

**IMPLEMENTATION COMPLETION MEMORANDUM (ICM)**  
*Revised Template version 5/18/06*

**A. BASIC TRUST FUND INFORMATION**

*Most basic information should be automatically linked to SAP TF Master Data and IBTF*

TF Name: [Developing and Demonstrating Replicable Protected Area Management Models at Nam Et-Phou Louey National Protected Area Project \(NEPL Project\)](#)

TF Number: [TF013181](#)

Task Team Leader Name/TF Managing Unit: [Jean-Michel Pavy](#)

TF Amount (*as committed by donors*): [879,000](#)

Recipient of TF funds (*Bank/Recipient, if Recipient state name of recipient government and implementing agency*): [Wildlife Conservation Society \(WCS\)](#)

Type of TF(*Free-standing/ programmatic/ new TF for an ongoing program*): [Free-standing](#)

Single/Multi Donor:

Donor(s) Name(s):

TF Program Source Code:

Purpose of TF (*Co-financing/Investment financing/ Debt Service/ Advisory Activities-Bank/Advisory Activities-Recipient, etc*): [Co-financing/Investment Financing](#)

TF Approval/IBTF Clearance Date: [February 28, 2013](#)

TF Activation Date: [April 18, 2013](#)

TF Closing Date(s): [March 31, 2017](#)

Date of ICM Submission to TFO:

Cost and Financing Table:

	GEF4	%	Co-financing	%	Total	%
	\$869,363		\$1,912,914		\$2,782,277	
C1 Community Engagement Model	\$184,137	21%	\$541,826	19%	\$725,963	26%
C2 Protected Area Administration Model	\$150,316	17%	\$389,021	14%	\$539,336	19%
C3 Resource Mgt & Protection Model	\$362,980	42%	\$340,921	12%	\$703,901	25%
C4 Planning, Research, and Development Model	\$26,573	3%	\$277,528	10%	\$304,101	11%
C5 Project Management (including WCS ICR)	\$145,358	17%	\$363,618	13%	\$508,976	18%

**B. TRUST FUND DEVELOPMENT OBJECTIVES AND DESIGN**

**1. Original (and Revised) Trust Fund Development Objectives**

*Provide original statement of objectives from the approved/cleared IBTF. If original objectives have been changed, explain the timing and nature of the revisions, their justification and approval authority given.*

[The original and final statement of objective was “to test, in selected areas of the Nam Et-Phou Louey National Protected Area \(NEPL NPA\), targeted activities for sustainable natural resource use and protection of selected species threatened by human interaction,](#)

including managing anticipated impacts from road infrastructure development inside the NPA”.

## 2. Original (and Revised) Trust Fund Activities/Components

*Provide original activities/components to be financed by the Trust Fund. If original activities/components have been changed, identify them, and explain the nature of the revisions, their justification and approving authority.*

The original components and GEF funding allocation were:

- 1) Management and conservation working models (\$678,000) 77%
- 2) Ecotourism working models (\$130,000) 15%
- 3) Dissemination and replication of working models (\$33,795) 4%
- 4) Project management (\$37,205) 4%

In 2014, following the midterm review (MTR), the component structure was modified. The modification rebalanced activities between components, aligned components with a more standard organization of protected area management within the context of NEPL and Lao People Democratic Republic (Lao PDR) as well as with the project objective which emphasis the testing of new approaches for Lao PDR. The restructuring emphasized establishing a new institutional model for the NEPL NPA and on testing the village-based natural resources law enforcement model. The revised components are:

- 1) Community engagement model (\$385,000) 44%
- 2) Protected area administration model (\$80,000) 9%
- 3) Resources management and protection model (\$280,000) 32%
- 4) Planning, research and development model (\$96,000) 11%
- 5) Project management (38,000) 4%

## 3. Outcome Indicators

*Provide original performance benchmarks to be measured in the assessment of outcome. If none were established, explain why not.*

The project tracked a number of indicators. At the MTR, it appeared that some of the indicators required modifications, some were not useful in tracking success and additional indicators were required. The table below indicate the original indicators as well as the revised indicators and the rational for the revision.

<b>Original indicator</b>	<b>Revised indicator</b>	<b>Comment.</b>
Extent of habitat cover by biome type and fragmentation. Baseline (unknown) and target (too complicated to set)	Extent of forest cover. Baseline (244,000ha) and target (234,000 ha).	This indicate a reduction of deforestation rate.
New natural habitat gazetted to NPA system. Baseline (0); Target (97,626ha)	Indicator unchanged. Target changed to (80,000ha)	Increase realism.
Protected area management effectiveness as measured by	Indicator unchanged. Target changed to (44)	Increase realism.

