



Integration for Biodiversity in Lao

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1. Introduction

Lao reported¹ that to strengthen the implementation of the NBSAP and attain sustainable development goals by 2010 and onwards, Lao PDR has formulated and implemented national development plans, strategies and frameworks which integrate environmental considerations, including biodiversity conservation.

2. Biodiversity Considerations in National Development Plans and Strategies

The Poverty Reduction Strategy Paper (PRSP) of Lao Government or the National Growth and Poverty Eradication Strategy (NGPES) prepared in October 2006 serves as the country's poverty reduction strategy. The NGPES recognizes the vital role which Lao PDR's rich natural resources play in the country's socio-economic development. Lao Government plans to prepare and implement the national strategic plan on the environment. This would entail improving environmental management, plans, policies and laws; increasing environmental education and awareness; establishing mechanisms and promoting investment; and improving international coordination and cooperation. Environmental conservation is among the cross-sector issues included in the strategy, along with gender mainstreaming, population strategy, social security system, information and culture, and capacity building.

The Government of Lao PDR has integrated the NGPES and the MDGs in the Sixth five-year National Socio-Economic Development Plan—NSED (2006-2010). The Plan draws together the various strands of poverty reduction in the NGPES into a coherent strategy, and integrates as appropriate the various poverty reduction interventions including the targeted ones and the MDGs into the respective sector development and regional development chapters of the Plan. It focuses on the eradication of poverty and promotion of equity among different groups of the Lao multi-ethnic population within a rapid and sustainable economic growth framework.

The Lao Government's overarching development goal is to lift the country from the ranks of LDC's by 2020. The MDGs form an integral part of the Plan in the overall poverty reduction and in sectoral strategies, especially in the four key sectors, agriculture, infrastructure, education and health.

Environmental considerations are recognized in these plans and strategies. The NSED has specifically included the following targets related to biodiversity, which were also included as priorities of the Forestry Strategy and the NBSAP:

- Put an end to slash-and-burn cultivation by 2010;
- Reduce the proportion of the population using solid fuels;
- Biodiversity Conservation by improving NBCA management ;

¹ Lao (2009). Fourth National Report to the Convention on Biological Diversity, September 2010, 101 pp.

- Conserve threatened and endangered species in their habitat (NBSAP);
- Controlling Wildlife Trade; and
- Biodiversity management and ecologically sustain-able agriculture and forestry.

The National Biodiversity Strategy and Action Plan (NBSAP) aims to maintain the country's biodiversity as one key to poverty alleviation and protect the current asset base of the poor as support to the implementation of the government's priority programmes.

The Lao Government is committed to protecting National Biodiversity Conservation Areas (NBCAs) and bio-diversity as seen in recent Orders of the Prime Minister and the preparation of the Wildlife Law. With international support for NBCA management declining over the years, Lao Government established two important funds to continue NBCA management: (1) The Forestry and Forest Resource Development Fund (FRDF), the main source of which is logging related fees; and (2) The Environmental Protection Fund (EPF) with ADB and World Bank financing. FRDF has started to distribute funds to selected Provinces for management of NBCAs. EPF focuses on the NBCAs surrounding Nakay Nam Theun area.

Hin Nam Nor NBCA has been proposed as a Transboundary World Heritage Park together with Phonya-Kebang National Park of Vietnam and a dialogue for cross-border cooperation in the management of the two areas has been initiated.

Lao PDR shares 4 of the 9 high-priority GMS Biodiversity Conservation Landscapes: (1) Northern Plains Dry Forests (Cambodia and Lao PDR); (2) Tri-border Forests (Cambodia, Lao PDR, and Viet Nam); (3) Central Anna-mites (Viet Nam and Lao PDR) and (4) Northern Anna-mites (Viet Nam and Lao PDR).

