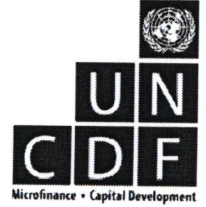




Government of Lao PDR



Lao PDR



Strengthening Capacity and Service Delivery of Local Administrations (GPAR SCSD)

(UNDP- 00081322)

QUARTERLY PROGRESS REPORT: Q2 2012

JULY 10, 2012



I. PROJECT INFORMATION AND RESOURCES

Project ID and title:	Strengthening Capacity and Service Delivery of Local Administrations (GPAR SCSD) GPAR SCSD-00081322. Award: 00065088
Executing Agency:	Ministry of Home Affairs
Collaborating Ministries/ Government agencies:	
Project duration:	February 3, 2012 - December 31, 2015

Period covered by report:	April 1, 2012 - June 30, 2012
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Total Budget	Original Budget (US\$)	Latest Signed Revision (US\$)
	12,568,800	12,668,800

Resources	Donor	Amount (US\$)
		United Nations Dev. Programme
	UN Capital Development Fund	1,300,000
	Government (parallel)	702,000
	Swiss Agency for Dev. Cooperation	4,000,000
	Govt. of Republic of Korea	2,000,000
	Global Environment Facility (parallel)	2,000,000
	Millennium Acceleration Fund (parallel)	100,000
	Unfunded	2,166,800

Summary of expenditure for period covered by report	Amount (US\$)	
	Budget for Q2: 2012	229,566 US\$
	Expenditure in Q2: 2012	29,954 US\$
	Delivery Rate %	13%

Project Performance and Results

Overview

Strengthening Capacity and Service Delivery of Local Administrations (GPAR SCSD) project was officially launched on 03 February 2012. This project is being implemented in alignment with other projects of the National GPAR Programme. The overall objective of this project is increased capacity in the local administration, leading to better delivery of services which improve the lives of the poor, especially in rural areas of Lao PDR. The strategy is to build around a series of interrelated outputs that take forward proven results and innovations to realise the overall outcome. These include the introduction of district level performance assessments and performance based Block Grants (capital and recurrent) that will provide incentives for improved overall performance linked to the local administration mandate, the project seeks to improve local MDG-targeted service delivery through increased capacity and long term reform.

The seven outputs of the project are:

1. Policies and regulatory frameworks for effective local administration at province and district level.
2. Improved capacities of local administrations to fulfill its service delivery mandates.
3. Improved MDG focused service delivery provided through formula based and equity focused block grants to the districts.
4. Improve Access to Citizens Service through One Door Service
5. GPAR Capacity Development and Modernisation Fund (CADEM) to support strategic innovations in Public Administration reforms
6. Citizens' Feedback and district mechanisms for responsive and accountable service delivery
7. Project administration and support.

Overview of activities during period

The main activities carried out by the project during this start up period are listed below:

1. Policies and regulatory frameworks for effective administrations:
 - Review mission led by UNCDF by international consultant to undertake Review of Operational Expenditure Block Grant (OEBG) and Options for the Future.
 - Mission led by UNCDF by international consultant to finalise new District Development Fund (DDF) Performance Assessment Manual, to up-date DDF MOU and related operation guidelines and manuals, in preparation for new DDF support to districts.
 - Consultation and dissemination workshops led by MoHA to update and dialogue on emerging government policy and plans re new order (16/2012) of Prime Minister on mandates and strengthening sub-national administrations. (Shared with Output 2)
 - Preparatory work on equity focused block grants for capital and recurrent (operational expenditures) begun under previous related project (GPAR SBSD) and finalized internally by GPAR SCSD.

2. Improved capacities of local administrations:
 - Initial round of meetings with 3 Districts in Xiengkhouang province to prepare MDG focused targets and inform about the Millennium Acceleration Framework (MAF) sub-project, which will be implemented during 2012 under SCSD, leveraging the OEGB approach.
 - Local level dissemination workshops led by MoHA to update and dialogue on emerging government policy and plans re new order (16/2012) of Prime Minister on mandates and strengthening capacities of sub-national administrations. (Shared with Output 1)

3. Improved MDG focused service delivery by districts
 - Procurement process initiated for necessary equipment and office furniture to support target provinces and districts.

4. Improve Access to Citizens Service
 - Procurement process initiated for initial equipment & office furniture.

5. GPAR Capacity Development and Modernisation Fund
 - Internal preparations with no project Budget impact

6. Citizens' Feedback and district mechanisms for responsive and accountable service delivery
 - No activity planned for Q2

Workshops and meetings

- OEGB Review Workshop
A de-brief workshop was hosted by MoHA at the end of the in-country mission led by an international consultant to undertake Review of Operational Expenditure Block Grant (OEGB) and Options for the Future. Government agencies, including Ministry of Finance, Ministry of Health, Ministry of Education, Ministry of Planning and investment, UNDP, UNCDF, UNICEF and development partners were among the 27 participants.

