



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Ministry of Natural Resources and Environment

No. 8029/MONRE

Vientiane Capital, dated 17 December 2013

Ministerial Instruction on

Initial Environmental Examination of the Investment Projects and Activities

- Reference is made to Article 21 of the Law on Environmental Protection (Amended) No. 29/NA, dated 18 December 2012;
- Reference is made to the Government Decree on the Establishment and Function of the Ministry of Natural Resources and Environment No. 435/PM, dated 28 November 2011.

Minister of the Ministry of Natural Resources and Environment issues the following Instructions:

Part I

Objectives and General Principles

1.1 Objectives of this Instruction

This Instruction is the instruction implementing the provisions prescribed under Article 21 of the Law on Environmental Protection (Amended) No. 29/NA, dated 18 December 2012. This Instruction aims to ensure ~~the~~ uniformity in ~~the conductance~~ conducting of the Initial Environmental Examination by every Investment Projects and ~~Activities~~ Activity of a public ~~and or~~ private, ~~or~~ domestic ~~and or~~ international enterprise that causes, or is likely to cause, environmental and social impacts. Those Investment Projects and Activities shall conduct ~~the an~~ efficient Initial Environmental Examination, contribute in the sustainable socio-economic development of the country and shall mitigate ~~as well as enhance the~~ global warming and enhance adaptation to climate change.

1.2 General Principles relating to Initial Environmental Examination of the Investment Projects and Activities

The Initial Environmental Examination (IEE) of ~~the~~ Investment Projects and Activities shall be implemented pursuant to the following principles:

- The Project Owner shall be fully responsible for ~~the conductance~~conducting ~~of the~~ Initial Environmental Examination of ~~the~~ Investment Projects and Activities. The Project Owner shall obtain the Environmental Compliance Certificate approving the Initial Environmental Examination Report from the relevant Provincial Department of Natural Resources and Environment prior to the construction and operation of such proposed Investment Projects and Activities;

- The Project Owner shall conduct the Initial Environmental Examination strictly in compliance with every provision of this Ministerial Instruction, the relevant technical guidelines and other relevant laws and regulations;

- The Initial Environmental Examination of the Investment Projects and Activities shall be conducted by ~~the a~~ domestic or the foreign Environmental Service Provider which ~~have~~has been established and is operating pursuant to Article 44 and Article 45 of the Law on Environmental Protection (Amended);

- During the ~~conductance of the~~ Initial Environmental Examination, the Project Owner shall ensure ~~the~~ strict compliance ~~of the~~with requirements for Public Involvement and ~~the~~ consultation with the local administration, ~~the~~ Project-Affected Persons and other Stakeholders in accordance with this Instruction, the Technical Guideline on Public Involvement and other relevant laws and regulations;

- The Project Owner shall ensure the implementation of the environmental and social management and mitigation measures as defined in the Environmental and Social Management and Monitoring Plan and the Project Owner shall be fully responsible for all of the environmental and social impacts caused by the Investment Projects and Activities throughout the construction and operation period of such Investment Projects and Activities;

- In the case that the Project Owner intends to engage any contractors to perform any part of the Investment Projects and Activities, the Project Owner shall incorporate the detailed conditions in relation to the environmental and social management and monitoring measures into the engagement contract to ensure ~~a~~ fully compliant performance of ~~such the~~ contractor. However, in all circumstances, the Project Owner shall remain fully responsible for any action or omission of the contractor, which results in the social and environmental impacts from the Investment Projects and Activities;

- During the construction or the operation period of the Investment Projects and Activities, in cases s that where the relevant Provincial Department of Natural Resources and Environment considers that (i) the Environmental and Social Management and Monitoring Plan of such Investment Projects and Activities does not include sufficient measures to mitigate and remedy the social and environmental impacts; (ii) the plan does not match the actual circumstance; or (iii) those measures

specified in the plan cannot achieve the anticipated objectives, the Provincial Department of Natural Resources and Environment will notify the Project Owner in writing of any revisions that they ~~would~~ require and the timeline within which the Project Owner shall revise those plans. Then, the Project Owner shall submit ~~the-a~~ revised Environmental and Social Management and Monitoring Plan to the Provincial Department of Natural Resources and Environment for re-approval;

- The Project Owner who intends to transfer their Investment Projects and Activities (the former Project Owner) to other person (the new Project Owner) shall incorporate the detailed conditions in the ownership transfer contract ~~that-and~~ the new Project Owner shall continue to complete the performance and implementation of all the environmental and social management and monitoring measures as defined in the approved Environmental and Social Management and Monitoring Plan;

- 6 months prior to the end of the investment period of the Investment Projects and Activities, the Project Owner shall inform the relevant Provincial Department of Natural Resources and Environment ~~for-of~~ their monitoring and assessment of the implementation of the environmental and social mitigation and monitoring measures undertaken by the Project Owner. In cases ~~that-where~~ all of the measures are fully and completely implemented and there is no residual environmental or social impact, the relevant Provincial Department of Natural Resources and Environment will issue ~~the-a~~ confirmation letter to the Project Owner. On the contrary, in cases ~~where~~ there is any residual impact ~~-remaining~~, the relevant Provincial Department of Natural Resources and Environment will advise the Project Owner to continue to mitigate all of those residual impacts. Upon the completion of ~~the mitigation of~~ all residual impacts ~~-mitigation~~, the Project Owner will then be considered ~~as~~ being released from the obligation to implement the environmental and social mitigation measures and the Provincial Department of Natural Resources and Environment will issue a confirmation letter to the Project Owner.;