Lao PDR's Strategic Framework for National Sustainable Development Strategy (NSDS, December 2008) embodies the country's strategic planning process to address the full integration of economic, social and environmental objectives across sectors, territories and generations and sector-wide mainstreaming of sustainable development principles and poverty-environment linkages. It will also address other key elements not considered in other existing plans and strategies, such as: sustainable development policy instruments; indicators to evaluate the overall status of national sustainable development; institutionalized mechanism for public participation; linking the short-term plans to medium and long-term addressing intergenerational equity; and coordinating different sectors and territories.

Fulfilling Lao PDR's commitments to Multilateral Environmental Agreements (MEAs)

Lao PDR is party to ten global multilateral environmental agreements, providing a framework for the country to cooperate with the international community in the protection of the global environment. This global participation is an opportunity for the nation to seek financial and technical assistance to support the environmental protection activities required to ensure sustainable development. These global environmental issues cover climate change, biological diversity, world cultural and natural heritage, the Kyoto Protocol and the international trade in endangered species. These MEAs include the:

Convention on Biological Diversity (ratified in September 1996); World Heritage Convention; Convention on International Trade in Endangered Species (CITES, ratified in May 2004); Convention on the Conservation of Wetlands of International Importance (Ramsar Convention); Convention on Climate Change (ratified in April 1995); UNFCCC, among others.

Lao PDR recently completed a UNDP-supported project on “Coordinating the Implementation of Multilateral Environmental Agreements” which has contributed significantly to improving national capacity to negotiate and implement global environment commitments and enabled improved efficiency and efficacy of implementation of those ten multilateral environment agreements. This has been achieved mainly through strengthened institutional and individual capacities, increased national awareness of related issues, and the participation of Lao PDR in international meetings. Major outcomes of the project include improved awareness of global environmental issues and a comparative analysis between multilateral environmental agreements and relevant national legislation (UNDP and WREA, 2009).

Poverty and Environment Initiative (PEI) in Lao PDR

Poverty reduction in Lao PDR depends on sustainable natural resource management and a healthy environment, and yet many of the key decisions that impact the environment are outside the direct control of environmental institutions. It is critical to include the environment in economic and social decisionmaking.

Improved natural resource management was highlighted as a priority. More than 50% of the nation's GDP is derived from agriculture, forestry, livestock and fisheries. Sound environmental management is critical not only at the national level, but also at the local level where it is closely linked to household income, health, nutrition and clean water. The direct use of natural resources and biodiversity by poor households and enterprises is estimated to be worth some US\$650 million a year. Food security and household nutrition are dependent on the availability of and access to wild foods, which currently provide more than half of non rice food consumption.

In March 2009, the Ministry of Planning and Investment, the Ministry of Agriculture and Forestry, the Ministry of Energy and Mines, the Water Resources and Environment Administration, the National Committee for Rural Development and Poverty Eradication and Provincial authorities, along with key donors and representatives from international non-governmental organizations and the private sector, met to identify and discuss key poverty-environment linkages that are central to the achievement of poverty reduction in Lao PDR. The workshop, organized by MPI with support from United Nations Development Programme (UNDP) and United Nations Environment Programme (UNEP) marks the end of PEI's preparatory phase.

Lao PDR now embarks on activities to be rolled out in Vientiane and in selected provinces from now until 2011 on PEI. PEI activities will focus on integrating poverty and environmental concerns and opportunities within the 7th National Socio-Economic Development Plan (NSEDPP), raising the awareness of poverty-environment linkages amongst decision makers, and building national and provincial capacity

to consider environment in investment, land use and development planning. The programme's design has been driven by national and provincial authorities from Oudomxay, Phongsaly, Saravane and Savannakhet through extensive consultations and two sub-national workshops.

The Biodiversity Corridors Initiative

Lao PDR is part of the Greater Mekong Sub-region (GMS), one of the fastest growing regions in the world with increasing economic, social and environmental transformation. Recognizing that such transformation will inevitably affect the environment, in 2004, the Asian Development Bank (ADB) initiated review of GMS economic program from an environment and sustainable development perspective.

