



Committee for Planning and Cooperation
Poverty Reduction Fund (PRF)

Quarterly Progress Report

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Quarterly Progress Report: April - June 2004

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1. EXECUTIVE SUMMARY

April 2004 marked the completion of one year of Poverty Reduction Fund (PRF) activities at the village level. Implementation of the first village-level sub-projects in 10 districts of 3 provinces is going on strongly. World Bank-staff assessment of current management systems and quality of the sub-project work is very encouraging. There is a need however for further improvement and consolidation in some areas. While things are well underway at the field level, time has not yet been sufficient for one full cycle of the PRF Activity Cycle to be experienced. Because some things are still new and/or being designed as the project goes along, it is understandable that not all systems are yet fully operational.

The first cycle of funding will hopefully be almost 100% complete in August 2004, when most of the first cycle sub-projects will have been finished and formally handed over to the participating communities. The second cycle of village consultation, prioritisation of needs, sub-project appraisal, design, survey and budgeting, etc. is expected to kick off in September 2004. With the rainy season at its peak however, it is possible that the completion of some of the first sub-projects may be delayed.

The second cycle will involve the same 10 districts as presently partnering with the PRF, and in addition four new districts will join the project. These districts are: Huameung, Viengsay and Xamtay in Huaphanh Province - which is now considered the poorest province in Lao PDR - and Phine District in Savannakhet Province.

Completion of a first funding cycle should allow the completion of several things that have not yet been implemented in full. PRF staff continue to design several systems and processes, and to receive and to give training, etc. to support the project and sub-projects. On the project management side, improvement and consolidation are required in the following areas: reduce the high rate of staff changes/ resignations, get the M&E system fully operational and improve the handling and analysis of data, make further improvements in financial management including tracking of operational expenditure down to district level, and simplify and expedite the flow of funding for the sub-projects. These improvements are essential if the PRF is to maintain its overall good performance, to successfully expand, do quality work and meaningfully disburse more money to the village level.

1.1. PRF Activity Cycle

The PRF Activity Cycle comprise a series of meetings and many other activities designed to inform the many stakeholders and other interested parties about the PRF, build up local capacity for project/sub-project management and implementation, facilitate community planning, ownership, implementation, operation and maintenance of sub-projects, monitor and evaluate the sub-projects both during and after implementation. The various elements making up the PRF Activity Cycle are described as: *Public radio broadcasts*, *Provincial Socialization*, *District Socialization*, *Khet Socialization* (including election and training of volunteer Khet Facilitators), *Village Socialization and Village Needs and Priorities Assessment* (including election of Village Representatives to present village needs at the next level), *Khet Prioritization of villagers' needs* (including election of Khet Representatives, Khet Procurement Teams and Khet Implementation Teams), *District Prioritization* (including making tentative plans for distribution of the available funding and harmonization of those plans with other development activities planned for or on-going in the District), *Preparation of formal Sub-project Proposals* (more in-depth appraisal and design, preparation of budgets for implementation and decisions about procurement methods, etc.), *Khet Confirmation Meeting* to ensure villagers understand and can accept all the plans made, *District Decision Meeting* to announce which sub-project proposals have been successful, *Preparations for Implementation of the Sub-projects* (including training of the various village and khet level actors for various types of work: financial management, procurement, construction, etc. and first release of funds), *Implementation of Sub-project activities* (including various types of monitoring and accountability), *Training for Operations and Maintenance*, *Handover and Final Evaluation of Sub-projects*. Elements of this cycle - from Village Needs and Priorities Assessment onwards - will be repeated in each year that funds are available for each participating district.

Each village in each PRF district is invited to participate in the PRF Activity Cycle and each village is eligible to receive PRF funding. However, prioritisation of the whole district's needs must take place and the emphasis must clearly be on giving assistance first to those villages that are the poorest.

