



**Minutes of  
Local Project Appraisal Committee Meeting  
Governance and Public Administration Reform (GPAR SBSB)  
Support for Better Service Delivery, 2007-2010**

**Date:** Thursday, 14 December 2006, 3:00 – 4:00pm

**Venue:** UNDP Ameerah Haq Room

**Participants:**

Chair:

Dr. Bountheuang Mounlasy, DG DIC

Ms. Sonam Yangchen Rana, UNDP ResRep

DIC

Ms. Sisomboun Ounavong, Director of UN Division

PACSA / GPAR Central

Mr. Khammoune Viphongxay, Deputy Chair

Mr. Nisith Keopanya, PM GPAR SBSB

Mr. Athiphone Bounnaphol, DLA

Mr. Saphet Sivilay, Translator

PMO

Mr. Tiengthong Nathabudy

MoF

Mr. Saysamone X., DG, Fiscal Policy Department

MoE

Ms. Viengkeo Phommavong

MCTPC

M. Aphisayadeth Insisiengmay

MoJ

Mr. Sida Lokaphone, LRIC

Sekong

Ms. Chanhome Mahaxay, Standing Member of NA  
Mr. Khampheuy Bountdavieng, Vice Governor  
Mr. Khamphiem Bualapha, Head of PCOP  
Dr. Lamthong, PM GPAR Sekong

Saravane

Mr. Thavone Bouphavong, PM GPAR Saravane

JICA

Mr. Hideaki Matsumoto, ARR

SIDA

Ms. Anne Kullman, First Secretary

SDC

Ms. Barbara Boeni, First Secretary  
Ms. Nithsa Vongphanakhone, PO

SNV

Ms. Nicolette Matthijsen, Programme Coordinator Local Governance

World Bank

Mr. William Rex, Lead Country Officer

UNCDF Regional Center, Bangkok

Mr. Roger Shotton, Regional Policy Advisor

UNDP Lao PDR

Ms. Setsuko Yamazaki, DRR (Programme)  
Mr. Jamshed Kazi, ARR  
Mr. Matthias Meier, PO  
Mr. Suresh Balakrishnan, STA  
Ms. Fiona Farrell, HRM Advisor  
Mr. Thilaphong Oudomsine, PO  
Ms. Sara van Gaalen, PO  
Mr. Ninhlamay, Finance Associate  
Mr. Phiphob, Programme Associate  
Ms. Fuentes Funya Harumi, PO  
Ms. Sarah Gleave, UNV Programme Manager

**Agenda:**

1. Welcome and introduction by chairpersons: Dr. Bountheuang Mounlasy and Ms. Sonam Y. Rana
2. Presentation of the draft project document: Mr. Nisith Keopanya, PM GPAR Central
3. Comments and remarks by participants
4. Summary and closing

**Introduction:**

Dr. Bountheuang welcomed the participants to the LPAC meeting, explaining that the purpose was to review the draft Project Document "GPAR SBSB – Support for Better Service Delivery." The chair elaborated on background to the new GPAR project formulation and stated that the design of the new project was the results and recommendations of the integrated outcome evaluation and the recent roundtable meeting on Governance. The chair also pointed out the importance of governance issues which include the need for proper public administration reform and decentralization mechanisms to improve transparent and accountable service delivery.

The Government of Lao PDR (GoL) recognized the crucial link between the GPAR programme and the Sixth National Socio-Economic Development Plan (NSED) as well as the National Growth and Poverty Eradication Strategy (NGPES). Therefore, the new GPAR project seeks to extend its activities to involve other line ministries and provinces. To do so, expanding the support by development partners to benefit the needees at grassroot level is encouraged. The chair also informed the meeting that the new GPAR project will require a lot of efforts and budget to fully implement its activities.

Ms. Sonam Y. Rana joined the chair in welcoming participants, particularly those who are from province and donor communities. Dr. Bountheuang invited all participants to share their constructive ideas and to provide their comments to improve the project proposal which will be presented soon by Mr. Nisith Keopanya, PM GPAR Central.

**Presentation of the project document:**

by Mr. Nisith Keopanya (slides attached)

In his presentation, Mr. Nisith highlighted the contribution of the GPAR SBSB to the achievement of the National Socio-Economic Development Report (NSDER) for 2007-2010. Through improving policies and strengthening institutions, GPAR SBSB will seek to contribute to improved service delivery and thus contribute to achieving the poverty reduction targets of the Lao government as well as the MDGs.

