

CLIMATE, ENERGY AND FORESTRY  
INTERLINKAGES IN GREEN GROWTH  
KICK-OFF MEETING AND WORKSHOP OF A NEW RESEARCH  
PROJECT  
12<sup>TH</sup> OF JANUARY 2015, SETTHA PALACE, VIENTIANE, LAO PDR

Kinnalone PHOMMASACK, Ph.D  
Deputy Director, REDD+ Office  
Department of Forestry

# ENVIRONMENTAL SITUATION



- Along with the rapid economy growth, the Urban Environment is still in good condition
- However, there are causing of some environmental concerns such as increased migration from rural area into cities, pollutants in the Air, high temperature, dust, unclean water, and other problems
- Green growth (in case of Lao PDR) is a means to develop the country's natural resources in an economically, socially and environmentally sustainable.

# CHALLENGES FACING FOR GREEN GROWTH



- The green growth is still unclear concept and in an initial stage.
- Lack of appropriate mechanism & specific institutional for green growth to integrate the three dimensions (economy, social and environment) of sustainable development in a balanced manner.
- Lack of human resources and capacities, in particularly at local levels.
- high dependence on natural resources and low adaptive capacity for the poor.
- Lack of sustainable financing mechanism.

# POLICIES AND STRATEGIES TAKEN TO PROMOTE GREEN GROWTH



1. The National Constitution (1st edition 1991 and 2nd 2003) stated in Article 17 that "All organizations and citizens must protect the environment and natural resources: land, underground, forests, fauna, water sources and atmosphere".

2. The solution of the Nation Congress of Party each five year, Now the 9th solution of party congress 2011-15, (sustainable development).

3. Long-term Strategy of Socio Economic Development to the year 2020 and National Socio-Economic Development Plans 2011-2015.

4. National Environment Five Year Action Plan (NEAP) (2011-15)

# POLICIES AND STRATEGIES TAKEN TO PROMOTE GREEN GROWTH (cont.)



5. Environment Sustainable Transport Strategy
6. Sustainable Transport Strategy and Action Plan to 2020
7. Renewable Energy Strategy to 2025
8. Ecotourism Strategy and Action Plan 2005-2010
9. Forestry Strategy to 2020
10. National Biodiversity Strategy 2020 and Action Plan 2010
11. Strategy on Climate Change of the Lao PDR and National Adaptation Programme of Action 2009
12. National, Provincial Environmental Strategy to 2020
13. Other relevant sector strategies

# WHAT IS THE SITUATION NOW IN LAO PDR (forestry sector)?

The forest cover of Lao PDR have decreasing at an alarming rate since 1960 from almost 70% to only 41% in 1992.

The change **in forest cover** between 1992 and 2002 shows a reduction in forest area of about 134,000 ha annually and a reduction in the standing timber volume of about 25 million m<sup>3</sup> annually

We don't know exactly how much of the lost growing stock was in the forest that was cleared and how much was lost from the remaining forest as a result of over-cutting

We do know that the area of dense forest (with more than 70% crown closure) declined sharply between 1992 and 2002

	<b>Crown density classes</b>					
	Low stocked/ degraded forests (20 - 39 %)		Medium stocked/ regenerating forests (40 – 70 %)		Well stocked forests (>70 %)	
<b>Year</b>	<b>1992</b>	<b>2002</b>	<b>1992</b>	<b>2002</b>	<b>1992</b>	<b>2002</b>
<b>Share (%)</b>	16.4	28.9	54.5	62.7	<b>29.1</b>	<b>8.3</b>
<b>Area (million ha)</b>	1.83	2.87	6.09	6.23	<b>3.25</b>	<b>0.83</b>

# THE DRIVERS OF DEFORESTATION

Clearance for agriculture,  
large (commercial) and small  
scale (farmers)