protected area scorecard. Baseline (38); Target (46)		
Average number of people illegally entering the core zone along the Phathi Road daily. Baseline (29); Target (4)	Villages with signed Village Natural Resource Agreement compatible with the approved mitigation plan for Phathi Road (cumulative). Baseline (0); Target (3)	This measures better commitment of communities and district authorities in implementing the terms of an agreement that meets both Bank safeguards and protected area regulations.
	Models sustainable use and protection of natural resources documented and disseminated (cumulative). Baseline (0); Target (4)	New indicator actually upgraded an existing intermediary indicator.
Natural resource agreements approved and signed by communities and local government agencies (cumulative). Baseline (0); Target (20).	Indicator unchanged. Target (15)	Target reduced for realism. The natural resource agreements are developed on the basis of a Participatory Land Use Plans (PLUP).
Annual arrests and warnings in the core zone of the Phathi Road area (annual)	Dropped	This data does not reflect reality and accuracy is uncertain. Also it does not reflect suitable management of the road.
Community awareness and knowledge of sustainable resource use practices (cumulative)	Dropped	Data quality and scoring method is uncertain.
New villages with village agreements that incorporate wildlife use data compiled by communities (cumulative)	Dropped	Scaling up comprehensive PLUPs is the agreed instrument to ensure community support for national protected area management.
Mean incidence of illegal hunting and wildlife trade per unit effort (annual) Baseline (0.032); Target (0.022)	Area reached by patrol system based on grid target (annual). Baseline (0); Target (400,000ha)	Revised indicator reflects actual law enforcement scope and effectiveness.
	NTFP feasibility studies developed (cumulative). Baseline (0); Target (4)	New indicator designed to assess establishment of market-linkages for Non Timber Forest Products
	Three-province NPA management model developed (cumulative) (cumulative). Baseline (no model); Target (draft decree with minister)	New indicator measures progress on the institutional arrangement for the management of the NEPL NPA including all three provinces, districts and WCS.
Annual PA entrance ticket sales (annual). Baseline (\$65); Target (\$3300)	Dropped	Lack of pertinence and relevance since money not accrued to community or to NPA.
Mean sightings of flagship wildlife species and signs per tour (annual) Baseline (1.57); Target (3.35)	Area with up-dated wildlife survey (cumulative) Baseline (43,000ha); Target (150,000ha)	Revised indicator is more realistic and easier to understand.
Villages participating in village tourism funds (annual) Baseline (14); Target (30)	Village ecotourism contracts linked to conservation outcomes. Baseline (14); Target (35)	Revised indicator captures the actual contracts.

	Training days delivered to non-WCS staff Baseline (0); Target (240)	There was no HR development indicator.
	Kumbans where Kumban-based law enforcement is initiated (cumulative) Baseline (0); Target (3)	New indicator reflects actual empowerment of communities in law enforcement at village cluster level.
Package of lessons prepared, disseminated and accepted by DFRM and NUOL lectures (cumulative)	Upgraded as Outcome Indicator.	
	Proposal for re-delineation of Nam-Et submitted to appropriate authority (cumulative). Baseline (0); Target (proposal submitted to local government)	New indicator designed to address responsiveness to national assembly notice for re-delineation of NPAs.

#### 4. Other Significant Changes in Trust Fund Design

*Describe and explain the rationale for any changes made in design, scope and scale, implementation arrangements and schedule and funding allocation*

At restructuring, the closing date was extended from August 31, 2016 to March 31, 2017. Subsequent to the MTR, WCS obtained additional co-financing for community support and resource protection. This required WCS to rebalance again the GEF financing between components. The components Community engagement and Resources protection saw the GEF budget allocation decrease while the components Protected area administration and Project management increased. The overall amount for all components, all sources of financing considered, increased from the intend \$2.61 million (at GEF CEO submission) to \$2.78 million.

### **C. OUTCOME**

#### 1. Relevance of TF Objectives, Design and Implementation

*Discuss how the Trust Fund objectives, design and implementation are proved relevant to current global/regional/country priorities and the Bank's sector strategy*

The relevance of the NEPL for global biodiversity remains unquestioned. The relevance of the project objective to develop a model for management of Lao NPAs also remains valid. It is even higher than at the inception phase due to a renewed openness in the country for alternative models in protected area management. With the Government's development strategy to pursue green growth, there is growing recognition for effective protection and sustainable management of natural resources. This comes with protected areas being perceived as assets to be managed collaboratively across administrative and sectoral boundaries. As a concrete target, the Government is committed to establish two National Parks by 2020, with NEPL being one. Furthermore, the 2016 decision for MAF to regain the mandate of managing conservation forests has led to a renewed momentum to find an effective NPA management model. The recent Prime Minister's Order # 15, 2016 being effectively reinforced is also one of the significant milestone of the new government's commitment to protecting and preserving forest resource in the country. Despite these shifting priorities that favor NPAs, competition continues with infrastructure development in and near NPAs. The project intentions to address the potential impact of externally-driven infrastructure development continue to be highly pertinent.

## 2. Achievement of TF Development Objective

*Discuss and rate the extent to which the Trust Fund development objectives have been met, with linkage to outcome indicators. This includes an assessment as to whether the actual output/deliverables were successfully completed, compared to the expected output, for each activity/component of the Trust Fund. For activities where the output is a report or a dissemination event such as a workshop, conference, training, or study tour, discuss and rate the Quality, Presentation and Dissemination. Applicable reports and/or documents are to be attached to the ICM*

The achievement of the project intended outcome, as measured by the key performance indicators, is moderately satisfactory. The table below lists all indicators, their target and closing value. Most indicators are achieved or nearly achieved.