Mr. Nisith also highlighted the differences between the new GPAR project or GPAR SBSB and the previous project. The new project will be more strategic and have a stronger emphasis on policy analysis, implementation will be more result-oriented as well as locally owned.

The design of the project has been based on recommendations of the outcome evaluation and has been carried out with strong involvement of national and local stakeholders: line ministries, donor communities and development partner agencies. PACSA plays a leading role in the formulation process.



### **Comments and Remarks by LPAC Participants:**

There was active participation by the government representatives from central and province level as well as international development partners in presenting viewpoints and raising questions and issues for clarification at the end of presentation.

The key discussions centered around the following points:

1. The issue of sustainability of the project was raised by the SIDA representative. In particular, there was interest to know what kind of mechanisms would be put in place so that political commitment and financial responsibility for driving reforms would continue even after the project ended. Another question raised focused on whether budget support through the block grants can be managed together with government funding. Local ownership and initiative was also emphasized.
2. The SDC representative suggested to improve the clarity and focus of project output 1. For instance, it was important to determine whether output 1 pertained to strategic management of the whole governance agenda or is the focus on service delivery alone.
3. The linkage between the District Development Fund (DDF), GPAR Fund and Poverty Reduction Fund was not clear enough. There needed to be clear criteria to distinguish them or to integrate them where possible to avoid lengthy discussions during the preparatory phase.
4. A couple of questions for clarity were raised by the SDC representative including the incentive component of the project proposal and management structure. It was suggested that the role of development partners such as SDC and other donors are clearly laid out in the new project management structure.
5. It was suggested that the success and the best practices of certain policies or strategies developed and successfully tested under particular pilot projects should be consolidated and shared or disseminated for replication purpose throughout the country. For example, DDF in Saravane, participatory planning and HRBA in LuangPrabang and agricultural practice in Xiengkhouang province may be good practices so far in GPAR family.
6. The M&E framework of the new project proposal may need further elaboration as it currently lacks concrete indicators and/or expected outputs. The outputs on gender mainstreaming and pro-poor or ethnic group focused should be developed and included in the new project proposal as appropriate.
7. The UNCDF representative from Bangkok pointed out that UNCDF with possible co-financing from Luxembourg will provide DDF support through budget support and technical assistance. He explained the difference between the DDF and the Poverty Reduction Fund (PRF) whereas DDF provide budget support to local communities through local planning and budgeting mechanisms, PRF provides funds through central and independent mechanisms. Therefore, DDF requires detailed work processes and mainstreaming with government procedures prior to its operations (Saravane has gone through the process which could be good lessons for the new project). DDF could also be in a form of Conditional Grant for agriculture extension, as is the case with GPAR Xiengkhouang.
8. The key areas for service delivery work (health, education, agriculture, etc.) and the links with other government agencies should be made explicit in the project proposal. It was suggested that the line ministries/agencies/provinces and districts be identified as soon as possible. Moreover, it was also stressed that the project should also outline what the results/deliverable of the project ought to be after 4 years of implementation. The World Bank representative inquired about the DDF modality and its linkages with GoL's policies and informed the meeting that WB has been involved

in the PRF for some years and plans to conduct a review in 2007 to expand the PRF down to local level. This is something that may link to the DDF activities under the new project.

9. The issue of anti-corruption was raised and suggested that it should be included in the new project proposal and an analytical framework needs to be developed to highlight the role and partnership with other international non-governmental organizations (INGOs) and civil service organizations.
10. It was suggested that the title of the new project may be reviewed and new title may suggested if there is any better and most appropriate one to ensure that it carries an easily understood and strong message.

### Conclusion:

On behalf of the chairpersons, Ms. Rana concluded that the meeting approved the project document, subject to integration of the following modifications into the project document until end of January 2007:

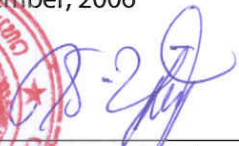
- Revision and elaboration on the sustainability of the project activities (initiatives and ownership of GoL)
- Clarification on DDF component and its criteria. Difference between DDF and PRF and how they link to the GoL policies needs to be spelt out.
- Elaboration on key areas of service delivery and clarification on who are the key line ministries/national partners/service providers involved
- Project management structures require greater clarity to show the role of development partners
- Clarification on focus of output 1: Strategic management for the whole governance agenda or for only service delivery component.

Date:

22 December, 2006

Approved:



  
(Dr. Bountheuang Mounlasy, DG DIC)

  
(Ms. Sonam Yangchen Rana, ResRep UNDP)