**CALL FOR PROPOSALS**

**GRANT FOR ORGANIZATIONS TO CONDUCT A RESEARCH STUDY ON ENVIRONMENTAL IMPACTS CAUSED OR CONTRIBUTED BY BUSINESS IN LAO PDR**

|  |  |
| --- | --- |
| **Eligibility** | Lao PDR-based (national or international) non-governmental organizations, including Civil Society Organizations legally registered and non-profit and non-governmental academic or educational institutions |
| **Maximum Grant Available** | USD 40,000 |
| **Expected Duration** | 9 months |
| **Deadline** | Proposals must be submitted by 23:59 31 May 2022 to [lao.procurement@undp.org](mailto:lao.procurement@undp.org) with the subject line: *Proposal to Research Environmental Impacts Caused or Contributed by Business in Lao PDR* |

1. **BACKGROUND**

* **Following the rapid business-led economic growth over the past two decades, Lao PDR’s growth model has brought not only opportunities but also adverse environmental impacts of irresponsible business practice.** Over the past decade, Lao PDR has been one of the fastest-growing economies in ASEAN and the 13th fastest growing economy globally, recording average annual growth of around 8%.[[1]](#footnote-2) Key economic activities underpinning the country’s economic dynamism have included hydropower, mining, logging, and agriculture activities, largely led by foreign investors.[[2]](#footnote-3)

While those business-led activities have provided important economic gains and improved standards of living for large numbers of people across the country, irresponsible business practice has resulted in significantly high rates of natural resource depletion and environmental degradation, including deforestation[[3]](#footnote-4)[[4]](#footnote-5), water pollution[[5]](#footnote-6)[[6]](#footnote-7), reduction of wetlands[[7]](#footnote-8) , and fish habitat destruction[[8]](#footnote-9). These environmental impacts led to related social implications for local communities, such as relocation[[9]](#footnote-10)[[10]](#footnote-11), loss of livelihoods[[11]](#footnote-12)[[12]](#footnote-13), loss of access to traditional food and water sources,[[13]](#footnote-14) and negative health impacts[[14]](#footnote-15)[[15]](#footnote-16).

In 2017, Lao PDR’s annual costs of environmental degradation and related social implications were equivalent to 19.3% of GDP in that year.[[16]](#footnote-17)

* **To ensure the sustainability of economic growth, in the framework of the 9th National Socio-Economic Development Plan (NSEDP) (2021-2025), the Government of Lao PDR has prioritized responsible public and private investments and aimed to strengthen their management and monitoring.** The 9th NSEDP focuses on attracting “quality and effective investments” with the aim to mobilize 19.6% of GDP for development funding by 2025, of which 48.4% are private investments. It acknowledges the need to establish an effective management system(Outcome 1.2), which will ensure investment projects assess and mitigate environmental and social risks (Outcome 1.2) and use natural resources in a sustainable and responsible manner (Outcome 4.1). The 9th National Plan particularly seeks to improve the national environmental safeguards, *inter alia,* by undertaking Strategic Environmental Assessments and Environmental Impact Assessments and strengthening monitoring of investment projects (Outcome 4.1)
* **The** [**UN Guiding Principles**](https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf) **(UNGPs) on Responsible Business Practice is the global normative framework, which can serve as practical guidance for the Government of Lao PDR to implement the 9th NSEDP priorities related to responsible investments.** The UNGPs, adopted by the UN in 2011, are a set of 31 principles directed at governments and businesses that clarify their duties and responsibilities in the context of business operations and ensure access to remedy for individuals and groups affected by irresponsible business operation. The UNGPs provide the international environmental and social standards for investment and business practice and a common platform for accountability against which the conduct of both governments and businesses can be assessed.

The adoption of the UNGPs prompted a number of governments to develop a National Action Plan (NAP) to enforce and monitor the upholding of the international environmental and social standards for business operations within their jurisdiction. 30 countries, including the USA, Japan, Republic of Korea, Thailand, Pakistan, and a number of EU members, have already adopted NAPs.