Indicator	Baseline	Target	Value at closing
OI 1: Extent of forest cover (ha)	236,000	234,000	234,441
OI 2: New critical wildlife species habitat gazetted to NEPL NPA (ha) ( <i>indicator was dropped at restructuring but still monitored by WCS</i> )	0	80,000	90,772 are formally recommended by the Prime Minister to the National Assembly.
OI3: Protected area management effectiveness (%)	38	44	45
OI 4: Villages with signed Village Natural Resource Agreement compatible with approved mitigation plan for Phathi Road (cumulative) (#)	0	3	4 PLUPs with Mitigation Plan completed although not signed yet by district council.
OI 5: Models for sustainable use and protection of natural resources documented and disseminated (cumulative) (#)	0	4	4
IOI 1: Natural Resource Agreements approved and signed by communities and local government agencies (cumulative) (#)	0	15	12, although 7 not yet signed.
IOI 2: Village ecotourism contracts linked to conservation outcomes signed (cumulative) (#)	0	35	26
IOI 3: NTFP feasibility studies developed (cumulative) (#)	0	4	4
IOI 4: Three-province-NPA management model developed (cumulative) (Yes/No)	No	Yes	Yes Ministerial Decision drafted and at signature (signing is a condition for LENS2 support)

IOI 5: Training days delivered to non-WCS staff (cumulative) (days)	0	240	250
IOI 6: Kumban where Community-led Law Enforcement Action Networks (CLEAN) initiated (cumulative) (#)	0	3	3
IOI 7: Grid cells patrolled in core zone (cumulative) (% of total number of grid cells patrolled)	32	46	51
IOI 8: Area with updated wildlife surveys (annual) (ha)	Occupancy survey (2008)	150,000 ha grid-based survey	141,900 ha (grid-based patrolling with 40,000 ha also by camera trapping.)
IOI 9: Proposal for re-delineation of Nam-Et developed (annual)	No	Re-delineation report developed and submitted to appropriate authorities	No (Re-delineation process is now managed by DFRM through a separate project. NEPL NPA zoning at village level including re-delineation is ongoing.)

The Project Implementation Performance is rated Moderately Satisfactory. At project end, budget execution is 99% and most proposed activities are completed. While activities were implemented and plans adjusted to test new management approaches, the initial lukewarm commitment of the government – although much improved throughout the project period – made effective testing difficult. The project implementation design also in hindsight seem to fell short in strategic focus on community engagement and development. The activities with community engagement dimensions, which were meant to be underpinned by aims to change behavior and facilitate the onboarding of the communities for conservation, showed little progress although lessons have been learned. Discussion per component and each indicator with its result measured at the time of closing are below.

### **Component 1 community engagement**

Community engagement and livelihood component has accomplished several outputs. **Outreach and social marketing** activities developed streamlined wildlife management regulations across all nine surrounding districts, eliminating inconsistencies, such as different rewards and sanctions across districts. **Participatory Land Use Planning (PLUP) and Village Natural Resource Agreements (VNRA)** were developed in two village clusters, Bouamfat and Houay Ma-Phathi as part of the new approach to the Phati Road impact mitigation strategy. Total of 12 PLUP/VNRA have been drafted, but only the 5 in Bouamfat cluster have been approved and signed, with reasons of coordination challenges across projects supporting the PLUPs and administrative delays at the central level of land administration and management department. **Agroforestry and NTFPs** management was supported by 4 feasibility studies conducted on coffee, bamboo, red mushroom, and cardamom, and limited training was provided for coffee. While the feasibility studies will support the communities to consider alternative livelihood options, the selection of feasibility studies had overlooked that communities are more engaged and

interested in livestock rearing and would have benefited from support for conservation-compatible livestock rearing. **Eco-tourism** made noticeable achievement in terms of developing and launching the new trekking product and the Nam Nern Safari continued its operation, whose increase during the project duration included number of tourists per year by 53% and the Village Development Fund contribution per year increased by 77%. The new product launched in May 2016 is benefiting additional 14 villages, bringing the total number of villages participating in the NEPL ecotourism products to 26. A challenge has been in the financial sustainability as the efforts to partner with a private operator has failed due to insufficient volume of tourists.

### **Component 2 protected area administration model**

For establishing a **multi-province NPA management model**, the ministerial agreement to set up a tri-provincial steering committee has been drafted. The establishment of the steering committee would allow issues to be deliberated under the deputy-minister of MAF and Provincial Vice-Governors' guidance. Furthermore, the agreement appoints and empowers the "management team" with authority to manage its own bank account and human resources. In **human resource development**, compared to the initial phase, the pool of human resources has improved in number and qualification. The government has increased secondment to PAMU, and this in turn heightens the morale and sense of leadership of the organization. WCS has placed technical advisors for on-the-job training and day-to-day mentoring, while also organizing trainings in law enforcement, mapping, monitoring, first aid, and ecotourism for a total of 250 training-days delivered to non-WCS staff over the project period.