1.2. Summary of Activities in 10 districts

Corrected District Decision Meeting data indicates that 249 sub-projects were planned to be implemented in 10 districts in the first cycle of PRF funding. Some changes took place after the District Decision Meetings however, and the number of sub-projects now expected to be implemented is 248. As at the end of June, 195 (78%) of the sub-projects are being actively implemented. 40 sub-projects or 16 % had been completed. The 13 sub-projects not yet started have been delayed for a variety of reasons, including: planned late timing of implementation, local contractors not able to cope with the volume of work, slow community bidding and procurement process, and procurement of high tech equipment which requires assistance from PRF in Vientiane and no objection of the World Bank

Work on sub-projects is progressing fastest in Huaphanh Province where 24 of 79 (30%) sub-projects have been completed. This can be compared to Savannakhet and Champasack (Champasack) where 14 of 62 (23%) and 2 of 107 (2%), respectively, of the planned sub-projects have been completed. Sobbao (in Huaphanh) is the best performing district with 16 of 21 (76%) sub-projects completed. While not a lot of sub-projects have yet been finished in the other districts, many are very nearly completed. But the delay of implementation in other districts (Savannakhet and Champasack) result from drilled wells which cover 50% of activities, all the process for implementing drilled wells would have approve from the World Bank.

From late December 2003 to end of June 2004, a total of 456,458.82 USD had been transferred by PRF to the khets for sub-project implementation. At the end of June, disbursements to the first cycle sub-projects were approximately 48 % of the planned budget of 1st cycle. See the annex 1 for a Summary of PRF sub-project Disbursement and Completion Progress – Cycle I.

2. IMPLEMENTATION OF SUB-PROJECTS – DETAILS AND OUTCOMES

2.1. Supervision of Current Sub-Projects

Cycle I Sub-project Facts and Figures from District Decision Meeting Data

The January-March 2004 Quarterly Progress Report presented initial District Decision Meeting data. That data showed that some 251 sub-projects spread across 121 khets in the 10 active districts had been approved for funding by the PRF. When all figures and conventions used in interpreting the District Decision data were checked however, a few corrections were found to be necessary¹. The revised number of sub-projects in the District Decision Meeting Database is 249. Checked and corrected data based on the District Decision Meetings is presented in Table 1. After the District Decision Meetings and also during implementation of the sub-projects, a few more changes have been necessary, particularly in regard to the type of sub-projects.

Some examples of the changes and the reasons why these have occurred can be given:

- In Sepone (Savannakhet), PRF approved funding for the construction of a health clinic/dispensary to serve 9 remote villages. Although the District Authorities and District Health Office were both represented at the District Decision Meeting, it was not until after the meeting that PRF was advised that NPEP/ National Growth and Poverty Eradication Strategy (NGPES) funding had been set aside for the dispensary. In consultation with the District Authorities and the Khet concerned, PRF local staff negotiated a switch of the PRF funding from construction of the dispensary per se to construction of a dormitory for patients, visiting family members and the dispensary staff. The PRF funding that had been allocated to Nurse's Stipend was also changed to be a solar-powered electrical system to allow operation of a refrigerator and microscope, etc. for the dispensary and some simple lighting for both the dispensary and the dormitory.
- In Nong (Savannakhet), a planned gravity-fed water supply system for 7 remote villages was found on closer inspection to be not technically feasible. Together with the affected communities and with

¹ For example, a sub-project in Sepone District for the upgrading of 5 teachers in 4 khets was mistakenly treated as 4 sub-projects in the PRF National Office. In reality, only one sub-project is being implemented; the 5 teachers will go for training at the same time, and one khet will administer the sub-project on behalf of the other 3 khets.

the agreement of the local authorities, PRF staff have agreed to reallocation of the funding to a needed road. This adjustment reduced the number of sub-projects by one because two sub-projects had been initially linked to the gravity-fed water supply, one for construction of the headwater structure, etc. and one for equipment on the delivery side.