Endorsed by the GMS Environment Ministers and Heads of States, the Core Environment Programme and the Biodiversity Corridors Initiative (BCI) geared up implementation in 2005. Lao PDR is one of the GMS participating countries of the BCI. The BCI is part of the Economic Cooperation Program of the GMS Sub-region (an association of six countries: Cambodia, Lao PDR, Myanmar, Thailand, Viet Nam and People's Republic of China – Yunnan Province and Guangxi Zhuang Autonomous Region) which includes a program of economic corridors based on highways linking the countries in north-south, southern coastal, and east-west direction. The BCI addresses the concern that possible fragmentation and damage to critical ecosystems and biodiversity could undermine the longterm gains of the economic program for GMS.

Specifically, the BCI will involve the following components: (1) Poverty alleviation through sustainable use of natural resources and development of livelihoods; (2) Clear definition of optimal land uses and harmonized land management regimes; (3) Restoration and maintenance of ecosystem connectivity; (4) Capacity building in local communities and government staff; and (5) Sustainable financing mechanisms and structures integrated with government planning and budgeting procedures. The programme exemplifies a comprehensive regional effort on mainstreaming biodiversity conservation into economic development programmes in the GMS.

The BCI aims to mainstream environmental management and biodiversity conservation in the GMS Economic Cooperation Program and sub-regional development. The BCI will endeavor by 2015, to maintain and improve the cover, condition and biodiversity of forestlands and associated ecosystems in priority biodiversity conservation landscapes and corridors, particularly in Lao PDR.

3. Mainstreaming Biodiversity in Sectoral Plans in Lao PDR

To improve management of the NBCAs, WREA has developed various proposals of priority activities, especially related to climate change adaptation to reinforce sustainable biodiversity conservation objectives as follows (WREA, 2009):

- Strengthen the capacity of the national disaster management committees in the prevention and mitigation of the impacts of climate change;

- Decrease the vulnerability of farmers living in areas that are prone to droughts and floods (STEA, 2004). This could mean diversification of crops or the development of supplementary/additional income-generating activities;
- Replace the slash-burn agriculture with permanent & sustainable farming schemes;
- Increase technical the capacity of forest volunteers in community forest management;
- Conduct public awareness raising campaign in management of water and water resources.

Complementary to these proposals, the Lao National Assembly has already approved relevant laws to support national socio-economic development and existing laws related to biodiversity conservation. These are the following (STEA,2004)

☐ Constitution Lao PDR (6/5/2003)

☐ Environmental Protection Law (3/4/1999)

☐ Water and Water Resources Law (11/10/1996)

☐ Land Law (21/10/2003)

☐ Agriculture Law (10/10/1998)

☐ Forestry Law (24/12/2007)

☐ Aquatic Animals and Wildlife Law (24/12/2007)

☐ Processing Industry Law (3/4/1999)

☐ Road Transport Law (12/4/1997)

Progress on various activities done to mainstream biodiversity conservation and management among the different sectors/component resources are cited herein to be able to see how these activities contribute to the integration of biodiversity concerns into the national policies affecting these sectors/resources, and how these policies were able to support the country's commitments to the MEAs.

Forestry

The Forestry Strategy to 2020 of Lao PDR keeps the development of the forestry sector in line with the national development plans and strategies. Protected Areas are an integral component of the forestry sector and until the forests are managed on a sustainable basis, PAs will come under constant pressure from unsustainable NTFP management.

A large proportion of Lao PDR's rural poor derives some part of their livelihood from NTFPs. For many the dependence on NTFPs is a function of their poverty - they lack better alternatives. Helping poor communities meet their subsistence and food security needs through sustainable NTFP management

needs to be a high priority for the forestry sector and protected area managers. NTFPs are uniquely essential for the Lao national economy, both for subsistence and trade. NTFPs are key elements in poverty alleviation, forest and biodiversity conservation, land use planning and allocation, substitution of shifting cultivation and industrial development. Every project or program aimed at rural development or biodiversity conservation in Lao PDR should have an NTFP strategy, similar to the way each project should have a gender/equity strategy.