### **Component 3 resources management and protection model**

An active approach to test and improve resource protection strategy was evident throughout the project. In **Resource protection and law enforcement**, the Kumban (village cluster)-based law enforcement was tested in complement to the patrol-based law enforcement. While the former did not fully materialize, by the closing of project the patrol-based law enforcement reached 46% TPZ coverage and Spatial Monitoring and Reporting Tool (SMART) was in use for monthly reporting to the management. The software Cyber Tracker also began testing, which would eventually remove all requirement for taking physical notes in the field. For the **management of externally-driven infrastructure** which aimed to build the capacity of PAMU to address different threats and identify viable options, the achievement is moderately satisfactory. The PAMU is dealing with two proposed dams outside of NEPL that would affect the ecotourism on the (pre)feasibility studies, and with the district / provincial governments and the Ministry of Natural Resources and Environment at the central level about the environmental assessments. This engagement also includes seeking sustainable finance for managing the headwater in NEPL. At each end of the Phati Road check points were built and manned as part of the initially adopted mitigation plan. But this led to minimal progress. The villagers remain little aware of PAMU objectives and plans, and there is yet to be any on-the-ground access restriction in place. Furthermore, coordination failed with other projects supporting PLUPs, which carried out the process without the Mitigation Plan that was to provide the overarching roadmap. Subsequently, the road was upgraded further as well as several other roads in the NEPL. The external panel of expert mobilized by WCS, recognized the futility

of the action proposed in the original mitigation plan and endorsed the new participatory land use planning approach. The Bank also tackled the issue of infrastructure overlap at national level through policy discussion and strengthening of the national and provincial department tasked with Environment and Social Impact assessment.

#### **Component 4 Planning, research and development**

**Wildlife monitoring and tiger conservation** was implemented mainly by the external research team conducting camera trap survey. Additional data collection was contributed by the forest mobile patrol teams and the tourist groups. Wildlife monitoring was well integrated into the tourism products through organizing trekking to retrieve camera trap recordings, identifying and collecting spoor and scat, and contributing to village development funds for each wildlife observation. Overall, the camera trap surveys found a decrease in large and medium-sized carnivores and an increasing pattern found of small felids. The tiger conservation, while it continued to be a monitored subject, the updated survey hinting the below-minimal breeding population relegated this activity to part of wildlife monitoring rather than an active focus to recuperate the population. The **PA re-delineation** activity has delivered the Northwest Extension request to the Prime Minister's Office. This awaits approval by the National Assembly. The project also engaged in the western corridor TPZ re-delineation in collaboration with the district offices to negotiate and formalize with the communities. This corridor, important for gibbons, was being encroached by maize farming. The new limits defined aimed to retain and protect the remaining corridor. Similar issues remain in other villages to be resolved through the process towards community conservation agreement.

#### **Component 5 project management**

WCS managed five sources of funds that amounted to roughly 2.78 million USD to support the NEPL NPA management. Of this amount, 17-18% supported project management including WCS staff in Vientiane to oversee project implementation, manage finances and procurement, and to engage with stakeholders and donors through hosting biannual and annual meetings. This also included engagement with MONRE to discuss and identify impacts of proposed development projects on NEPL NPA. In implementation arrangement, each government head of PAMU section has been supported by a WCS counterpart in a co-management structure. WCS is continuing this co-management structure while gradually handing over implementation responsibility to GoL.

### **3. Efficiency**

*Describe the degree to which the Trust Fund activities have been efficiently implemented, in terms of their associated costs, implementation times and economic and financial returns.*

The project management cost was high (17-18%) and the implementation time required an extension by 15%. The project management cost, which included the staff to support finances, procurement, and stakeholder engagement, is comparable to the amount supporting component 2 on NPA administration. Attributable to this high management cost is the heavy hands-on support that was required by the co-management structure while the government capacity was very low especially during the initial phase of the project. Several activities are found to have gained efficiency through strategic arrangements. For example,

village natural resources use agreement was embedded into the PLUP process, tourism and patrol activities contributed to wildlife monitoring, and much of the construction for the new trekking tourism product was procured through the community force account. Patrol-day cost was approximately USD18.70; while this compares high to USD9.60-12.50 reported by other Lao NPAs, patrol-day costs are widely varied by the patrol size and per diem costs that differ across provinces and districts.