In addition to a few changes in type of sub-project, the name of some other sub-projects has been slightly adjusted to make the name more clear or a more true description of the type of work that is being done by the sub-project. E.g. where both a road and bridge are being constructed/ improved under the one sub-project, the name “Road Upgrade” is considered insufficient for monitoring purposes; the more descriptive “Road and Bridge Upgrade Sub-project” will not cause surprise when outsiders go to see the road and also find a bridge.

As the sub-projects are being implemented, it is obvious that there may some further changes in the number of sub-projects. For example there has been a request from Savannakhet to merge some hand-dug well sub-projects with drilled well projects, because of technical difficulties faced when the people tried to dig the wells. If any further changes are approved, these will be reported on in the next report.

Lessons learned from handling and management of the District Decision Meeting data

- It is difficult to get an entirely new system up and running well within a relatively short period of time. Most systems need to be tried and tested several times before all aspects are understood and all pitfalls are ironed out.
- Timely checking and analysis of data would help prevent some misunderstandings from occurring, at all levels.
- Proper appraisal, survey and design of sub-projects should be completely finished before the District Decision Meetings.

Table 1. Summary of Data for PRF Sub-Projects Planned for Implementation in 2003-2004 - Cycle 1
Data Based on Checked Results of District Decision Meetings held during July 2003 to March 2004 and PRF VNPA Data

Province and District	Total No. of Villages	Total Population 2003 figures	No. of Adults participating in VNPA	% of Adult Pop. participating in VNPA	No. of Villages Benefiting from PRF	Benefiting Villages as % of total villages	No. of Poor Villages Benefiting	Poor Villages as % of total villages benefiting	No. of Khets in District	No. of Sub-Projects	No. of Village requested Needs Covered	No. of Activities requested during VNPA 3-6 needs per village	% of Priority Needs met by PRF 1st Cycle	PRF Budget (KIP)	Approx. PRF Budget (USD)	Ave cost per sub-project (USD)
Huaphanh																
Sobbao	75	26,061	11,471	78%	32	43%	31	97%	7	21	25	286	9%	1,208,461,936	120,850	5,755
Add	76	25,942	12,279	84%	54	71%	46	85%	12	33	50	269	19%	1,177,815,985	113,475	3,439
Xiengkhor	64	25,125	9,333	66%	34	53%	28	82%	12	25	33	219	15%	1,150,064,959	110,850	4,434
Sub total	215	77,128	33,083	76%	120	56%	105	88%	31	79	108	774	14%	3,536,342,880	345,175	4,369
Savannakhet																
Sepone	159	40,949	11,984	52%	103	65%	91	88%	20	32	81	640	13%	1,863,665,889	179,010	5,594
Nong	79	20,133	8,019	71%	27	34%	26	96%	10	12	25	323	8%	989,915,979	92,011	7,668
Vilabury	101	28,576	10,333	64%	62	61%	43	69%	16	19	52	377	14%	1,131,693,228	108,808	5,727
Sub total	339	89,658	30,336	60%	192	57%	160	83%	46	63	158	1,340	12%	3,985,275,096	379,829	6,029
Champasack																
Mounlapamok	67	37,101	7,018	34%	48	72%	39	81%	10	29	57	270	21%	713,147,992	67,914	2,342
Khong	137	72,746	15,905	39%	76	55%	29	38%	14	32	80	499	16%	1,041,859,029	102,200	3,194
Sukuma	62	45,765	7,962	31%	49	79%	30	61%	10	22	55	231	24%	928,598,850	90,874	4,131
Pathoumphone	93	49,670	7,024	25%	73	78%	33	45%	10	24	100	337	30%	858,786,826	83,939	3,497
Sub total	359	205,282	37,909	33%	246	69%	131	53%	44	107	292	1,337	22%	3,542,392,697	344,927	3,224
Grand Total	913	372,068	101,328	48%	558	61%	396	71%	121	249	558	3,451	16%	11,064,010,673	1,069,931	4,297

Interpretation and analysis of some of the data in Table 1.