- In cases ~~that-where~~ the Project Owner intends to expand their Investment Projects and Activities, either in the form of the establishment of ~~the-a~~ new component of the Investment Projects and Activities or the expansion of the area or size of the Investment Projects and Activities, ~~thesuch-~~ Project Owner shall be obliged to conduct ~~the-an~~ Initial Environmental Examination if such expanded Investment Projects and Activities is categorized at Group 1. The Project Owner shall comply with this Instruction and shall obtain the Environmental Compliance Certificate approving the Initial Environmental Examination report prior to the commencement of any operations ~~s~~ in such expanded components.

Part II

Initial Environmental Examination Process

2.1 Screening Process of the Investment Projects and Activities

A Screening process is the first step in the Environmental Impact Assessment process and the key milestone to determine whether or not the Investment Projects and Activities as proposed need any Environmental Impact Assessment. The details for the screening process are as follows:

- The Project Owner shall apply the List of Investment Projects and Activities as the reference for the screening process to determine which level of the Environmental Impact Assessment the Project Owner shall conduct;
- In case the Investment Projects and Activities are not categorized in any group in the List of Investment Projects and Activities, the Provincial Department of Natural Resources and Environment shall apply a separate criteria to the relevant information as specified in the investment application to conduct further screening which level of the Environmental Impact Assessment such Investment Projects and Activities shall conduct or the Environmental Impact Assessment is not needed at all;
- In case any Investment Projects and Activities are screened as not being required to conduct any Environmental Impact Assessment, the Provincial Department of Natural Resources and Environment will impose certain conditions relating to the environmental and social management and mitigation measures on the Project Owner.

2.2 List of Investment Projects and Activities

List of Investment Projects and Activities divides the Investment Projects and Businesses into 2 groups as follows:

- Group 1: Investment Projects and Activities that are anticipated to cause the insignificant or minimal environmental and social impacts; therefore, generally required to conduct an Initial Environmental Examination;
- Group 2: Investment Projects and Activities that are anticipated to cause the significant or major environmental and social impacts; therefore, generally required to conduct an Environmental and Social Impact Assessment.

List of Investment Projects and Activities categorizing these groups of Investment Projects and Activities shall be prescribed separately in the Decision of the Ministry of Natural Resources and Environment.

2.3 Initial Environmental Examination Report (IEE Report)

After the screening process, the Project Owner of any Investment Projects and Activities that are categorized as Group 1 shall prepare the IEE Report in strict compliance with the following conditions:

- The Project Owner shall prepare the IEE Report in strict compliance with the process and conditions specified in this Instruction, the relevant technical guidelines and the relevant laws and regulations;
- The Project Owner shall ensure that the Environmental and Social Management and Monitoring Plan are attached as one component in the IEE Report; provided that such Environmental and Social Management and Monitoring Plan shall be prepared in compliance with the conditions specified in Clause 2.5 of this Instruction and the relevant technical guideline; and
- The Project Owner shall prepare the IEE Report in Lao language otherwise it will not be considered for the issuance of the Environmental Compliance Certificate.

2.4 Review of the Initial Environmental Examination Report

The process for the review of the IEE Report shall be undertaken in the following sequences:

- The Project Owner shall submit 1 set of an application and the final version of the IEE Report that integrates the Environmental and Social Management and Monitoring Plan amended pursuant to the comments gathered from the village/district consultation, attached with the minutes from every consultation signed and confirmed by the representatives of the Environmental Service Provider preparing the IEE Report, the Project Owner and other relevant Governmental authorities presiding at the consultations, to the Provincial Department of Natural Resources and Environment;
- Within 10 business days, the Provincial Department of the Natural Resources and Environment shall review the IEE Report to ensure that the Initial Environmental Examination is correct and comprehensive and shall notify the Project Owner in writing of the result from the examination in one of the following manner:
 - a. in case the IEE Report submitted is accurate and comprehensive, requesting the Project Owner to submit 15 or more IEE Reports both in paper and electronic copies to the Provincial Department of Natural Resources and Environment for further review and approval process to be undertaken; or
 - b. in case the IEE Report submitted is inaccurate and incomprehensive, requesting the Project Owner to revise the IEE Report before submitting the revised IEE Report to the Provincial Department of Natural Resources and Environment for their consideration and approval again.
- The review process of the IEE Report shall be completed within 40 business days from the date that the Project Owner submits every documents required above to the Provincial Department of Natural Resources and Environment; provided that such timeline will not include the period of time that the Project Owner takes to revise the IEE Reports pursuant to the comments gathered during the review process. The review process shall be undertaken as follows:

- a. Within 5 business days, the Provincial Department of Natural Resources and Environment shall distribute the IEE Report to the relevant lined agencies in the provincial level, the District Office of Natural Resources and Environment and other relevant Stakeholders for their review and comments;
- b. Within 20 business days after the last date that the IEE Report is submitted to the relevant parties as specified in a. above, the relevant lined agencies at the provincial level, the District Office of Natural Resources and Environment and other relevant Stakeholders shall complete their review of the IEE Report and submit their comments to the Provincial Department of Natural Resources and Environment. If no comment is submitted within such specified period of time, it will be deemed that the IEE Report is approved and the relevant parties waive their rights to make any further comments thereon;
- c. The Provincial Department of the Natural Resources and Environment, in coordination with the Project Owner, shall hold the consultation meeting at the district/provincial level in due time during the review period. During such consultation meeting, the Project Owner will explain about the IEE Report. The representative from the Ministry of Natural Resources and Environment, the relevant departments in the provincial level, the District Office of Natural Resources and Environment, the Project-Affected Person and the relevant Stakeholders should present at such consultation meeting as appropriate. In addition, other technical meeting and the additional site inspection can be arranged if necessary;
- d. Within 15 business days after the deadline for the submission of all comments from the relevant parties, the Provincial Department of Natural Resources and Environment shall complete the review of all the comments gathered, complete their own review and give a written response back to the Project Owner in one of the following manners:
 - + with an agreement from the provincial authorities, in particular, the Chairman of the Provincial Environmental Committee, issuing the Environmental Compliance Certificate to approve the IEE Report and its Environmental and Social Management and Monitoring Plan; or
 - + instructing the Project Owner to revise the IEE Report before re-submitting the revised IEE Report to the Provincial Department of Natural Resources and Environmental for their consideration later;
 - + instructing the Project Owner to prepare the Environmental and Social Impact Assessment instead of the IEE Report if such Investment Projects and Activities are considered complicated or there is a potential to create substantial impacts; or
 - + rejecting the IEE Report in case the Provincial Department of Natural Resources and Environment considers that the result from the study and review in the IEE Report shows that substantial, unavoidable and

unremedied social and environmental impacts will be caused from the Investment Projects and Activities; or such Investment Projects and Activities is not in consistent with the National Environmental Policy or Strategic Plan of the Natural Resources and Environment Agencies;

- The Provincial Department of Natural Resources and Environment shall notify the Ministry of Natural Resources and Environment of the response or instruction that they give to the Project Owner pursuant to d. above for their acknowledgement and oversight of the Investment Projects and Activities.

2.5 Environmental and Social Management and Monitoring Plan (ESMMP)

In the preparation of the ESMMP, the Project Owner shall comply with the following conditions:

- The Project Owner shall prepare the ESMMP to incorporate into the package of the IEE Report but in a separate booklet strictly in compliance with the procedure specified in Part II, Clause 2.5 of this Instruction and the relevant technical guidelines;

- The Project Owner shall prepare the ESMMP in Lao language otherwise it will not be considered for the issuance of the Environmental Compliance Certificate;

- 6 months prior to the commencement of the operation period of the Investment Projects and Activities, the Project Owner shall evaluate their implementation of the ESMMP during the construction period. Subsequently, the Project Owner shall revise such ESMMP in strictly compliance with the circumstance of the operation period and submit the revised ESMMP for the Operation Period to the Provincial Department of Natural Resources and Environment for their approval before any implementation of such ESMMP.

2.6 Environmental Compliance Certificate

Environmental Compliance Certificate is the certificate approving the IEE Report and ESMMP of the Investment Projects and Activities that the Provincial Department of Natural Resources and Environment shall issue.

The validity and the conditions attached to such Environmental Compliance Certificate are as follows:

- The Environmental Compliance Certificate shall become effective from the issuance date of such certificate. However, if the Project Owner fails to commence any activities as specified in the project development plan and the Provincial Department of Natural Resources and Environment evaluated that the Investment Projects and Activities do not have any progress within 2 years after obtaining the Environmental Compliance Certificate, such certificate shall become void.

In case the certificate holder whose certificate is void intends to continue with its Investment Projects and Activities, such certificate holder shall revise all the

documents relating to the Initial Environmental Examination as approved under the previous certificate, especially the baseline data to reflect the actual circumstance, and submit those documents to the Provincial Department of Natural Resources and Environment for their approval and issuance of the new Environmental Compliance Certificate; provided that the certificate holder can only re-apply for the new Environmental Compliance Certificate once.