#### 4. Development Impacts, including those that are Unintended/Unrelated to TF Objectives

*Discuss all other outcomes and impacts achieved under the Trust Fund (including unintended, positive and negative). Where relevant, discuss how the Trust Fund has contributed to the development/strengthening of relevant institutions, mobilization of other resources, knowledge exchange, recipient policy/program implementation, replicable best practices, introduction of new products, New Forms of Cooperation with Other Development Institutions/NGOs, etc., which would not have been achieved in the absence of the Trust Fund.*

The development impact of the project on a broader level is its contribution to demonstrate that NPAs require much proactive management and, through tourism, can be a source of growth. With the new Government and its latest 5-year development plan, the concept of national parks materialized as a goal and NEPL NPA was designated as one of the first two to be established. The long engagement by WCS in NEPL NPA has supported leading to this commitment. The project is also continuing to mobilize other resources of international donor funding. The continuation of the project through the Bank financing (LENS2) via the Lao Environment Protection Fund (EPF), in cofinancing with WCS, has also led to a new mode of financial, technical, and political support to the NPA. The EPF-financed project undergoes review by the various ministries, conducive for cross-sectoral coordination. In addition, the issues raised by the “Pathi Road” contributed to trigger a Bank involvement at the national level not only to help the country better plan, finance and build its road network (see the new Bank Country Partnership Strategy) as well as target capacity building of the environment and social impact instantiations through various projects including LENS2 and a new green growth development lending operation.

#### 5. Overall TF Outcome

*Justification for overall outcome rating, taking into account the Trust Fund’s relevance, achievement of each TF development objectives, efficiency and development impact. (Rating Scale would be consistent with the sixpoint scale used in ISR/ICR: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U) and Highly Unsatisfactory (HU))*

Taking into account the moderately satisfactory rating on development objectives and implementation performance as described in previous sections, and given the high relevance but moderately unsatisfactory efficiency, the overall outcome rating is Moderately Satisfactory.

## **D. Risk to Development Outcome**

### 1. Follow-On Results and/or Investment Activities

*Identify and provide a description of the role played by this TF that led to those follow-up activities or investments checked below. (Check all that are applicable):*

*Activity/Investment:*

Recipient/Other Investment;

Grant Project/Program;

Bank Project;

IFC Financial Project/Activity

The Government and community engagement is growing and WCS is mobilizing new donors to support the NEPL NPA. It is near confirmation for a grant from the Darwin Initiative, which would focus the support to community engagement dimensions. The Second Lao Environment and Social project (LENS2) financed by the Bank has approved the NEPL subproject in the amount near USD3 million. The standard operations procedures developed during the project is the foundation to guiding the activities under LENS2 financing, including the work plan and budget, environmental and social management plan, procurement and financial management manual. The formal establishment of Management Authority—the formal decision is at ministry’s signature—is another dimension to project sustainability, which indicates greater GoL ownership evolving from the technical support provided by an NGO.

### 2. Replicability

*Describe and rate the extent to which the Trust Fund has generated useful lessons and methodology that are replicable in other sectors and/or regions.*

While one of intended outcome was to develop demonstrating replicable models, the strategy for standard-setting or dissemination does not seem to have kept in pace (key lessons are discussed in Lessons and Recommendation section). Nonetheless, the project tested models which will be replicable in other protected areas of Lao PDR, such as the association of conservation agreement, protected area macro zoning and community-land use planning. The NEPL has been for a long time “a park in construction”. The GEF grant by intervening at a specific stage of the construction process, was designed to help remove some barriers and mitigate impacts, especially institutional barriers specific to a 3-province protected area, to NEPL itself and to the Lao PDR context. Given this, the project was rather unique and replicability may not be a relevant criterion.

### 3. Overall Risk to Development Outcome

*Rate how likely, and for how long, the outcomes will be sustained after completion of Trust Fund activities, and the likelihood that some changes may occur that are detrimental to the achievement of the TF development objectives. These may include factors such as technical, financial, economic, social, political, environmental, government ownership/commitment, other stakeholder ownership, institutional support, governance and natural disasters exposure. (Rating Scale would be consistent with the four point scale used in ISR/ICR: Negligible to Low (L), Moderate (M), Significant (S) and High (H))*

The risk to the development outcome is considered low. The outcome of the project for NEPL NPA will likely be sustained and further improved through the LENS2 financing, which was prepared to continue and expand the achievements of the TF project in NEPL

and to remedy shortfalls. A risk foreseen is the regional demand and the communities' increased formal/informal market access that may undermine the community commitment to conservation priorities. Active participation and leadership from the central ministry – to bring provincial / district governments and various sectors together – will be an important factor contributing to establishing PAMU's authority in practice. These risks are expected to be mitigated by the country context shift to green growth that places natural resource protection and conservation at high priority. The Pathi Road was initially perceived as a significant risk to the GEF project. But, in context within Lao PDR where so many roads, hydropower dams, mines and power lines are overlapping protected area, the Pathi Road appears minor especially after the panel of expert determined that the area crossed was no longer tiger habitat. Rather than confining the risk mitigation efforts on the particular road in its localized context, the Bank approached with additional IDA financing to systematically strengthen the legal and regulatory powers for adequate environmental assessment and mitigation measures mainly through the LENS2 and Hydro-Mining Technical Assistance Projects.