- Pre-Inception Workshop
A de-brief workshop was hosted by MoHA at the end of the in-country mission led by international consultant to finalise new District Development Fund (DDF) Performance Assessment Manual, to up-date DDF MOU and related operation guidelines and manuals, in preparation for new DDF support to districts. Among the 18 participants were representatives from government agencies, including Ministry of Finance, Ministry of Health, Ministry of Education, Ministry of Planning and investment, UNDP, UNCDF, UNICEF and development partners participated.

- Local Workshops ('Sam Sang')
A series of local level workshops led by MoHA to consult and disseminate on emerging government policy and plans re new order (16/2012) of Prime Minister on mandates and strengthening sub-national administrations. The project prepare budget to support workshops that have plan to implement in third quarterly.

- Local Workshops (MAF-OEBG)

Initial round of meetings with 3 Districts in Xiengkhouang province involving 33 participants, to prepare MDG focused targets and inform about the Millennium Acceleration Framework (MAF) sub-project, which will be implemented during 2012 under SCSD, leveraging the OEBG approach.

Project Management

- Recruitment of staff:

Recruitment to most key positions has been completed. Recruitment of GPAR Chief Technical Advisor was initiated and is progressing in accordance with UNDP processes and procedures.

PROJECT PERFORMANCE

Outputs	Budget for Q2 2012	Expenditure Apr - June 2012	Update on activities during Q2: 2012	Reasons for delay and constraints
1. Policies and regulatory frameworks for effective local administration at province and district level	38,683	6,645	<ul style="list-style-type: none"> • Mission undertaken to Review of Operational Expenditure Block Grant (OEBG) and Options for the Future. • Mission undertaken to support establishment of (DDF) Performance based Grant System, and related MOU, operation guidelines and manuals. • Workshops led by MoHA to update and dialogue on e merging government policy and plans re new order (16/2012) of Prime Minister on mandates and strengthening sub-national administrations. (Shared with Output 2) • Preparatory work on equity focused block grants for capital and recurrent (operational expenditures) begun under previous related project (GPAR SBSD) and finalized internally by GPAR SCSD. 	<ul style="list-style-type: none"> •
2. Improved capacity of local administrations to fulfill its service delivery mandates	55,516	4,195	<ul style="list-style-type: none"> • Meetings with 3 Districts in Xiengkhouang province to prepare MDG focused targets and inform about the Millennium Acceleration Framework (MAF-OEBG) sub-project, • Local level workshops led by MoHA to update and dialogue on emerging government policy and plans re new order (16/2012) of Prime Minister on mandates and strengthening capacities of sub-national administrations. (Shared with Output 1) 	<ul style="list-style-type: none"> • District level training for new DDF PBGS deferred to Q3 to allow for MAF sub-project preparatory work and to finalise new DDF guidelines and implementation manuals.
3. Improved MDG focused service delivery provided through formula based and equity focused block grants to the districts	63,349	4,564	<ul style="list-style-type: none"> • Procurement process initiated for necessary equipment and office furniture to support target provinces and districts. 	<ul style="list-style-type: none"> •

Outputs	Budget for Q2 2012	Expenditure Apr - June 2012	Update on activities during Q2: 2012	Reasons for delay and constraints
4. Improved Access to Citizen Services through One Door Service	23,000	0	<ul style="list-style-type: none"> Procurement process initiated for initial equipment & office furniture 	<ul style="list-style-type: none"> In process by UNDP
5. GPAR Capacity Development and Modernisation Fund (CADEM) supports strategic innovations in Public Administration reforms	5,008	0	<ul style="list-style-type: none"> Internal preparations with no project Budget impact 	
6. Citizen Feedback and district mechanism for responsive and accountable service delivery	0	0	<ul style="list-style-type: none"> No activity planned for Q2 	
7. Project Administration	44,010	14,550		
Total	229,566	29,954		