Mining



Hydro-power projects

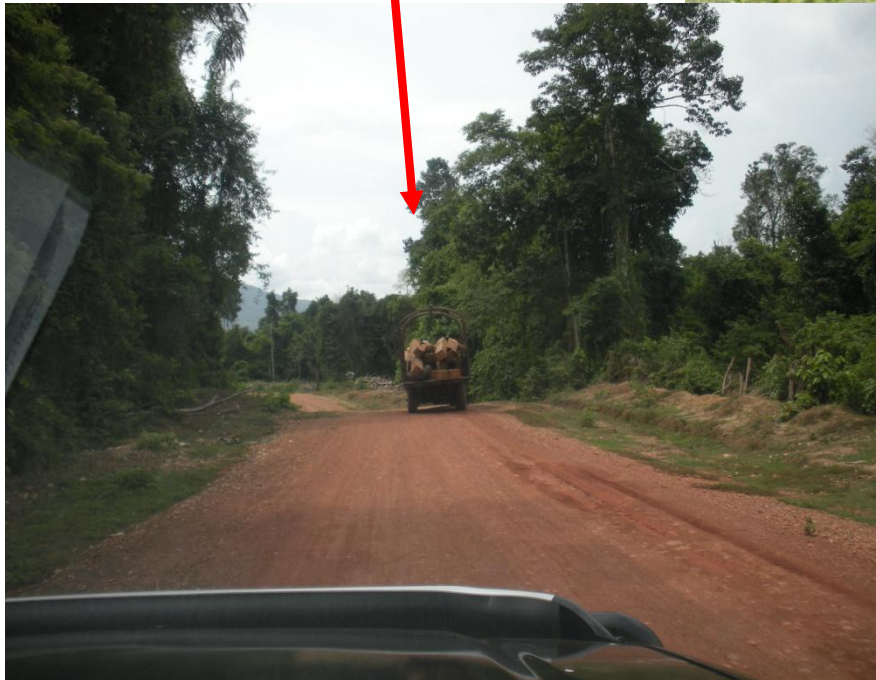




## THE DRIVERS OF DEGRADATION

Shifting cultivation

Unrecorded/unreported  
/ Illegal logging





# What is Lao PDR's position on REDD+?

REDD readiness preparations for national: schemes seeking sustainable forest management, biodiversity and co-benefits for locals:

Preference for flexibility to maximise opportunity

Scale: Nested approach

- Project based activities
- National REDD+ Framework and supporting policies and programmes

Financing: Hybrid approach

- Donor based financing
- Funds (FCPF, FIP, Carbon Fund, ..)
- Market-based
- Other alternative financing for forests

Implementation framework: 3 Phased Approach

1. Readiness
2. Demonstration
3. Full Implementation

# Framework Approach for REDD+

	Phase 1 Readiness	Phase 2	Phase 3
Activities	National REDD strategy development, including, inter alia: R-PP Institutional strengthening Demonstration activities	National REDD strategy implementation, including, inter alia: •Land tenure reforms •Forest law enforcement •Forest management planning. •Reduced impact logging. •Expansion of forest reserves. •Agriculture modernization.	
Financing	Initial support for national REDD+ strategy development and REDD+ readiness. FCPF	Bilateral and multilateral funding.  FIP  Continued funding under this phase would be results based.	Market or nonmarket funding that rewards performance on the basis of quantified forest emission reductions and removals against agreed reference level.
Performance Indicators	<ul style="list-style-type: none"> <li>• Strategy adopted.</li> <li>• Legislative and policy Assessment completed.</li> <li>• Consultations conducted.</li> <li>• Institutions in place.</li> </ul>	Implementation of particular measures Simplified and conservative estimate of emissions and removals against agreed reference level.	Compliance-grade estimate of emission reductions and removals against agreed reference level.



PROPOSED REDD+ STRATEGY  
OPTIONS AND READINESS  
PREPARATION ACTIVITIES

# STRATEGIC OPTIONS FOR DEFORESTATION

## 1. Mining and Hydro-power

These activities are very important for national development and generate large revenues for government. Therefore the emphasis will be on:

- careful appraisal of Environmental Impact Assessments and Environment Management Plans to ensure that the least amount of forest possible is cleared and restoration plans are appropriate.
- The Biomass Disposal Plan for Hydro Projects that is required as part of the Environment Management Plan will be carefully appraised and compliance monitored to minimise emissions of CO<sub>2</sub> and Methane.
- Discussions will be held with mining and hydro-power companies to determine whether there are companies interested and willing to pilot emission reduction activities in relation to their land-use plans, including resettlement, biomass disposal and environmental monitoring

# STRATEGIC OPTIONS FOR DEFORESTATION (cont.)

## 2. Land clearance for Commercial Agriculture and Plantations

The main focus of the strategy will be on:

- Land-use planning at Provincial and District level to incorporate assessment of carbon stocks into the land valuation.
- The zoning of forest areas will need to include information on the density, stocking and quality of forest in order to prioritize those areas where development should be avoided
- One option for government is to charge developers for the carbon that they will be removing; this will provide an incentive for developers to use land with the lowest carbon stocks.