## **E. PERFORMANCE**

### **1. Bank**

*Rate and justify rating on how well the Bank carried out its specific responsibilities assumed under the Trust Fund. If the TF financed Secretariat functions, describe how well the Secretariat carried out its roles and responsibilities, and its exit strategy, if any. If the Bank is executing Recipient work on behalf of Recipient, describe how well the rationale for Bank execution (as specified in the IBTF) was realized. (Rating Scale would be consistent with the six point scale used in ISR/ICR: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U) and Highly Unsatisfactory (HU))*

The Bank's support to the Project is satisfactory. Notable support was provided through restructuring, project extension, continuation under LENS2 financing, and dialogue with stakeholders at the central level. With a more substantive support budget, it would have been desirable to provide closer implementation support on community engagement and on addressing earlier issues around the implementation of the Pathi Road mitigation plan. In addition, drawing earlier connection between NEPL experiences to the ongoing policy dialogue could have been helpful although these are being developed in the greater context of the Bank engagement in Lao PDR.

### **2. Recipient (for Recipient-executed TFs only)**

*Rate and justify rating on how well the different tasks that were expected from the Recipient under this Trust Fund were carried out. (Rating Scale would be consistent with the six point scale used in ISR/ICR: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U) and Highly Unsatisfactory (HU))*

Rating is moderately satisfactory. At project closing, financial management, procurement, monitoring and evaluation, and co-financing are rated satisfactory. Throughout the project there were delays in IFR submission and keeping project disbursement rate current, which have been partially remedied. While WCS management in Vientiane changed twice during

the project, the NEPL team maintained adequate constancy for the project. Areas for improvement for LENS2 subproject included strategic planning for community engagement including team composition and partnership and attention to cooperation mechanism with key stakeholders.

## **F. LESSONS LEARNED / RECOMMENDATIONS**

*Describe the most significant positive and negative lessons learned from the success or failure of the grant activity and, as appropriate, make constructive recommendations for each stakeholder involved (Donor/Bank/Recipient/Development Community)—based on the assumption these stakeholders might decide to undertake a similar activity at a future time.*

The main lessons from this phase of the NEPL development are incorporated in the design of the subsequent phase co-financed by the LENS2 project. It had been discussed in the protected area forum chaired by the Department of Forest Conservation in Vientiane. The lessons cover the following dimensions: (a) institutional challenges of decentralized protected area management, (b) mixed staffing for community resource management, (c) the nexus among infrastructure and community development and land use planning, (d) community-based ecotourism and (e) effectiveness of protecting tigers in low capacity environment.

### **Institutional challenges of decentralized protected area management**

The lesson is not new to the world but gradually learned in Laos: *decentralized administrative management of large protected areas containing biodiversity assets of global significance faces insurmountable challenges without the central government leadership and political support.* The Lao models, as implemented in the +4000km<sup>2</sup>/3-province NEPL is a case in point: (a) the central department of conservation responsibility is strictly on policies. It has no leadership, nor authority on, nor finance for the NEPL. Because of low capacity, it provides little conduits for informing central policies, monitoring donor projects and mobilizing provincial and district government offices; (b) each of the three Provincial Offices in charge of conservation forests (now Agriculture and Forestry, formerly Natural Resources and Environment), despite being tasked with protected area planning, staffing, budgeting and financing, neither staff nor budget is available; and (c) each of the nine District Offices in charge of conservation forests (DAFO, formerly DONRE), while tasked with the daily management of the portion of the protected area that overlap their district, also lack staff. Although, in theory daily management should be carried out in collaboration among district offices, communities and other partners such as the military, coordination power is absent where all players chronically suffer from lack of resources and manpower. Without an external partner like WCS that tries to bring these “forces” together, little happen in the field and the little that happens is uncoordinated.

The consequences of a lack of central government leadership and support has broad and wide-ranging consequences to protected area management. Without strong national government support, one of the consequences is that local infrastructure interests are likely to take strong precedent over nationally (and internationally) significant natural areas.

These consequences may also have implications related to the World Bank safeguard policies. A demonstrable case is when during the Lao's participation in the Global Tiger Initiative (GTI), infrastructure was expanded through the core area of the only Lao protected area with a known tiger population without an environmental assessment. It is likely that local government officials have little appreciation or awareness of the national Lao government's protected area policies and regulation, without having any dedicated staff on site to interact with. Not having fulltime and skilled staff at the local level makes it highly unlikely that "green" infrastructure planning and consultation will occur. Having a dedicated protected area management unit (PAMU) would ensure that at least one body in the Lao PDR government is responsible for protecting internationally-significant natural assets.

In the case of NEPL, WCS has supported establishing the coordination authority in the PAMU, to which each province appoints a few staff. The challenge for PAMU was that it is perceived as a provisional entity outside the normal government structure, which hindered its genuine empowerment with practical authorities. Without its own authorities, the PAMU remains dependent and subject to the symptoms of decentralization such as the lack of central government department leadership and the lack of staff and budget at sub-national levels. The establishment of the "informal" PAMU has at least initiated minimal coordination between the central department, the 3 provinces, the 9 districts and the many village clusters therein. The slowly evolving PAMU role throughout the project has demonstrated that PAMU can help draw more substantive cooperation across provinces, which have been mainly limited to contributing human resources to law enforcement. Particularly in the context of decentralization and delegated implementation role to local government, PAMU must undertake strategic planning, coordination and leadership. Through a number of workshops and national policy dialogue, it has also helped the Government realize that a formal Management Unit was urgent and would pave the way to the ultimate incorporation of NEPL into a more centralized national park system. Such role and duties have been outlined in the draft ministerial decision on the formalization of the tri-provincial steering committee and the "management unit".

