



ສາທາລະນະລັດ ປະຊາທິປະໄຕ ປະຊາຊົນລາວ  
Lao People's Democratic Republic



ອົງການສະໜະປະຊາຊາດເພື່ອການພັດທະນາ  
United Nation Development Programme

**Government of the Lao People's Democratic Republic  
Ministry of Foreign Affairs  
ASEAN Department**

**United Nations Development Programme**

**PROJECT ID: 00054101**

**PROJECT TITLE:  
“ENABLING MORE EFFECTIVE INTEGRATION OF LAO PDR  
INTO ASEAN PHASE II”**

**ANNUAL PROJECT REPORT  
(JAN-DEC-2010)**

**Reporting period: January 2007 – December 2010**

**I. PROJECT INFORMATION AND RESOURCES**

|   |  |
|---|--|
| <b>Project number and title:</b>            | <b>ENABLING MORE EFFECTIVE INTEGRATION OF LAO PDR INTO ASEAN PHASE II / LAS 00054101</b> |
| <b>Implementing Partner:</b>                | <b>ASEAN Department, Ministry of Foreign Affairs</b>                                     |
| <b>Responsible Parties (if applicable):</b> | <b>NA</b>  |
| <b>Donors:</b>                              | <b>UNDP</b>  |

| <b>Project Starting date</b> |               | <b>Project completion date</b> |                         |
|------------------------------|---------------|--------------------------------|-------------------------|
| <b>Originally planned</b>    | <b>Actual</b> | <b>Originally planned</b>      | <b>Current estimate</b> |
| January 2007                 | January 2007  | December 2009                  | December 2010           |

*Jan 2011*

|  |                              |
|--|------------------------------|
| <b>Period covered by this report:</b>  | January 2010 – December 2010 |
| <b>Date of Final Review Meeting:</b><br><i>[Indicate if planned or actual]</i> | 12 January 2011              |

| <b>Total Budget</b> | <b>Original Budget (US\$)</b> | <b>Latest Signed Revision (US\$)</b> |
|---------------------|-------------------------------|--------------------------------------|
|                     | \$500,774                     | \$500,774                            |

| <b>Resources</b> | <b>Donor</b> | <b>Amount</b>                               |
|------------------|--------------|---|
|                  | UNDP         | \$500,774 – original<br>\$500,774 – revised |

## II. PURPOSE

*[To be completed in cooperation with UNDP Programme Analyst; Summarizes Main objectives of the project and link to MDG/NSEDP/UNDAF as per the approved UNDP Country Programme Document and Country Programme Action Plan and/or project document]*

Since joining the Association of Southeast Asian Nations (ASEAN) in July 1997, the Lao PDR has emphasized the importance of full integration into ASEAN through active participation in economic, political, security and socio-cultural affairs. Economic cooperation, in particular, and the inclusion in the ASEAN Free Trade Area (AFTA) is seen as being crucial for the development of the country.

However, full integration poses various challenges for Laos in which, among the most significant ones include: increasing the capacity of the GoL to manage the process of integration; analyzing the impacts of AFTA and other Free Trade Agreements have been concluded and under negotiations and finding ways to achieve maximum benefits from ASEAN economic integration and other aspects of ASEAN integration; increasing understanding among local officials, business leaders and the general public in order to get benefit from AFTA and other aspects of ASEAN integration.

During 2004 and 2005, Laos held the Chair of the ASEAN Standing Committee, which thrust Laos into the centre stage of ASEAN affairs, brought positive international exposure to Laos and provided the opportunity for Laos to focus on regional integration. During this period, UNDP provided support to the GoL through a 12-month Preparatory Assistance (PA) Project that delivered capacity building and technical assistance to meet the short-term needs of the GoL.