* **In Lao PDR, in 2022, UNDP, with support from Japan, initiated a new project on “Improving Performance, Accountability, Conduct, and Transparency of Business” (IMPACT Biz) to support the Government, businesses, and civil society to uphold the UNGPs on Responsible Business Practice in Lao PDR, including by developing a NAP.** To assist the Government in fulfilling the 9th NSEDP’s priorities on managing and monitoring investments, the new IMPACT Biz Project, *inter alia*, seeks to enhance understanding of civil society and other non-governmental stakeholders of the UNGPs and their capacity to monitor and report on environmental impacts caused or contributed by business operations and relationships.

1. **UNDP GRANT AWARD**

The UNDP Grant to “*Conduct a Research Study on Environmental Impacts Caused or Contributed by Business In Lao PDR*” aims to strengthen the expert capacity of Lao PDR-based non-governmental organizations in collecting and analyzing data on environmental impacts caused or contributed by business operations and relationships, as well as to advocating for evidence-based legislation and regulations on responsible business practice, in compliance with the UNGPs.

The Research Study, together with the ongoing Preliminary Assessment of Lao PDR’s Regulatory Framework on Policy Coherence on Responsible Business Practice, will contribute to determining priority actions and interventions for effective management and monitoring of business practice and inform the Government-led process of developing a NAP in Lao PDR.

**Research Study’s Objectives:**

* Examine the environmental impacts caused and contributed by business in Lao PDR; specify the types, severity, and likelihood of those impacts;
* Capture right-holders most affected by each type of environmental impact caused or contributed by business in Lao PDR;
* Identify certain internal and external factors most strongly related to each type of environmental impact caused or contributed by business in Lao PDR;
* Promote evidence-based legislation and regulations on responsible business practice, in compliance with the UNGPs, through targeted recommendations.

**Research Study’s Suggested Methodology** *(Applicant Organizations may propose different or refined methodology)***:**

* The Study should be conducted through a desk review as well as quantitative and qualitative methods of primary data collection from at least five research sites; sites should be specified by Applicant Organizations based on their technical expertise and capacity;
* The Study should focus on at least two industries; industries should be specified by Applicant Organizations based on their technical expertise and capacity;
* The Study should obtain a representative sample of at least five business enterprises of each selected industry; and
* The Study should be founded on the UNGPs and adopt the [Human Rights-Based Approach to Data](https://www.ohchr.org/Documents/Issues/HRIndicators/GuidanceNoteonApproachtoData.pdf).

**Expected Deliverables:**

1. Methodology and research questions finalized in cooperation with UNDP;
2. Work Plan developed;
3. Research Study conducted with both a desk review and primary data collection;
4. Preliminary findings shared and discussed with UNDP; feedback addressed; and
5. Final Report presented to partners in a workshop format.

**Expected Duration:** 9 months

1. **GUIDELINES FOR PROPOSALS’ SUBMISSION**

**Eligibility Criteria:** The UNDP Grant not exceeding USD 40,000 will be provided to **one** Lao PDR-based (national/international) non-governmental organization.\*

*\*According to the* [*UNDP Programme and Operations Policies and Procedures (POPP)*](https://popp.undp.org/SitePages/POPPRoot.aspx)*, the Grant can be awarded to non-governmental organizations, including non-governmental academic or educational institutions. The private sector, commercial entities, and governmental organizations, such as regional governments, municipalities, National and Provincial Universities, etc., are currently not eligible to receive this Grant.*

**Selection Criteria:** The selection criteria will involve the following elements:

* Capacity of Applicant Organization;
* Experience in the area of environment, investment and business practice;
* Partnerhips with busineses;
* Experience in comprehensive research and analysis;
* Simplicity and ease of implementation, yet adopting innovative or unconventional approach;
* Effectiveness and measurability of impact; and
* Timeframe.