- The Environmental Compliance Certificate approving the IEE Report shall be valid throughout the investment period of the Investment Projects and Activities; provided, however, such Environmental Compliance Certificate shall be terminated in case the Environmental Compliance Certificate approving the ESMMP is terminated or is not renewed;

- The Environmental Compliance Certificate approving the ESMMP shall be valid for the period of 2 to 5 years, depending on the determination of the Provincial Department of Natural Resources and Environment based on the impact severity of each type of the Investment Projects and Activities. Such Environmental Compliance Certificate can be renewed periodically throughout the investment period of the Investment Projects and Activities,

The Project Owner shall review and revise the ESMMP pursuant to the actual circumstance of each period in the Investment Projects and Activities and submit the revised ESMMP to the Provincial Department of Natural Resources and Environment for the approval and the renewal of the Environmental Compliance Certificate. The Provincial Department of Natural Resources and Environment shall complete reviewing the renewal application of the Environmental Compliance Certificate within 15 business days, excluding the time that the Project Developer would spend to revise the document;

- The Environmental Compliance Certificate shall contain certain conditions that the Project Owner shall strictly comply with;

- In case that it is found that the Project Owner fails to comply with any conditions set out in the Environmental Compliance Certificate resulting in the substantial social and environmental impacts, the Provincial Natural Resources and Environment, in the agreement from the high-ranking authorities, shall be entitled to revoke or suspend the validity of the Environmental Compliance Certificate any time during the investment period of the Investment Projects and Activities. Also, the Provincial Department of Natural Resources and Environment shall be entitled to propose to the investment competent authority to consider revoking the Concession Registration Certificate or the Enterprise Registration Certificate of such Investment Projects and Activities in case the substantial and dangerous social and environmental impacts are caused by the Investment Projects and Activities;

- The process for the revocation or suspension of the validity of the Environmental Compliance Certificate shall be undertaken as follows:

- + The Provincial Department of Natural Resources and Environment issuing the Environmental Compliance Certificate shall issue the warning to the Project Owner to rectify any non-compliance found within 90 days from the issuance date of such warning and the

memorandum of understanding shall be entered into with the Project Owner;

- + In case the Project Owner does not verify such non-compliance within the specified period of time, the Provincial Department of Natural Resources and Environment shall issue the second notice to the Project Owner to rectify the non-compliance within 60 days from the issuance date of such second warning and again, the memorandum of understanding shall be entered into with the Project Owner;
- + Thereafter, if such non-compliance remains unremedied by the Project Owner within the specified period of time for the second time, the Provincial Department of Natural Resources and Environment shall issue the notice to revoke and suspend the validity of the Environmental Compliance Certificate of such Investment Projects and Activities. Also, the Provincial Department of Natural Resources and Environment, in coordination and agreement with the relevant investment competent authority, shall be entitled to stop the activities that cause the substantial social and environmental impacts.

2.7 Issuance of the Environmental Compliance Certificate for the Existing Investment Projects and Activities

The Project Investments and Activities that are currently existing and operating but did not receive the Environmental Compliance Certificate prior to the effectiveness of this Instruction shall comply with the following conditions:

- The Provincial Department of Natural Resources and Environment shall collect all the list of Investment Projects and Activities that are currently operating and categorized as Group 1 or Group 2 within their territory and submit such list to the Ministry of Natural Resources and Environment within 90 business days after the effectiveness of this Instruction;

- The Ministry of Natural Resources and Environment shall consider and give any of the following directions:

- + For the Investment Projects and Activities that do not cause any social and environmental impacts, the Ministry of Natural Resources and Environment shall notify the Project Owner to continue their business operation and give certain instructions in relation to the environmental and social management that the Project Owner shall comply with. Also, the Ministry of Natural Resources and Environment shall submit a copy of such notice to the investment competent authorities and the Provincial Department of Natural Resources and Environment for their information;
- + For the Investment Projects and Activities that cause any social and environmental impacts, the Ministry of Natural Resources and Environment shall instruct the Project Owner to prepare and

complete the Environmental and Social Management and Monitoring Plan within 120 business days. If the Project Owner cannot complete such ESMMP within the specified period of time, the Project Owner shall be subject to the sanctions as specified in Article 92, 93, 94, 95, 96 and 97 of the Law on Environmental Protection (Amended) No.29/NA, dated 18 December 2012 as appropriate;

- + The Ministry of Natural Resources and Environment, in coordination with the relevant authorities from the central and local levels, shall review the Environmental and Social Management and Monitoring Plan that the Project Owner prepared in due time. Then, the result from such review shall be notified in writing to the Project Owner and a copy of such notification shall be submitted to the relevant investment competent and the relevant Provincial Department of Natural Resources and Environment for their information.

2.8 Duties and Responsibilities of the Project Owner in the Initial Environmental Examination

In the Initial Environmental Examination, the Project Owner shall have the following duties and responsibilities:

- to conduct study on overall physical, biological and socio-economic aspects, and to estimate the potential social and environmental impacts which may arise from the Investment Projects and Activities, by referring to the data and information gained from the concerned sectors, local administrations and other sources, including data and information collected in the field survey and from consultations with the Project-Affected Persons and other Stakeholders, both at the central and local levels;
- to coordinate with the relevant Provincial Department of Natural Resources and Environment who is responsible for the review of the IEE Report in undertaking the Public Involvement in strictly in compliance with Part II, Clause 2.10 and 2.11 of this Instruction and the relevant Public Involvement guideline and to ensure that there is no threat, coercion, force, violence, bribery or deception involved;
- to coordinate with the relevant Provincial Department of Natural Resources and Environment who is responsible for the review of the IEE Report in arranging the dissemination meeting at the local and central level as the relevant Provincial Department of Natural Resources and Environment may instruct the Project Owner to arrange in order to explain the development plan of the Investment Projects and Activities, the potential benefit, social and environmental impacts that such Investment Projects and Activities may cause and in order to summarize and record all the comments from the Project-Affected Person gained from the consultation meetings into the IEE Report;
- to prepare the IEE Report which includes the ESMMP that defines all the protective and mitigation measures on social and environmental impacts;