Water Resources

Water supplies from protected areas are treated as a free resource, with no revenues channeled back to protected areas management and watershed protection. Valuing watershed protection is one of the key ways that Lao PDR can integrate ecosystems-based management approach into development activities. Water tariffs are introduced to recover costs of supply and to improve efficiency in use. Tariff levels also need to be set to include protected area and watershed management costs.

Energy

Institutionalizing hydropower water catchment levies as a standard policy tool in all hydropower schemes is being considered to benefit protected areas with revenues going directly to conservation management.

Such levies should be enacted in legislation to ensure transparency and a consistent policy so that every hydropower producer is treated similarly and according to the same conditions and standards.

Fisheries

The fisheries sector would benefit from a re-orientation resulting in:

- official status for wetland protected areas;
- increased assistance for community co-management and conservation;
- a more balanced approach to aquaculture development and conservation of natural fish habitat; and,
- a specific program for capture fisheries and frogs in upland areas.

Road/Infrastructure development

Integrated development planning: Roads to remote areas and especially to or near protected areas should be built as a component of integrated development plans by provincial and district authorities.

Appropriate specifications: Not all roads in remote areas need to be built for heavy transport or indeed cars. Road infrastructure should be developed at a scale and form appropriate to local needs.

Improved environmental assessment and mitigating action: A component of a good integrated development plan will be an EIA of a high standard which has a regional perspective and which assesses carefully the direct and indirect impacts of proposed new roads.

Trade and industry

Key issue: Wildlife trade in the lower Mekong region is a regional issue, not solely a bilateral issue and addressing it deserves greater regional recognition and attention. While domestic trade and use of wildlife in Lao PDR is probably significant, the cross-border wildlife trade is far more serious in its impact on natural systems and their long term development potential. Lao PDR should actively build the capacity needed to become a signatory to and implement CITES – the Convention providing the international umbrella for management and control of wildlife trade.

Agriculture

Sustainable Agriculture Strategy

Key issues on Agriculture and biodiversity related to protected areas management include: (1) Sustainable upland agriculture: Unsustainable upland agriculture continues to be the subject of critical importance to the conservation of protected areas; (2) Cash crop encroachment and land allocation: For NPA management, the two issues of cash crop encroachment and land allocation are strongly intertwined, the latter specifically in the form of zonation which is a legal requirement within NPAs; and (3) Land zoning based on land capability: If land allocation is to result in a successful move from swidden to sedentary farming, a critical requirement is zoning based on land capacity assessment.

Conserving agricultural biodiversity

Owing to the limited storage facilities in the country, conservation of genetic materials is minimal with only a few institutions doing it like NAFRI and NUoL. As already discussed in Chapter 1, samples of plant materials especially rice cultivars were collected and stored for medium-term in these institutions' facilities. For long-term storage and conservation purposes, in the case of rice, the International Rice Research Institute (IRRI), based in the Philippines, is collaborating with Lao PDR on this matter (MAF & STEA, 2004).

Tourism

The implementation of the National Ecotourism Strategy and Action Plan (2005-2010) is being spearheaded by the Lao National Tourism Administration. It aims to: (1) raise the profile of Lao ecotourism; (2) communicate the vision, goals and objectives of the strategy to a wide audience; (3) encourage dialogue and cooperation among the public and private sector; (4) facilitate the involvement of donor and development agencies; and (5) promote business confidence and investment in Lao ecotourism and the wider tourism sector.

In 1999 the National Tourism Administration, with assistance from UNESCO and the New Zealand government, launched a tourism project in the Nam Ha NPA in Luang Namtha Province. This highly successful initiative introduced the concept of ecotourism to Lao PDR – and in so doing received significant international acclaim and a UNDP award in recognition of its contribution towards poverty alleviation. Building on the success of the Nam Ha initiative, and the wider foundations of an expanding tourism industry, the Lao National Tourism Administration has produced the Ecotourism Strategy and

Action Plan to further develop and promote this important sector – a sector which tour operators believe will become the mainstay of the Lao tourism economy.