Proposals passing the eligibility criteria will be scored against the following:

* Applicant Organization’s institutional and technical capacity, relevant experience, and existing partnerships *(40 points)*;
* Relevance of the proposal: quality of the context/problem analysis and assessment *(20 points)*;
* Implementation strategies: soundness of strategy, proposed activities, and expected results against the context/problem analysis in designing the proposal *(20 points)*; and
* Budget proposal *(20 points)*.

**Selection Process:**

* Eligible Applicant Organizations are expected to submit proposals using the UNDP template *(Annex I)* and Proposal Cover Sheet *(Annex II)*;
* Queries should be sent to Olivia Macri, UNDP Lao PDR, Governance Team: olivia.macri@undp.org;
* Proposals must be submitted by 23:59 31 May 2022 to [lao.procurement@undp.org](mailto:lao.procurement@undp.org) with the subject line: *Proposal to Research Environmental Impacts Caused or Contributed by Business in Lao PDR.*

**ANNEX I: LOW-VALUE GRANT PROPOSAL**

*(to be prepared by the Applicant Organization and submitted to UNDP Lao PDR by the deadline)*

Date:

Project Title:

Name of Applicant Organization:

Total Amount of the Grant (LAK):

1. **OBJECTIVE(S) OF THE GRANT**

* Indicate the objective(s) of the Grant and describe the expected result(s) the Grant is expected to achieve;
* Explain why the grantee is uniquely suited to deliver on the objectives.

1. **PROPOSED ACTIVITIES AND WORKPLAN**

* Describe the activities that will be completed to achieve the objectives;
* Elaborate if there are any target group(s) / geographical area(s) that will benefit from the Grant, other than the Applicant Organization. If so, what is/are the target group(s) / geographical area(s), and how will potential beneficiaries be selected?

**Workplan:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Planned Activities\*** | **Timeline\*\*** | | | | **Planned Budget for the Activity**\*\*\*\* |
| T1 | T2 | T3 | T… |
| 1 Activity |  |  |  |  | LAK |
| 2 Activity |  |  |  |  | LAK |
| … Activity |  |  |  |  | LAK |
| **Total** | | | | | LAK |

\* State what activities will be completed with the Grant funds; add as many activity lines as necessary;

\*\* Define the time periods relevant for the Grant and indicate when specific activities are expected to be completed *(time periods relate to when the tranches of Grant funds are released – i.e., quarterly, biannually, annually)*; add as many time period lines as necessary;

\*\*\* Indicate the budget amounts in the Grant currency.

1. **PERFORMANCE TARGETS**

State the indicators for measuring results that will be achieved using the Grant. At least one indicator per each activity is required:

| **Indicator(s)\*** | **Data Source** | **Baseline** | **Milestones** | | | |
| --- | --- | --- | --- | --- | --- | --- |
| **Period 1** | **Period 2** | **Period\*\* …** | **Final Target** |
| Activity 1 | | | | | | |
| 1.1 |  |  |  |  |  |  |
| … |  |  |  |  |  |  |
| Activity 2 | | | | | | |
| 2.1 |  |  |  |  |  |  |
| … |  |  |  |  |  |  |
| Activity … | | | | | | |
| 3.1 |  |  |  |  |  |  |
| … |  |  |  |  |  |  |

\* Add as many indicator lines as necessary;

\*\* Add as many period columns as necessary.

1. **RISK ANALYSIS**

Indicate relevant risks to achieving the Grant objectives and mitigation measures that will be taken. Risks include security, financial, operational, social and environmental, or other risks:

|  |  |  |
| --- | --- | --- |
| **Risk\*** | **Risk Rating\*\***  (High / Medium / Low) | **Mitigation Measures** |
| 1 Risk |  |  |
| 2 Risk |  |  |
| … Risk |  |  |

\* Add as many risk lines as necessary;

\*\* Risk rating is based on a reflection of the likelihood of the risk materializing and the consequence it will have if it does occur.