- arrange the consultation meetings at the village/district, district/provincial levels and the technical meeting (if necessary), in coordination with the relevant Department of Natural Resources and Environment who is responsible for the review of the IEE Report of any Investment Projects and Activities and with the participation of all the relevant parties at the central and local levels, including the Natural Resources and Environment authorities at the central and local levels, the relevant local administration, the Project-Affected Person and other Stakeholders in order to review the IEE Report;

- to revise the IEE Report and submit the final version of the IEE Report to the relevant Provincial Department of Natural Resources of Environment who is responsible for the review of the IEE Report of any Investment Projects and Activities for their review and approval prior to commencing any implementation of the Investment Projects and Activities;

- to strictly implement the environmental and social management and monitoring measures as specified under the ESMMP throughout the investment period of the Investment Projects and Activities;

- to revise the ESMMP periodically, in particular, during the time that the Project Owner prepares for the renewal of the Environmental Compliance Certificate approving the ESMMP from the Provincial Department of Natural Resources and Environment.

2.9 Duties and Responsibilities of the Governmental Authorities in relation to the Initial Environmental Examination

The Government Authorities that have the mandate relating to the Initial Environmental Examination include the Natural Resources and Environment Agencies and other lined agencies have the following duties and responsibilities:

- a. Ministry of Natural Resources and Environment shall have the following duties and responsibilities:

- to create the legislatures, technical guidelines and other handbook in relation to the Initial Environmental Examination which will be used nationwide;

- to build up the technical skills concerning the Initial Environmental Examination to their own staff at the Natural Resources and Environmental authorities at the local level;

- to provide technical guidance in relation to the preparation and review of the Initial Environmental Examination to the Project Owner;

- to create and update the list of Investment Projects and Activities that shall conduct the environmental impact assessment, criteria to assess and evaluate the social and environmental impacts for the screening process;

- to conclude and report the nationwide status of the Initial Environmental Examination to the Government from time to time;

- to be an active coordinator with the relevant Provincial Department of Natural Resources and Environment and to determine which department will be the main authority responsible for the review process and the issuance of the Environmental Compliance Certificate approving the IEE Report and ESMMP in case the Initial Environmental Examination includes the social and environmental impacts in more than two provinces;

- to participate in the consultation meeting at the district/provincial levels to review the IEE Report;

- to provide cooperation and other assistance to the local Natural Resources and Environmental authorities if they have any query in relation to the review of the IEE Report.

b. Provincial Natural Resources and Environment shall have the following duties and responsibilities:

- to give technical guidance in relation to the preparation and review of the IEE Report to the Project Owner;

- to be an active coordinator with the relevant parties and to cooperate and facilitate the Project Owner in the survey and data collection within its province for the preparation of the IEE Report and in the Public Involvement with the Project-Affected Persons and other Stakeholders;

- to provide assistance to the Project Owner in the dissemination of information to the Project-Affected Persons and the Stakeholders on the objectives, benefits and potential social and environmental impacts that may arise from the Investment Projects and Activities;

- to be the main authority to review and issuance the Environmental Compliance Certificate to approve the IEE Report and its ESMMP;

- to participate in the filed inspection and to be the host for arranging the technical meetings and other consultation meetings to review the IEE Report and its ESMMP;

- to propose to the high-ranking authorities to establish the technical committee or the ad-hoc committee at the provincial level (as necessary), such as the environmental monitoring unit, the public involvement unit or other monitoring units;

- to accept the complaints from the Project-Affected Persons and the other Stakeholders in relation to the preparation and review of the IEE Report and resolve the disputes which fall under its responsibility;

- to conclude and report the status of the Initial Environmental Examination to the provincial administrative and the Ministry of Natural Resources and Environment from time to time.

c. District Office of the Natural Resources and Environment shall have the following duties and responsibilities:

- to be an active coordinator with the relevant parties and to cooperate and assist the Project Owner in the survey and data collection within its district for the preparation of the IEE Report and in the Public Involvement with the Project-Affected Persons and the Stakeholders;

- to cooperate with the Project Owner in the dissemination of information to the Project-Affected Persons and the Stakeholders on the objectives, benefits and the social and environmental impacts that may arise from the Investment Projects and Activities;

- to participate in the field inspection; to review; to comment and to be the co-host with the Provincial Department of Natural Resources and Environment in arranging the consultation meetings in coordination with the Project Owner, the local administrations at the district and village levels to consider and IEE Report and its ESMP from the first to the final versions;

- to propose to the high-ranking authorities to establish the technical committee or ad-hoc committee at the district level (as necessary), such as the environmental monitoring units, the public involvement units or other monitoring units;

- to accept the complaints from the Project-Affect Persons and the Stakeholders in relation to the preparation and review of the IEE Report and resolve the disputes which falls under its responsibility;

