

March 22, 2013

**Comments from Global Witness on Approval by Mail: Lao PDR: Scaling-up Participatory Sustainable Forest Management (IBRD)**

Dear Colleagues,

We have reviewed the documents provided to the Sub-Committee for the Scaling-up Participatory Sustainable Forest Management (SUPSFM) project in Lao PDR and would like to request information demonstrating that this project complies with the FIP safeguard preventing the financing of activities that cause degradation in natural forests, such as industrial logging operations.

We note that one of the Core Indicators of the SUPSFM project is to increase the area of forest under forest management plans by 1.02 million hectares (see Program Approval Request, section 14). Additional project documentation (Environmental and Social Impact Assessment) suggests that some natural forest areas will be subject to large-scale timber extraction under the project, and furthermore that the project may entail introducing new logging operations into areas of intact tropical forests. The FIP Design Document (Paragraph 16(g)) includes the following safeguard, which was agreed by consensus during the design phase of the FIP:

*g) Safeguarding the integrity of natural forests. Consistent with its objectives, the FIP should safeguard natural forests and should not support the conversion, deforestation or degradation of such forests, inter alia, through industrial logging, conversion of natural forests to tree plantations or other large-scale agricultural conversion. In particular, the FIP should safeguard high conservation value forests. Special consideration should be given to the national circumstances, including development needs of countries with high forests cover and low deforestation rates;*

The Project Information Document provides the following explanation but refers to no supporting evidence (page 3):

*Forest products will be harvested at sustainable levels without degrading forest resources. Timber harvesting with retention of large trees in harvested stands would lead to minimal changes in species composition and stand structure, and minimal habitat impacts.*

In light of this, we kindly request that the CIF Administrative Unit to inquire further and provide the following information:

1. What area and type of natural forests will be subject to new industrial logging operations as a result of the project? Will intact tropical forest be subject to industrial logging under the project?
2. What evidence is available to demonstrate that the standards for timber harvesting operations supported by the project will not result in the degradation of forests, as required by the FIP safeguard?

3. What evidence is available to demonstrate that in the absence of this FIP intervention, emissions reductions will be higher in the specific areas proposed for the project, relative to the emissions that will result from logging operations.
4. How does the project demonstrate that existing laws, regulations and standards relevant to logging operations will be strictly enforced.

Thank you for your assistance.

Yours sincerely,  
Rick Jacobsen  
Team Leader, International Forest Policy  
Environmental Governance  
Global Witness