1. **GRANT BUDGET**

PERIOD COVERING FROM \_\_\_\_\_\_\_\_\_\_\_\_ TO\_\_\_\_\_\_\_\_\_\_\_\_

* Please note that all budget lines are for costs related **only** to Grant activities;
* The following budget categories and the number of tranches are suggested guidelines; Applicant Organizations may choose alternates that more accurately reflect their expense items and needs:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **General Category of Expenditures** | **Tranche 1** | **Tranche 2** | **Tranche … \*** | Total |
| Personnel |  |  |  |  |
| Transportation |  |  |  |  |
| Premises |  |  |  |  |
| Capacity-building |  |  |  |  |
| Sub-contracts |  |  |  |  |
| Equipment / Furniture *[Specify]* |  |  |  |  |
| Other *[Specify]* |  |  |  |  |
| Miscellaneous |  |  |  |  |
| … |  |  |  |  |
| **Total** |  |  |  |  |

*\* Add as many tranche columns as necessary.*

**ANNEX II. PROPOSAL COVER SHEET**

**General Information**

|  |  |
| --- | --- |
| **Name of Organization** |  |
| **Contact Person** |  |
| **Contact Information** | **Address:** |
| **Telephone number:** |
| **Email:** |
| **Organization Type** |  |
| **Is your Organization legally registered?** | * Yes * No   *If yes, please attach a copy of your registration document to the submission* |
| **Institutional Profile**  *(A brief description of the Organization, including its vision, mission, relevant experience, and partnerships in the proposed thematic area[s])* |  |
| **Total Requested Budget (LAK)** |  |

1. World Bank. (2016). *Lao Economic Monitor FY15-16. Challenges in promoting more inclusive growth and shared prosperity.* [↑](#footnote-ref-2)
2. US Department of State. (2021). *2021 Investment Climate Statements: Laos*. [↑](#footnote-ref-3)
3. MAF (2018). *Forest Reference Emission Level and Forest Reference Level for REDD+ Results Payment under the UNFCCC.* [↑](#footnote-ref-4)
4. USAID Lowering Emissions in Asia’s Forests (USAID LEAF). (2015). *Drivers of Deforestation in the Greater Mekong. Subregion Lao PDR Country Report.* [↑](#footnote-ref-5)
5. World Bank. (2007). *Lao PDR - Environment Monitor.* [↑](#footnote-ref-6)
6. World Bank. (2021). *Environmental Challenges for Green Growth and Poverty Reduction: A Country Environmental Analysis for Lao PDR.* [↑](#footnote-ref-7)
7. MRC. (2015). *Guidelines for the Evaluation of Hydropower and Multipurpose Project Portfolios.* [↑](#footnote-ref-8)
8. Oxfam. (2017). *Economic Evaluation of Hydropower Projects in the Lower Mekong Basin*. [↑](#footnote-ref-9)
9. Schönweger, O., Heinimann, A., Epprecht, M., Lu, J., and Thalongsengchanh, P. (2012). *Concessions and Leases in the Lao PDR: Taking Stock of Land Investments.* [↑](#footnote-ref-10)
10. Land Issues Working Group. (2012). *Introduction to Lao Land Issues: Managing Land, Forests and Natural Resources.* [↑](#footnote-ref-11)
11. World Bank. (2010). *Household Reliance on Natural Resources in Lao PDR: Some Evidence from the LECS Surveys.* [↑](#footnote-ref-12)
12. FAO. (2005). *Lao PDR Fishery Profile*. [www.fao.org/fi/oldsite/FCP/en/LAO/profile.htm](http://www.fao.org/fi/oldsite/FCP/en/LAO/profile.htm) [↑](#footnote-ref-13)
13. World Bank. (2019). *Lao PDR Green Growth Advisory Program. Lao Biodiversity: A Priority for Resilient Green Growth.* [↑](#footnote-ref-14)
14. Ibid. [↑](#footnote-ref-15)
15. UNCT Lao PDR. (2021). *Pathways to Sustainable Food Systems. Food Systems Summit 2021.* [↑](#footnote-ref-16)
16. World Bank. (2021). *Environmental Challenges for Green Growth and Poverty Reduction: A Country Environmental Analysis for Lao PDR.* [↑](#footnote-ref-17)