### **Mixed staffing for community resource management is a solution for lack of staff**

The lesson is specific to Lao PDR but may be of interest to countries which are at the early stage of establishment of a protected area system. The lesson is that *delegating protected area resource management and monitoring to an assorted body of staff that may also include community members is a valid, efficient and potentially successful alternative to single-sourced staffing (e.g., staffed from a single government agency)*. The current system of protected area management in Laos does not enable decentralized government to appoint sufficient staff to a protected area. In NEPL for example, the PAMU had 3 staff at the beginning of the project in 2013. While staff has increased to almost 10, this is a fraction of what a tropical forest ecosystem park requires. For adequate management and protection, the NEPL staffing should be in the order of 90 staff just on resource protection and monitoring.

As a palliative, WCS has helped mobilized patrol teams constituted of staff, called rangers, paid by WCS, soldiers sent by nearby military units and villagers. The mixed "ranger-and-

community” patrolling approach aimed at improving effectiveness through efficiency. It included termination of the ineffective permanent ranger substations. The patrol teams became mobile, dispatched from the headquarters in Hiem, and helped to improve flexibility in addressing key threats as they became known. Furthermore, a new incentive scheme linked better rewards to actions such as imposing fines, confiscation of weapons, and arrests. Mixed patrol continues to evolve, with adoption of new modes of operation and technology such as SMART program and Cyber Tracker. Some of these mixed patrol teams have increased their confidence to confront poachers. In some of them, village team members have learned field technics such as GPS tracking and data collection.

The mixed staff approach is not limited to resource protection. Another area of work that requires much staff is at the interface between the protected area institution and the more than 90 villages that are within or surround the NEPL. In this case, the mobilization of village and kumban facilitators is essential. This is perhaps an area of protected area staffing where the gender balance can be more easily achieved. Although WCS has made efforts to attract female staff in technical position, the challenge in gender inclusiveness in the PAMU is substantial. This challenge is common to much of the protected area institution, especially in emerging systems. Due to reasons of remote posts, recruiting female staff in PAMU remains a challenge while community engagement requires the diversity.

The above approaches deserve scrutiny on the part of the Government of Laos as they embark in the establishment of a national park system and institution. The important point is that the lessons from NEPL, and incidentally from Nakai Nam Theun National Protected Area, demonstrate that the Park management team do not have to become bloated with large number of civil servant if the approach is determined to be collaborative with local communities.

### **Nexus among infrastructure and community development, and land-use planning**

The lesson is that *one cannot challenge successfully a national infrastructure development practice without carrying out the full due diligence with local community and public stakeholders and that land-use planning, both macro (the protected area and in the long run, the national land use mapping-spatial planning) and micro (each village cluster) must be central to the dialog leading to the mitigation plan.* At the project onset, the Bank was called to assist with a mitigation plan for the upgrade of a road that intersected the north east portion of the NEPL in area are called Pathi. This became called the “Pathi Road”. A special safeguard requirement, a mitigation plan, was quickly drafted, adopted and launched. It required special monitoring of the road usage and increased protection of biodiversity in the area crossed by the road. The mitigation plan was implemented, but did not produce the desired low usage of the road and protected area resources.

At the mid-term review, it was agreed to revise the approach (this was documented in an ISDS approved by the Bank) and associate it closely with an enhanced attention to macro and micro participatory land use planning. The new approach emphasizing participatory spatial planning was already contained in the project objective to support sustainable

natural resource use by villages and management of impacts from infrastructure development.

For the NEPL Project, this was an aspect that was designed and implemented without the commensurate level of strategy and vigor that was demanded. The participatory land use planning (PLUP), which embeds the process of agreeing on village natural resource use, is found to have an immense role to reconcile development objectives among communities and with infrastructure investment. But the project overlooked the due intensity of engagement and expertise required for facilitating the resolving of issues ranging from customary right to encroachment in the TPZ for agriculture and cattle raising. Implementation suffered from insufficient consistency and carefully planned intervals to maintain a momentum. The PLUP process – comprising 3 stages of identifying village border and natural resource locations, collecting and adding socio-economic data, and developing an analytical map for decision-making – was carried out with multiple villages simultaneously in each stage. As such, all villages had to be completed in each stage before advancing to the next. From each village perspective, this led to a protracted process over four months with thinned level of intensity. Consultation with communities tells that land use plans and concrete agreements are highly desirable for their own security to invest in the land. This encourages carrying out the consultation and planning process more intensively, which was estimated to be possible within about 20 days. Another notable aspect is the importance of official approvals. Despite the completion of the PLUP development process, the lack of official approval proved to undermine their validity. The district government's official approval has proved to be an important trigger for the villagers to recognize and respect the agreements.