- to conclude and report the status of the Initial Environmental Examination to the district administration and the Provincial Department of Natural Resources and Environment from time to time.

d. Village Unit of the Natural Resources and Environment shall have the following duties and responsibilities:

- to be an active coordinator with the relevant parties and to cooperate and assist the Project Owner in the survey and data collection within its village for the preparation of the IEE Report and in the Public Involvement with the Project-Affected Persons and the Stakeholders;

- to assist the Project Owner in the information dissemination to the Project-Affected Persons and the Stakeholders on the objectives, benefits and the social and environmental impacts that may arise from the Investment Projects and Activities;

- to participate in the field inspection; to review; to comment the IEE Report; and to participate in the consultation meeting at each level;

- to propose to the high-ranking authorities to establish the technical committee or the ad-hoc committee at the village level (as necessary);

- to accept the complaints from the Project-Affected Persons and the Stakeholders in relation to the preparation and review of the IEE Report and resolve the disputes which fall under the its responsibility;

- to conclude and report the status of the Initial Environmental Examination to the head of the village and the District Office of the Natural Resources and Environment from time to time.

e. Other lined agencies at the local levels shall have the following duties and responsibilities:

- to participate in the field inspection; to review; to comment the IEE Report and its ESMMP; and to participate in the technical meeting and the consultation meeting at each level;

- to contribute the technical assistance in the technical or ad-hoc committees as required;

- to participate in the grievance redress committee to resolve the disputes relating to the Initial Environmental Examination according to their mandates.

2.10 Public Involvement of the Project-Affected Persons and the Stakeholders

The Project-Affected Persons and the Stakeholders shall have the following participation in the Initial Environmental Examination:

- to receive information on the development plan of the Investment Projects and Activities, the benefit to be received, the social and environmental impacts that may arise from the Investment Projects and Activities;

- to cooperate and provide information on local social environmental and natural environment in the area of the Investment Projects and Activities and in the nearby locations to be used in the preparation of the IEE Report and its ESMMP;

- to receive information in relation to the IEE Report as well as other progress report on the implementation of the environmental and social management and monitoring measures;

- to participate in the field inspection and to be the main party participating in the consultation meetings at all levels to give comment on the preparation and review process of the IEE Report and its ESMMP;

- to make a written complaints to the local administration at all levels to resolve the social and environmental impacts caused by the Investment Projects and Activities;

- to participate in the monitoring activities which will be conducted to ensure the implementation of the environmental and social management and monitoring measures and to report to the Natural Resources and Environmental authorities at the local levels in case of they found any social and environmental impacts caused.

2.11 Public Involvement Process

The Provincial Department of the Natural Resources and Environment responsible for the review and the issuance of the Environmental Compliance Certificate approving the IEE Reports and its ESMMP, in coordination with the local administrations and the Project Owner, shall ensure that the Public Involvement of the Project-Affected Persons and the Stakeholders be undertaken pursuant to the following steps of the Initial Environmental Examination:

- During the process of data collection for the preparation of the IEE Report and its ESMMP, the dissemination meeting shall be held for the Project-Affected Persons and the Stakeholders in various forms both in Lao language and local language to explain the development plan of the Investment Projects and Activities, the benefits to be gained and the social and environmental impacts; and to gather the comments from the Project-Affected Persons and other Stakeholders;

- During the process of the preparation and review of the IEE Report and its ESMMP, the consultation meetings shall be held at the village/district and district/provincial levels in consistent with the review process of the IEE Report and its ESMMP to ensure that the Project-Affected Persons and the Stakeholders have an opportunity to provide comments to the first to the final IEE Report and its ESMMP;

- During the operation of the Investment Projects and Activities, the Project Owner shall inform the Project-Affected Persons and other Stakeholders of the activities conducted in the Investment Projects and Activities which are likely to cause the social and environmental impacts and shall allow the Project-Affected Persons and other Stakeholders to access to information about the Investment Projects and Activities;

- During the preparation for the closure of the Investment Projects and Activities, the Project Owner shall inform the Project-Affected Persons and other Stakeholders of the implementation of the closure and rehabilitation plan of their Investment Projects and Activities and shall entitle the Project-Affected Persons and other Stakeholders to provide comments and assess the completion or any remaining issues relating to the implementation by the Project Owner of the environmental and social management and monitoring plan throughout the investment period of the Investment Projects and Activities. Such comments from the Project-Affected Persons and other Stakeholders is one of the condition before the Provincial Department of Natural Resources and Environment will issue the letter to confirm the end of the Investment Projects and Activities.