Actions on Integrating Biodiversity Conservation into Development Activities

Ecotourism development is a government priority and there are several initiatives underway, including the well-known ecotourism of Nam Ha project. Integrated Conservation and Development has been promoted and eco-tourism development plans are formulated for 5 NBCAs, namely: (1) Nam Ha; (2) Phou Khao Khouay; (3) Phou Hin Poun; (4) Nam Kading; and (5) Xe Pian. A review of the lessons learned was undertaken to provide practical guidance to provincial governments in promoting protected areas as a development strategy.

As part of WREA's function to integrate various environmental concerns, it has spearheaded pilot projects on Integrated Spatial Planning at the provincial level in Oudomxay and Champasak provinces.

Environment and Biodiversity Conservation Governance in Lao PDR

A long-term development vision of the Lao PDR was developed in the late 1990s within the ASEAN framework, defining the goals for the government's national development objectives. The government's overarching national goal is to lift the country from the rank of LDCs by 2020 through a strategy of growth with equity and the eradication of basic poverty by 2010.

The strategy states that "socio-economic development should progress continuously and be stable; there should be balance between social, economic and cultural development and the protection of the environment, so ensuring sustainability". Based on this existing national vision to 2020, the national sustainable development vision was proposed as a result of consultation processes as follows: "Achieving the sustainable well-being of all people of the Lao PDR through the simultaneous and integrated pursuit of prosperous economy, equitable society and healthy environment".

Clear goals were formulated and defined to guide the government's overall development objectives towards realizing the long-term vision. Stakeholders' consultations held in particular, through a Workshop in 2008 identified the following key strategic goals:

1. Sustainable Economic Development
2. Sustainable Social Well-being and Development
3. Sustainable Environment and Natural Resource Management
4. Good Governance

Each of these strategic goals is addressed by proposed sectoral action programs that clearly present situational analysis, responsible institutions, existing strategies and policies, objectives and targets, and proposed strategic actions and progress indicators (WREA, 2008).

The Water Resources Environment Administration (WREA) of Lao PDR was created in 2007 as the main environment authority in Lao PDR. The creation of WREA brings together the environment functions of the former Science Technology and Environment Agency, the Water Resources Coordination Committee and the Lao National Mekong Committee Secretariat. The WREA's Water and Environment Research Institute provides support to fulfilling various commitments of Lao PDR related to the UN Convention on Biological Diversity .

The Director-General of WREA Cabinet also serves as the Chair of the Lao-ASOEN and Member of the Governing Board of the ASEAN Centre for Biodiversity. As such, Lao PDR participates in a number of ASEAN-wide initiatives on biodiversity conservation, including policy development and capacity building activities.

WREA and MAF are directly responsible for cooperation and coordination with concerned agencies including both central and local administration authorities and international agencies, and also for identifying sources of funding in order to support the implementation of the NBSAP.

Other concerned agencies

All sectors, both at the central and local level have the responsibility to translate the NBSAP into their action plans, which are to be implemented effectively.

Public organizations in collaboration with other agencies are responsible for encouraging people to actively participate in the protection, conservation and sustainable use of biodiversity. Internal and external private sectors running business in the Lao PDR must strongly support government sectors in the management, conservation and sustainable use of biodiversity.

Mobilizing Resources for Biodiversity Conservation

Lao PDR's regulations on the Management of NBCAs, Living Aquatic Resources and Wildlife provided the mechanisms in sourcing the financial requirements of the NBCA Development Fund aimed at boosting the conservation and effective management of biodiversity resources in the country. This fund will be specifically used for the management and administration of NBCAs only covering the following concerns: the preservation of water resources, aquatic and wildlife resources and the environments within the areas; and the dissemination of legislations/policies, related capacity development trainings, and the supporting promotional activities (MAF & STEA, 2004).

Funding mechanisms strategy of the Lao National Government include the use of the National Tourism Fund which is supported by a 5% tax on national operators, income from the so-called "Biodiversity Maintenance Fee" generated from the costs of obtaining tourist visas in the country, and the hydropower concessions in major power generating projects like the Nam Leuk and Nam Theun II projects (MAF & STEA, 2004). Other sources of funding will come from the potential bilateral and multilateral, the private sector and external donors.