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PROJECT DOCUMENT

UNDP Lao PDR

Concessionary Project Title: Improving Quality Investment for Achieving Sustainable Development Goals in Lao PDR (or Improving Quality Investment Project)
Project Number/Award ID: 00113551/00116379
Implementing Partner: Investment Promotion Department, Ministry of Planning and Investment (IPD/MPI)
Start Date: 1 September 2018 **End Date:** 30 August 2022 **PAC Meeting date:** 29 May 2018

Brief Description

The Lao PDR Poverty-Environment Initiative (PEI) has been designed to support the central, provincial and district authorities in the effective promotion, regulation and enforcement of foreign, domestic and public investments. Main target areas include governance of natural resources (SDG 15), poverty reduction (SDG 1), enhancing development of human capital (SDG 8), minimising impact on the environment (SDG 15), adapting to climate change (SDG13), promoting clean energy investment (SDG7), supporting a diversified economy and providing a fair distribution of benefits to the population (SDG 5), and promoting partnership through knowledge exchange (SDG17).

Initiated in 2009, the PEI programme has transformed into what the government now calls the “PEI approach” that addresses poverty reduction and environmental protection by supporting the Government’s national socio-economic planning and strategy formulation processes. The programme also focussed on building investment regulatory tools and the knowledge to assess, measure and enforce financial, social and environmental obligations of developers. Another aspect includes strengthening Lao PDR’s National Assembly’s ability to deliver their constitutional oversight role on investment quality.

The Improving Quality Investment for Achieving Sustainable Development Goals in Lao PDR (June 2018 – May 2020) will build on the package of tools already established by the PEI Programme while further expanding the PEI’s Approach and tools to other important institutions that play a role in investment regulatory compliance.

The objective of the project is to strengthen coordination of government’s regulatory capacity to coordinate and promote higher quality investment, improvement the ease-of-doing business, transparency, accountability, and effectiveness of investment management for achieving the sustainable development goals in Lao PDR.

The project will address strengthening government’s regulatory capacity on the basis that lack of enforcement is the cancer of green economies. The project will help the government to address and remove investment regulatory and business barriers that currently hinder the development of a healthy vibrant competitive business environment, while regulated compliance and obligation of the investment projects to create more jobs for local people and built the skills of national staff.


The timeframe for the project will be 36 months commencing from June 2018 and ending in May 2020. The project will focus piloting efforts in the original six PEI provinces - Phongsaly, Oudomxay, Savannakhet, Saravan, Vientiane and Houaphan. However, other more advanced PEI Phase II supported tools will be scaled nationally during the implementation of this Improving Quality Investment for Achieving Sustainable Development Goals in Lao PDR Project.

Contributing Outcome (UNDAF/CPD, RPD or GPD):
 CPD OUTCOME #2/ UNPF OUTCOME #3: Forests and other ecosystems are protected and enhanced to ensure people are less vulnerable to climate-related events and disasters.

Indicative Output(s) with gender marker²:
 CPD Output 2.5. Improved Monitoring & Enforcement of Investment Compliance by state institutions and community groups. Gender marker 1

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|-----------------------------------|---------------------|--------------|
| Total resources required: | USD1,781,4000 | |
| Total resources allocated: | USD 1,781,4000 | |
| | UNDP TRAC: | USD400,000 |
| | PEA: | USD1,200,000 |
| | Government: | |
| | Gov In-Kind: | USD181,400 |
| Unfunded: | USD 0.00 | |

Agreed by (signatures)¹:

| | |
|---|-------------|
| Ministry of Planning and Investment (Implanting partner/Government) | UNDP |
|  | |
| Print Name: Dr. Khamlien PHOLSENA | Print Name: |
| Date: 31 JAN 2019 | Date: |

¹ Note: Adjust signatures as needed

² The Gender Marker measures how much a project invests in gender equality and women's empowerment. Select one for each output: GEN3 (Gender equality as a principle objective); GEN2 (Gender equality as a significant objective); GEN1 (Limited contribution to gender equality); GEN0 (No contribution to gender quality)