2.12 Funding Obligations of the Project Owner

The Project Owner shall be obliged to provide sufficient funding for all of these budget items:

- all the costs associated with the Initial Environmental Examination as conducted by the Project Owner, Environmental Service Provider and other

Governmental authorities such as: the cost for field inspection, dissemination meeting, consultation meeting at the village/district, district/provincial, technical meeting and other activities undertaken in relation to the Public Involvement;

- all certificate fees and service charges payable for the issuance of the Environmental Compliance Certificate; provided that the Project Owner is only required to pay a certificate fee once upon the obtainment of such Environmental Compliance Certificate while the Project Owner is required to pay a service charge for every renewal of the Environmental Compliance Certificate approving the ESMMP;

- all the costs incurred for the implementation of the environmental and social management measures as specified under the ESMMP and under the conditions of the Environmental Compliance Certificate either the measures to be performed and undertaken by the Project Owner or by the Governmental authorities;

- all the costs incurred for the monitoring activities of the implementation of the environmental and social management and monitoring plans as proposed under the ESMMP and the implementation of any conditions to the Environmental Compliance Certificate either to be conducted by the Project Owner and the monitoring of the Governmental authorities pursuant to the provision of Part II Clause 2.18 and 2.19 of this Instruction, including the cost for capacity building and equipment as well as vehicles procurement for the monitoring purpose to be provided to the Governmental authorities at the local levels.

2.13 Management of the Fess and Service Charges

The Provincial Department of Natural Resources and Environment that issues and approve the renewal of the Environmental Compliance Certificate shall have the duty to collect the fees and service charges from the Project Owner at the rate as prescribed under the Presidential Edict on Fees and Service Charges.

All the fees and service charges shall be put into the State Treasury. In case the Provincial Department of Natural Resources and Environment needs to use the technical service fees collected, the department will prepare the budget utilization plan and submit to the high-ranking authorities for their approval as appropriate.

2.14 Information Provision

- The Project Owner shall keep, create, update and submit every information relating to the Initial Environmental Examination of their Investment Projects and Activities in both paper and electronic copies to the Provincial Department of Natural Resources and Environment responsible for the review of the IEE Report and its ESMMP;

- The Project Owner shall be fully responsible for the accuracy, clarity, comprehensiveness and reliability of all the information that he creates relating to the Initial Environmental Examination of their Investment Projects and Activities.

2.15 Reporting Obligations

Throughout the investment period of the Investment Projects and Activities, the Project Owner shall perform the following reporting obligations:

- The Project Owner shall prepare and submit the report periodically: on a monthly basis, quarterly basis and annual basis as specified as the conditions to the Environmental Compliance Certificate issued for each Investment Projects and Activities. Those reports shall include these following material information:

- + the implementation progress of the environmental and social management and monitoring measures as specified under the ESMMP and the compliance with the conditions to the Environmental Compliance Certificate and other contractual commitments;
- + the difficulty confronted by the Project Owner during the implementation period of the environmental and social management and monitoring measures; and
- + other necessary information.

- For the report prepared in relation to the IEE Report, the Project Owner shall submit those reports in 3 sets or more as requested to the Provincial Department of Natural Resources and Environment.

- In case of any accidents, emergency incidents or any breach committed by the Project Owner resulting in the severe social and environmental impacts, the Project Owner shall prepare and submit the incident report to the Provincial Department of Natural Resources and Environment within 24 hours after the Project Owner becoming aware of such incidents.

2.16 Information Disclosure to Public

- The Project Owner shall publicly disclose the information relating to the Project Owner; the social and environmental impacts; the commitment and environmental and social management and monitoring measures; the IEE Plans and its ESMMP; other reports that the Project Owner preparing and submitting to the Governmental Authorities; the monitoring result of measures implementation; budget provided for the Initial Environmental Examination and the implementation of all the environmental and social management and monitoring measures as specified under the ESMMP; any breach of any obligation or measures committed by the Project Owner; and other information requested to be disclosed by the Governmental Authorities to the public.

- The information that the Project Owner shall disclose to the public shall be prepared in Lao and local languages to the fullest extent.

- The relevant Provincial Department of Natural Resources and Environment shall be entitled to reserve the right not to disclose any information relating to privacy of any individual, information relating to the property or commercial rights of the Project Owner.

- In case that the Project Owner does not want to disclose any information as required above, the Project Owner shall submit the written request, attached with those information that they do not want to disclose, to the Provincial Department of Natural Resources and Environment for their consideration whether or not to allow the Project Owner not to disclose such information. If any information is considered information not to be disclosed, such information shall be kept confidential for the period of time as agreed between the relevant Provincial Department of Natural Resources and Environment and the Project Owner.

2.17 Monitoring Units

The monitoring units shall include the following units:

- Monitoring units of the Project Owner;
- Monitoring units of the Governmental authorities, including:
 - + monitoring units from the local Natural Resources and Environmental authorities who is the primary and direct authority responsible for the monitoring of the implementation of the environmental and social management and monitoring measures as specified under the ESMMP attached to the IEE Report;
 - + other local lined agencies.

2.18 Self-Monitoring by the Project Owner

- The Project Owner shall be obliged to be the primary and first party to conduct self-monitoring by concluding and assessing the progress on the implementation of the environmental and social management and monitoring measures as specified under the ESMMP and the Environmental Compliance Certificate undertaken by the Project Owner and submit such progress report prepared from the self-monitoring to the Provincial Department of Natural Resources and Environment from time to time as specified in the Environmental Compliance Certificate.

- If necessary in case of the IEE Reports, the Project Owner shall establish the environmental management office and the public involvement office in order to ensure the efficient implementation and the performance of the environmental and social management and monitoring measures or the public involvement of the Project Owner.