# STRATEGIC OPTIONS FOR DEFORESTATION

## 3. Small-scale clearance/conversion of forest by farmers

This type of development has links to government aims to reduce poverty and increase food security, but the expansion of smallholder agriculture needs to be managed to minimise the conversion of forest with >20% crown closure

- PLUP will be the most effective way of influencing farmer's decision on which land to clear for agriculture
- An option for government is to introduce an assessment of carbon stocks into the PLUP process so that the land allocated to farmers for expanding permanent agriculture is on the site with the lowest carbon stocks
- As part of the PLUP process, areas that the community can protect and restore, which will be eligible for REDD+ funding will be identified and communities will be trained to assess carbon stocks so that they become more aware of the consequences of clearing forest and can also monitor changes

# STRATEGIC OPTIONS FOR DEGRADATION

## 1. Unrecorded and Illegal Logging

There are three options for reducing the impact of illegal logging, which will bring much greater benefits than just reduction in CO<sub>2</sub> emissions

- Improved enforcement of the law and in particular, the legal requirement that all harvesting machinery is registered. This would enable the harvesting capacity to be balanced with the Allowable Annual Harvest.
- Measure domestic wood consumption and trade to get accurate information on the total amount of wood that is being consumed. This tells us how much is actually being logged, unrecorded or illegally
- intensive surveillance.

# STRATEGIC OPTIONS FOR DEGRADATION (cont.)



## 2. Shifting cultivation

Focus on providing acceptable and more profitable alternative livelihoods

There are three options for reducing emissions resulting from shifting cultivation

- Strengthening extension services in the upland areas to accelerate the rate at which communities adopt permanent agriculture and agroforestry
- Intensify research into agroforestry systems suited to the uplands and the traditional lifestyle of ethnic communities
- Support the private sector in the use of agroforestry as a system for plantation establishment

# List of REDD+ activities in Lao PDR

- Multilateral Development REDD+ projects

Project	Implementing Institutions	Financing Institutions	Timeframe
RPP preparation	DoF, REDD+ Task Force	WB, Forest Carbon Partnership Facility	2010
RPP Implementation	DoF, REDD+ Task Force, Technical WGs	WB, Forest Carbon Partnership Facility	2011-2017
Forest Investment Program (FIP)	DoF, DOFI, NAFRI, NAFES, PAFO, DAFO, VFU	WB, ADB, IFC	2012-2017

## List of REDD+ activities in Lao PDR (cons)

- Bilateral Development REDD+ projects

Project	Implementing Institutions	Financing Institutions	Timeframe
FSCAP	DoF	JICA	2010-2014
Forest Resource Information Management Center	DoF, FIPD	JICA	2010-2014
PAREDD	DOF, DFRM, PAFO, DAFO	JICA	2009-2014 2014-201-?
NFIS	DOF	JICA	2014-2015
SUFORD	DOF, DOFI, NAFRI, PAPO, DAPO, VFU	WB/Gov of Finland	2009-2012
CLIPAD	DFRM, PONRE, DONRE	KfW, GIZ	2010-2018



## List of REDD+ activities in Lao PDR (cons)

- Regional REDD+ projects

Project	Implementing Institutions	Financing Institutions	Timeframe
Grassroots capacity building for REDD+ in the Asia Pacific	RECOFTC, ASIA-PACIFIC	NORAD	2010-2014
Linking Forest communities to the voluntary carbon market in SE Asia	FAO, ASEAN	FAO	2010-2012
I-REDD	University of Bern, CIFOR	EU	2011-2014
Lowering Emissions from Asia's Forests (LEAF)	Winrock, SNV, Climate Focus	US AID	2011-2016

THANK YOU!