A further three-year cooperation project has been planned, which will build on Laos' successful chairmanship of the ASEAN Standing Committee and the positive achievements of the UNDP PA Project. The new project, implemented by the ASEAN Department of the Ministry of Foreign Affairs, for the 2007-2010 period achieved the following key outcomes:

- Increased national commitment to the process of ASEAN integration.
- Improved capacity to coordinate ASEAN affairs within the Government of Lao PDR.
- Enhanced national capacity to assess policy implications of regional integration.

## I. PROJECT PERFORMANCE AND RESULTS

### 1. Contribution to the strategic goals [To be completed in cooperation with UNDP Programme Analyst]

**Outcome:** Capacity building of selected government entities strengthened to increase foreign trade and capital inflows, particularly in regions with potential and low levels of investment  
*[Indicate if included in SRF]*

#### Progress towards achieving outcome [A brief analysis of the status of the situation and any observed change, any project contribution.]

| Annual outputs and indicators  | Key activities completed during reporting period   | Actual Expenditures (USD) | Progress towards achieving outputs and targets achieved against indicators  | Explanations  |
|--|--|---------------------------|---|---|
| <b>Output 1:</b> Greater awareness of the roles, responsibilities, opportunities and challenges of ASEAN membership. | 1.1.1 – Seminars on Laos' integration into ASEAN - roles, obligations, opportunities and challenges for GoL officials and provincial administrators. | 13,569.08                 | Series of seminars on Laos integration were organized at the central and provincial level with the aim to increase the government officers awareness on of the roles, responsibilities, opportunities and challenges of ASEAN membership.<br><br>- 1 seminar in 2010, 60 provincial officers from 7 provinces (Southern part of Laos) attended the seminar.                 | Active participation from both, government officials and provincial authorities |
|  | 1.1.2 – Translation, printing and distribution of ASEAN Political, economic agreements and accords into Lao language.                                | 199.59                    | Under the support of the project, key ASEAN Treaties, Agreements, and other Related Documents which Lao PDR has signed, agreed, adopted, endorsed and supported such as ASEAN Charter, Political and Security Cooperation agreements, External Relations Cooperation agreements, Economic Cooperation agreement and Functional Cooperation agreements, have been translated |   |

|  |   |                  |   |  |
|--|---|------------------|---|--|
| <p><b>Output 2:</b><br/>Improved capacity to coordinate ASEAN functional and economic affairs within the Government of Lao PDR</p> | <p>1.3.1 – ASEAN Department senior officials attend annual UN General Assembly ASEAN Foreign Ministers Meeting in New York</p>  | <p>17,800.00</p> | <p>- In 2010, supported 3 senior officials attend the meeting in New York.</p>  | <p>The annual trip to New York was very successful and beneficial as it not only helped the work of ASEAN in New York but also gave great chance to our Officials to learn how the United Nations work, especially in the areas of multilateral cooperation and coping with challenges and crisis that took place around the world</p> |
|  | <p>1.3.5 – Regional ASEAN meeting on poverty alleviation (Integrated rural development)</p>   | <p>16,245.11</p> | <p>- In 2010, hold the ASEAN Plus Three Regional workshop on the Integrated Rural Development</p>   | <p>The workshop attended by participants from the ASEAN Plus Three Countries provided excellent opportunity for sharing of experience and best practices in rural development.</p>   |
|  | <p>2.1.1 – Workshops to facilitate coordination between Lao National ASEAN Secretariat and GoL ASEAN Focal Points on AFTA</p>   | <p>28,813.98</p> | <p>- 3 Workshops in 2010, 1<sup>st</sup> there were 70 government officers from line ministries and line agencies, 2<sup>nd</sup> there were 70 provincial officers from 8 provinces (Northern part of Laos) and 3<sup>rd</sup> approximate 380 students from NUOL.</p>   | <p>These workshops were very useful in the sense that they enabled the participants to understand the opportunities and challenges arising from Laos participation in ASEAN integration.</p>   |
|  | <p>2.2.1 – English language training for ASEAN Focal Points and Provincial administrators</p>   | <p>849.26</p>    | <p>- In 2010, there were 30 provincial officers from Salavan provinces had been trained on English language for 6 months.</p>   | <p>The said Salavan administration staffs that were trained have improved their English language ability.</p>  |
|  | <p>2.2.2 – ASEAN management trainings on specific purposes (IAI, AFTA, economic, functional, social and political) for GoL officials, ASEAN Functional and Economic Focal Points and Provincial administrators.</p> | <p>11,508.12</p> | <p>- Training on project management has been provided to the government officers, participants from provincial and central level have actively participated. As the results of the training five project proposals have been prepared to be submitted to ASEAN Secretariat for IAI funding and most importantly the project management capacity of the participants have been strengthened.</p> | <p>The government officials that were trained have gained deeper knowledge in the formulation of the project proposals that meet ASEAN criteria.</p>   |