2.19 Governmental Monitoring Units

Governmental Monitoring Units shall have the duty to monitor and inspect the implementation of the social and environmental management and monitoring measures under the ESMMP and of the conditions to the Environmental Compliance Certificate; provided that the detailed duties of each unit shall be as follows:

a. Provincial Department of Natural Resources and Environment shall have the following monitoring duties:

- to be a main authority to monitor and inspect the implementation of the environmental and social management measures under the ESMMP attached to the IEE Report, both by the field inspection and the review of the self-monitoring reports submitted by the Project Owner;

- to delegate the mandate and budget for the monitoring and inspection to the District Office of Natural Resources and Environment and Village Unit of Natural Resources and Environment to participate in the monitoring and inspection activities of the ESMMP attached in the IEE Report;

- to consider and propose to the high-ranking authorities to establish the project environmental monitoring units and the Provincial public involvement units at the provincial level if necessary to monitor and inspect the environmental and social management and monitoring measures and the Public Involvement of the Investment Projects and Activities;

- to conclude and report the status from the monitoring of each Investment Projects and Activities to the provincial administration and the Ministry of Natural Resources and Environment from time to time; and

- to perform an other monitoring and inspection works as delegated by the high-ranking authorities to the Department's responsibility.

b. District Office of Natural Resources and Environment shall have the following monitoring duties:

- to be responsible for the monitor and inspection of the implementation of the environmental and social management and monitoring measures under the ESMMP attached to the IEE Report within its district boundary;

- to consider and propose to the high-ranking authorities to establish the project environmental monitoring units at the district level if necessary to monitor and inspect the environmental and social management and monitoring measures;

- to conclude and report the status from the monitoring of each Investment Projects and Activities to the district administration and the Provincial Department of Natural Resources and Environment from time to time; and

- to perform an other monitoring and inspection works as delegated by the high-ranking authorities to the Office's responsibility.

c. Village Unit of Natural Resources and Environment shall have the following monitoring duties:

- to be responsible for the monitor and inspection of the implementation of the environmental and social management and monitoring measures under the ESMMP attached to the IEE Report within its village boundary;

- to consider and propose to the high-ranking authorities to establish the project environmental monitoring units at the village level if necessary to monitor and inspect the environmental and social management and monitoring measures;

- to conclude and report the status from the monitoring of each Investment Projects and Activities to the village administration and the District Office of Natural Resources and Environment from time to time; and

- to perform an other monitoring and inspection works as delegated by the high-ranking authorities to the Unit's responsibility.

d. Local lined agencies shall have the following monitoring duties:

- to participate in the inspection team which is led by the relevant Natural Resources and Environmental Authorities to monitor and inspect the implementation of the environmental and social management and monitoring measures under the ESMMP attached to the IEE Report as relevant to their mandates;

- to review and provide technical comments in the environmental monitoring units in each levels as required;

- to conclude and report the performance of the monitoring and inspection of the Investment Projects and Activities within their mandates and responsibilities to their high-ranking authorities from time to time;

- for the main investment competent authorities of the Investment Projects and Activities, in addition to the participation in the monitoring team led by the Natural Resources and Environmental Authorities, such competent authorities shall be entitled to conduct their monitoring and inspection directly based on their own legislatures.

2.20 Scope of the Authority of the Governmental Monitoring Units

The Governmental Monitoring Units shall have the following scope of authorities:

- to send their staff or their consultant to the site of the Investment Projects and Activities or the Project Owner's office at any time; provided that the advance notice will be submitted to the Project Owner, except in case of an emergency circumstances which is likely to impose the substantial social and environmental impacts in which the monitoring units shall be entitled to access into the site without the advanced notice is required;

- to take photos, to record voice, to take samples from the Investment Projects and Activities for testing, to inspect the computers and other equipment of the Project Owner, to review all the documents, to interview staffs and to undertake any other activities as appropriate;

- in case that any non-compliance with the environmental and social management and monitoring measures as specified under the ESMMP and the conditions to the Environmental Compliance Certificate is found to be committed by the Project Owner, the Governmental monitoring units shall be entitled to issue the warning to the Project Owner and the Project Owner shall comply with the instruction given in the warning issued by such Governmental monitoring units. If the Project Owner does not comply with such warning, the Environmental Compliance Certificate will be revoked or suspended pursuant to the steps prescribed under Part II Clause 2.6 of this Instruction.

Part III

Final Provisions

3.1 Implementation

The Ministry of Natural Resources and Environment delegates the authority to the Provincial Department of Natural Resources and Environment to be the central authority to coordinate with other local lined agencies to efficiently disseminate, implement and enforce this Instruction.

The related natural persons, legal entities and organizations, both in private and public sectors, shall acknowledge and implement this Instruction strictly.

The relevant authorities or agencies that owns the state-invested project shall ensure sufficient budget for the conductance of the Initial Environmental Examination and the implementation of the environmental and social management and monitoring measures for their Investment Projects and Activities.

3.2 Effectiveness

This Instruction shall be effective from the date of execution. Any decisions, provisions and regulations that contradict with this Instruction shall be revoked.

Minister of the Ministry of Natural Resources and Environment