The Pathi Road management in the project has shown that PAMU approach need to broaden to tackle it as a socioeconomic development issue rather than simply managing the impacts of an infrastructure development project. The NGO Village Focus International study conducted in the area in 2015 found the road to be one aspect of modernization happening in the region, which was modernizing the livelihoods of the locals. This entailed the villagers adopting livestock rearing and commercial farming, and thereby increasing income and ownership of machinery and transport. Furthermore, perhaps the most important element in the community engagement approach is reconciliation of the enforceable formal rules with the customary practices and informal governance that have been predominant. The informal rules tend to prevail not only among the inhabitants but also with the local government, which leads to the large presence of unofficial village settlements (sanams) and cattle grazing practice within the TPZ manifestations of this. Recognizing these contexts more prominently as the underlying approach to community engagement would help PAMU's success. The outreach activity would need to reflect this in clear guidelines about community participation – specifically to include inhabitants of sanams as stakeholders and to recognize all informal aspects of the communities. Another recommendation is to jointly collect data and build information as the first step before planning. For example, the cattle management plan to first study the carrying capacity of the TPZ for livestock, the access restriction plan to first build a baseline about the current traffic would help build the platform for negotiation, and re-delineation to first undertake survey of current land use, the history, and likelihood of people's attachment.

At the broader macro level, the MONRE and MAF have been discussing the establishment of national land use mapping. The national land use map is required to inform upstream decision making on land use and spatial planning for development investments especially in critical NPAs.

### **Ecotourism based livelihoods for local communities**

The lesson is that *in situation where the tourism product, while attractive, is far from the existing markets, it is a reasonable strategy for an NGO to temporarily substitute to the private sector for product development, training and market linkages until the market and access grows sufficiently to withdraw the NGO in favor on a “responsible” investor.* As a result of the GEF support, the ecotourism operation has seen positive impact to increase the visibility of NEPL NPA. While the public-private-partnership was sought after, reaching out to three tour operator companies have failed to secure an interest. The main reason is the lack of volume of tourists for a private operator to be profitable: the scale needed for the private operator was about ten times greater than the current volume of 200-250 tourists per year. It is concluded that this effort to establish partnership with a private operator should continue based on some private companies showing interest to help boost the tourism product. This is an area in which the conservation focused support from WCS can complement the expertise and foster conservation-oriented ecotourism with a private operator. At policy level, a concrete collaboration is also needed. Such platform is absent even though there is widespread acknowledgement among government and communities that tourism is source of growth that NPAs can offer. Without a consolidated effort to support tourism in NPAs, villagers working with the ecotourism product as guides, homestay providers, porters, cooks, or handicraft producers are committed merely for the extra income.

### **Effectiveness of protecting tigers in low capacity environment.**

The lesson is that *for species like tigers whose illegal market demand is sufficiently high to attract organize crime, regular approaches to patrolling are unsuccessful. A prerequisite to addressing the extirpation is a very high and unequivocal political commitment that mandate and orders effective multiagency collaboration.* The NEPL NPA was one of the most promising locations for the recovery of tiger and prey populations in Indochina. Although the project began with an ambition to address the declining tiger population, by the MTR an updated assessment had suggested that the population had fallen below the minimal breeding size and the rate of photo capture showed a decrease with the last capture in 2014. Furthermore, the sign-based occupancy survey method agreed for implementation was not fully implemented for the reasons of manpower needed in the field, demanding logistics and the relatively high costs. Instead the focus remained on camera trap and ranger-collected data. The camera trap monitoring benefited from an academic research team, whose work and findings were incorporated into community outreach. The wildlife monitoring is deemed useful in engaging stakeholders and explaining the importance of the area. This helps to substantiate the effectiveness of a having “signature species” to focus around for law enforcement and community outreach.

In essence the GEF project can be considered as having had no impact on tiger conservation. This pattern is not specific to NEPL, during this project lifetime the same scenario occurred in Cambodia. Unfortunately, the sort of efforts that could have led to the tiger recovery requires much more political commitment and willingness between institution to collaborate that could realistically be expected. While the GEF project has failed, the Bank and other partners have engaged Government of Laos to build its political commitment and multi-agency policies and capacity to address wildlife trafficking in general and, specifically tiger conservation, starting with the tiger farms. This is expected to be gradual and likely insufficient for the few tigers that may remain in Lao PDR.

## **G. ICM PROCESSING AND COMMENTS**

### 1. Preparation

TTL at Approval:

TTL at Closing:

Comment of TTL at Closing:

Prepared by (if other than TTL):

Date Submitted to Approving Manager:

### 2. Approval

Manager:

Date Approved by Manager:

Manager's Comment:

### 3. TFO Evaluation of ICM Quality

TFO Reviewer:

TFO Rating on the Quality of ICM (*Satisfactory or Unsatisfactory*):

Comment and Justification for Rating Given by TFO: