strategy formulated in 2010
- FCPF R-PP approved in 2010 and later updated to reflect major institutional changes (MoNRE)
- Lao PDR accepted into the FCPF Carbon Fund pipeline (2015.10)
- National Forest Law is currently under revision and will incorporate provisions for REDD+.
- Standing policies on Safeguards include:
  - Environmental Protection Law (No. 02-99/NA 3 April 1999)
  - Decree on Environmental Impact Assessments (112/PM February 2010)
  - Regulation on Environmental Assessments in the Lao PDR (No. 1770/STEA Vientiane, October 2000)

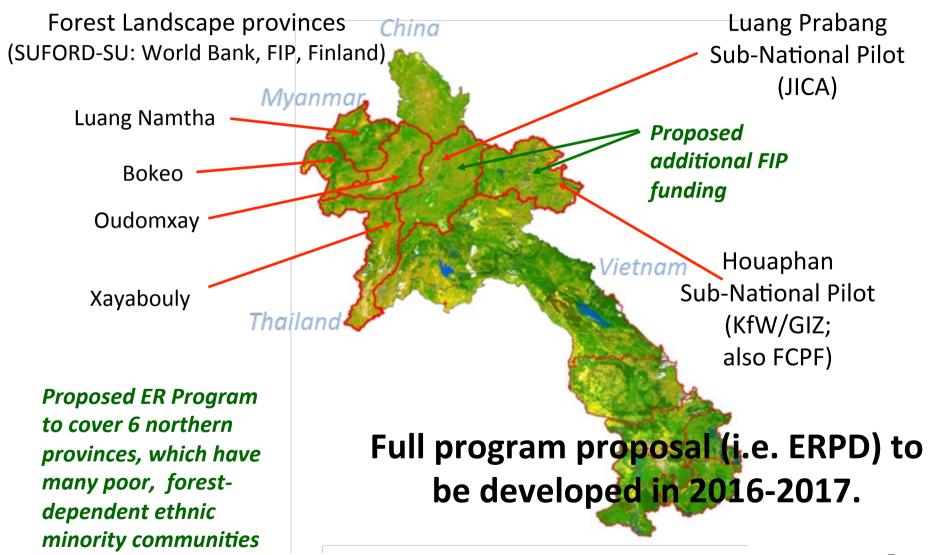
Road Map for REDD+ (tentative)



### **Main REDD+ Projects/Programs**

Project	Donor	Focus	Scope	
CliPAD	KfW/GIZ	Sub National Piloting	Houaphan Province	Subnational
PAREDD	JICA	Sub National Piloting	Luang Prabang Province	Piloting
SUFORD-SU	WB/FIP Finland	Sustainable Forest Management in Production Forests, Forest Landscapes, Village Forestry, monitoring	13 of 17 rural Provinces	
Lao Forest Investment Plan (FIP Laos)	FIP/WB/ADB/IFC	3 projects: SUFORD-SU (WB); smallholder plantations (IFC); ecosystem services (ADB)	Multiple provinces	Mitigation And
FLEGT	European Union/ GIZ	Law Enforcement	Multiple Provinces	Enhancement
LEAF	USAID/SNV	REDD+ Technical Inputs	Multiple Provinces	
ENRICH	SNV	Carbon Stock Enhancements	Faculty of Forestry	
FPREP	JICA	Forestry Policies and Capacities	National Level	
NFIS	JICA	Mapping and Biomass Assessment at National Level	Country-wide	REDD+ Technical
FIM/FPP	JICA	Capacity building ; facilities, equipment	Country-wide	Systems and Policy
Project Level Activities	RECOFTC, WWF, SNV,WCS	Various activities, NGO and private.	Multiple Locations	6

# 2. Access to Result-Based Payment Scheme: FCPF Carbon Fund



# 3. Access to results-based Payment scheme; JCM-REDD+

#### 1. Status of JCM

7<sup>th</sup> Aug 2013: Signing of "BILATERAL COOPERATION ON THE JOINT CREDITING MECHANISM FOR THE LOW CARBON GROWTH PARTNERSHIP BETWEEN JAPANAND THE LAO PEOPLEOS DEMOCRATIC REPUBLIC"

- 16<sup>th</sup> May 2014: 1<sup>st</sup> Meeting of Joint Committee of the Joint Crediting Mechanism between the Lao PDR and Japan adopted
- "Rules of Implementation for the Joint Crediting Mechanism" and "Joint Crediting Mechanism Rules of Procedures for the Joint Committee"
- "Joint Crediting Mechanism Project Cycle Procedure" and ten (10) forms related to the procedure
- REDD+ included in the sectoral scope

# 3. Access to results-based Payment scheme; JCM-REDD+

### 2. Status of potential JCM-REDD+ Project in Laos

- Development Study by Japanese investors at Houayking Village Cluster in Luangprabang Province in 2014-15.
- HK cluster has been a field site of JICA's PAREDD Project and draft Project Description for VCS validation was prepared including biomass survey.
- The potential site is about 30,000 ha and the DS report concludes possible credits of 120,000 tCO2 per year.
- Funding for field activities approved for 2015-16 by Ministry of Environment, Japan.

# 3. Access to results-based Payment scheme; JCM-REDD+

#### 3. Expectations

- 1) Early transition to internationally or bilaterally tradable credits.
- 2) Lessons of Public Private Partnership REDD+ project; only one REDD+ project with private investment under Gov.-to-Gov. scheme.
- 3) Lessons from possible case of REDD+ project nested within a subnational REDD+.

#### Harmonization options

- Separation of JCM area from CF area (separate accounting and payment).
- Use of CF methodology (REL/RL and MRV) for JCM area for less direct and transaction costs (integrated accounting and separate crediting/payment).
- Benefit sharing/use mechanism for Lao side stakeholders
- Stand alone mechanism for JCM.
- Integrated with payment from CF.