|   |  |                   |   |   |
|---|--|-------------------|---|---|
|   | 2.3.2 - Ensure full-time internet, email and fax connectivity for coordination between the central and pilot provinces-this regarded as strengthen coordination strategy | 940.09            | - In 2010, Project has been provided with the internet connection for using sharing information between the central and other ASEAN National Secretariat. | The internet connection has facilitated communications between ASEAN Department and other line agencies and between the ASEAN Department and ASEAN Member States and Dialogue Partners. |
|   | 2.3.3 - Procure key equipment to support activities of the National ASEAN Secretariat.   | 13,684.79         | - In 2010, Project had been provided with the vehicle for transportation and procured key equipment to support the ASEAN activities.                      |   |
| <b>Output 4:</b><br>The project is effectively managed to ensure out puts are achieved. | 4.1.1 - Staffing support for Implementation of Project activities.   | 8,359.97          | Salary of the project staff   |   |
|   | 4.1.2 - Monthly and quarterly project management meetings.   | 361.22            | Monthly meetings have been organized regularly  |   |
|   | <b>Total:</b>  | <b>112,331.21</b> |   |   |

## **2. Update on implementation of the Vientiane Declaration and its Action Plan**

*[Brief update on any achievement and/or problem related to the implementation of the Vientiane Declaration. It should also include issues related to the introduction of HACT and actions planned for the following period.]*

**1. Ownership:** ASEAN Department of MoFA, the Lao ASEAN National Secretariat and the focal point of Lao Government for ASEAN integration, has taking the full ownership and leadership in this project by spearheading all the project activities. The ASEAN Department and the project team have actively updated the public and private sector on ASEAN related issues from different kind of means, for instance, workshops and printing materials. In addition, the project has provided capacity strengthening to line ministries at the central and provincial level through different kind of training for instance English training in Saravan province and project management training in Vientiane.

**2. Alignment:** The project activities are aligned with the government priorities in the area of ASEAN integration.

**3. Harmonizing and Simplification:** as a NIM project, the project has followed all the UNDP NIM guideline during its operation.

**4. Managing for results:** The project applied Result Based Management in implementing this project and has tries to make use all the project resource efficiently. To ensure the project results delivered as planned monthly meeting, project board meeting and annual review meeting etc have been organized properly.

**5. Mutual Accountability:** The project and UNDP have dovetailed in implementing and delivering the project results through out the project lifetime.

## **3. Update on partnerships**

The ASEAN Department, Ministry of Foreign Affairs (MoFA) is the central focal point and coordinating agency for Laos-ASEAN cooperation and is therefore well placed to be the main implementing agency and facilitated the participation of other GoL Line Ministries, including the Ministry of Industry and Commerce, Ministry of Finance, Ministry of Planning and Investment, Ministry of Agriculture and Forestry, Ministry of Information and Culture, and the Institute of Foreign Affairs. The project has also involved active participation of provincial government officials, private sectors and the general public. Apart from this, as central focal point, ASEAN Department has also facilitated coordination among line ministries and relevant agencies for ASEAN matters.