NATIONAL GPAR SCSD PROJECT: COMMUNICATION AND MONITORING PLAN/REPORT 2012 p1

Project Title: National GPAR SCSD Project		Award ID: 00065088	Date: 01/02/2012		
Type of Action	Stakeholders	Method of communication	Due by	Completed on	Status
Annual Work Plan and Budget: 2012	UNDP, UNCDF, SDC, Govt of Korea,	Report	01/03/12	16/02/12	Completed
Work plan and FACE form: Q2-2012	UNDP	Report	10/04/12	10/04/12	Completed
Quarterly Progress Report for Q2-2012, including logs	UNDP, UNCDF, SDC, Govt of Korea,	Report	10/07/12	10/07/2012	Completed
Work plan and FACE form: Q2-2012	UNDP	Report	10/04/12	10/07/2012	Completed
Quarterly Progress Report for Q3-2012, including logs	UNDP, UNCDF, SDC, Govt of Korea,	Report	10/07/12	10/07/2012	Completed
Work plan and FACE form: Q3-2012	UNDP	Report	10/07/12	10/07/2012	Completed
Quarterly Progress Report for Q4-2012, including logs	UNDP, UNCDF, SDC, Govt of Korea,	Report	10/10/12		
Work plan and FACE form: Q4-2012	UNDP	Report	10/10/12		
Joint Annual Technical Review (JATR)	UNDP, UNCDF, SDC, Govt of Korea,	Report	31/12/12		
Annual Report 2012	UNDP, UNCDF, SDC, Govt of Korea,	Report	31/12/12		
Annual Work Plan 2013	UNDP, UNCDF, SDC, Govt of Korea,	Report	31/12/12		

NATIONAL GPAR SCSD PROJECT: RISK LOG - 2012 p1

Project Title: National GPAR SCSD project		Award ID: 00065088	Date: 10/07/2012
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#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mgmt. response	Owner	Submitted/ updated by	Last Update	Status
1	Other government bodies are reluctant to enhance coordination under NGPAR	01/02/12	Strategic	impact of the public administration reforms will be limited. P=2; I=3; PXI=6	Multi-Stakeholder Leading Committee and Programme Board guidance to initiate dialogue with relevant Government offices	Programme Manager	Programme Manager	30/06/2012	No change
2	Lack of buy-in from the local authorities who see the programme as a new top down approach to GPAR.	01/02/12	Strategic	Lack of buy in at the local level may hamper project implementation P=3; I=3; PXI=9	Early discussions to explain new modus operandi but that the provinces and districts will remain in the lead at the local level. Provincial participation in Prog. Board	Programme Manager	Programme Manager	30/06/2012	No change
3	Limited resources will directly compromise the implementation of programme activities	01/02/12	Strategic	Plans to scale up nation-wide , will be postponed with impact on MDG progress. P=3; I=4; PXI=12	Continuous dialogue with donor community and coordination of all resource mobilization by MoHA	Programme Manager	Programme Manager	30/06/2012	No change
4	Programme approach introduces a new way of operating, both for the government and for the donor community	01/02.12	Strategic	Time & resources lost to project management and reporting rather than implementation. P=3; I=3; PXI=9	Programme Board play a key role in overseeing all projects under the programme framework.	Programme Manager	Programme Manager	30/06/2012	No change
5	There could be a stronger attraction by DPs to fund certain components or sub-components	01/02/12	Strategic	Sustainability and/ or nation-wide roll out of the reforms could become compromised. P=3; I=3; PXI=9	Resource mobilization coordinated by MoHA in liaison with the DIC (MPI). Possibility of GPAR Trust Fund could be explored.	Programme Manager	Programme Manager	30/06/2012	No change
6	GEF funds may be delivered through a parallel project	01//02/12	Strategic	NGPAR Programme framework will be basically altered P=5; I=2; PXI=10	Discussions with MoNRE and UNDP initiated to develop suitable framework	Programme Manager	Programme Manager	30/06/2012	No change
7	MAF sub-project may delay other implementation plans	15/05/12	Operational	Core activities implementation delayed P=3; I=3 PXI=9	Merge MAF and SCSD/OEBG activities where possible	Programme Manager	Programme Manager	30/06/12	No change

NATIONAL GPAR SCSD PROJECT: ISSUES LOG - 2012 p1

Project Title: National GPAR SCSD project	Award ID: 00065088	Date: 01/07/2012
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#	Description	Date Identified	Type	Priority (P) & Impact (I)	Countermeasures / Mgmt. response	Owner	Status change	Last update	Current status
1	Delay in nomination of members the Programme Board	15/03/12	Problem	Key activity involving leadership for the Programme P=5; I=3; PXI=15	Discussions initiated by Ministry of Home Affairs	Project Manager	Changed	30/06/12	Prog Board members appointed

NATIONAL GPAR SCSD PROJECT: LESSONS LEARNED LOG p1

Lesson ID	Date logged	Type	Description	Recommendation
01	30/03/12	Positive	Programme framework allows for several implementation mechanisms to operate in parallel enabling good alignment	<ul style="list-style-type: none"> Documentation of various options that can be shared with potential partners

Certified by:



Nisith Keopanya, Programme Manager,
National GPAR Programme Secretariat

Date: July 10, 2012