



# Effective implementation of payments for environmental services in Lao PDR



## Key details

### Location

Lao PDR

### Duration

**Start** Oct 2012

**End** Aug 2017

### Budget

AUD 1,578,820

### Commissioned organisation

Australian National University

### Partners

Ministry of Agriculture and Forestry; Ministry of Natural Resources and the Environment; National University of Laos; University of Western Australia

### Project Leader

Jeff Bennett - Australian National University

### ACIAR Research Program Manager

Dr Nora Devoe

### Program

Forestry

### Project code

FST/2011/003

for environmental services' (PES) in Lao PDR to increase smallholder livelihoods and improve environmental conditions through changed land management practices.

The Government of Lao PDR has acknowledged that paying local landholders to provide environmental services can achieve environmental management goals and improving the landholders' livelihoods. Hydro-electricity suppliers and mining companies also support PES schemes.

Researchers designed a 'virtual' PES scheme as a 'proof of concept', and established a draft set of guidelines for PES operation. The project developed PES policy options informed by the experience gained in two pilot PES schemes and the economic analysis of the data collected during those applications. The project considered the determination of the aggregate level of payments to be made under each scheme, the design of the mechanism to distribute the payments to environmental service producers, and the institutional structures under which PES schemes can operate.

## Overview

This project aimed to develop policy options for implementing 'payments