#### 4. Update on gender mainstreaming

The Project attached great importance to gender mainstreaming in project activities. The project also values gender equal opportunity in the work place. The project has tried to deliver the support of the project to men and women equally, for example the project has always done its best in balancing the number of men and women in all its training and workshops. Beside this, the ASEAN department has actively disseminates Declaration on the Elimination of Violence Against Women in the ASEAN Region in various workshops.

#### 5. Update on audit recommendations *[Brief update on progress achieved and problems encountered. Actions planned for the following period]*

The project has been selected for 2008 and 2009 audited exercise, the results of the two audit exercises are “Satisfactory” and the result of 2009 audited follow up is 100 fulfilled.

#### 6. List main challenges and issues (if any) faced during reporting period *[as well as response strategies adopted]*

- Some changes or redeployment, without a good replacement, of officials in charge of ASEAN activities in line Ministries and provinces is still an ongoing difficulties;
- Decision to accelerate the pace of ASEAN Community building from 2020 to 2015 and Implementation of the 3 blueprints of the 3 pillars (APSC, AEC and ASCC)
- The enforcement of ASEAN Charter including work of AICHR
- The preparations for Laos to take ASEAN chairmanship in 2014 or 2015

#### 7. Rating on progress towards results

| <b>Output:</b> <i>[From table 1. Contribution to Strategic Goals]</i> |   |   |
|---|---|---|
| Output 1  | <input checked="" type="checkbox"/> √<br><input type="checkbox"/><br><input type="checkbox"/> | Positive change<br>Negative change<br>Unchanged |
| Output 2  | <input checked="" type="checkbox"/> √<br><input type="checkbox"/><br><input type="checkbox"/> | Positive change<br>Negative change<br>Unchanged |
| Output 3  | <input checked="" type="checkbox"/> √<br><input type="checkbox"/><br><input type="checkbox"/> | Positive change<br>Negative change<br>Unchanged |
| Output 4  | <input checked="" type="checkbox"/> √<br><input type="checkbox"/><br><input type="checkbox"/> | Positive change<br>Negative change<br>Unchanged |



## II. ADDITIONAL ACTIVITIES WHICH CONTRIBUTE TO THE OUTCOME AND/OR OUTPUTS

Provide information about any activities undertaken by the project that were NOT envisaged in the work plan but which contributed to the outcome and/or outputs?  
E.g. advocacy and policy dialogue.

The project has organized the project management training to line ministries at central and provincial level to strengthen the participants' capacity in proposal writing and project management, as a result of the training, five proposals have been drafted to be submitted to Initiative for ASEAN Integration.

## III. FUTURE WORK PLAN

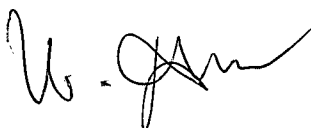
1. What are the priority actions planned for the following year to overcome constraints, build on achievements and partnership, and use of the lessons learned during the previous year?

### Key lessons learned over the project life time:

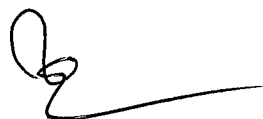
- Coordination between central and provincial authorities still need to be further improved through different measures.
- Active support, contribution and participation from line ministries and government agencies at the provincial and central level has contributed to the success of the project.
- Government officials at provincial and central level are better informed on the ASEAN related issues.

### Future Plan

- Given the positive results of this project and number of challenges in the coming years, the ASEAN Department would like to request for the UNDP support the new phase of this project. The new project may focus on strengthening the capacity of government officials and private sector on :
  - Negotiation skills, including in the areas of trade in goods, trade in services and investment;
  - Organising more workshops and seminars on the issues related to ASEAN human rights, in particular, the promotion of human rights in the region.
  - Monitoring and evaluation system to track the progress and assess the impacts of ASEAN integration on Laos.
  - Business management, including market information, access to financial resources and technical know-how so as to increase their competitiveness.



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