Adult Population: The adult population in Lao PDR is defined as the number of people who are aged 15 years old or more. Approximately 56.4% of the population is estimated to be aged 15 years old or more. The target for attendance at the VNPA process was a minimum of 50%. This was achieved in Huaphanh & Savannakhet, but not in Champasack.

Coverage/ Inclusion in the Project: Numbers of villages which will actually get some benefit from the PRF in the First Cycle is quite high – 61% over all districts and highest inclusion rates (69% average) are in Champasack.

Targeting of the poor: Targeting of the poorer/ poorest villages (percentage of poor villages among the benefiting villages) has been good in Huaphanh and Savannakhet (highest in Huaphanh – 88% average, with 97% in Sobbao), but variable in Champasack (lowest - 38% - in Khong).

Responsiveness of PRF to meet the needs of the people: In those cases where the villagers did not specifically request an activity (but it was added at a higher level during the PRF process) that activity has still generally not been included in the data here. Thus approx. 16% of the people's expressed needs (558 out of 3,451) will be covered by the PRF in the First Cycle of funding. Based on these figures and current levels of funding, about 6 years of funding would be necessary to meet the people's requests for development. Providing more funds per district would allow the PRF to meet the people's needs at a quicker pace.

Average cost per sub-project: Overall average cost per sub-project (4,297 USD) is less than that projected in the PRF Operations Manual (5,400 USD).

Cost of some sub-projects, e.g. training for income generation and also construction of hand dug wells and drilled wells (predominant in Champasack) is lower than that for the more expensive construction of gravity-fed water systems (common in Huaphanh) and roads and bridges (many in Savannakhet).

Collection of Monthly Sub-project Monitoring Data

Training for PRF field staff and Khet Facilitators concerning monthly sub-project monitoring took place in May 2004. The training started in Sepone, Mounlapamok and Sobbao Districts because that was where implementation of the sub-projects started first and is presently most advanced. In each district, two days training and introduction to the Sub-project Implementation Monthly Monitoring (SPIM) Form was given to the PRF provincial and district level staff. The initial training sessions were delivered by PRF national level staff. After the Provincial M&E and district staff had received training, they in turn trained the Khet Facilitators. Table 2 gives data on attendance at the training sessions dealing with sub-project monitoring.

For Khet Facilitators who were absent due to problems of transportation, flood and sickness, etc., PRF provincial and district staff had to provide repeat training so that they could catch up and so be able to help PRF collect data.

Table 2. Number of participants attending Sub-project Monitoring Training held in May 2004

Districts	PRF staff District / Provincial Levels			Number of Khets	Khet Facilitators		
	Total Participants	Women Participants	% Women		Total Participants	Women Participants	% Women
Huaphanh							
Sobbao	14	3	21 %	7	18	6	33 %
Add	4	1	25 %	12	36	12	36 %
Xiengkhor	5	2	40 %	12	30	10	33 %
Savannakhet							
Sepone	17	4	23 %	20	30	9	27 %
Nong	5	2	40 %	10	26	9	35 %
Vilabury	8	2	25 %	16	25	4	16 %
Champasack							
Mounlapamok	7	1	14 %	10	26	7	27 %
Khong	5	1	20 %	14	35	12	34 %
Pathoumphone	5	1	20 %	10	22	8	36 %
Sukuma	3	0	0 %	10	18	7	39 %
Grand Total:	73	17		121	266	84	

As part of the Khet Facilitators' training, monthly planning for and reporting of their work was also instituted. Feedback from the monthly meetings held to date with the Khet Facilitators indicates the following problems.

- Khet Facilitators have difficulty in travelling to sub-project sites especially in the most remote areas
- Female Khet Facilitators especially those of ethnic minority groups have difficulty to travel due to cultural barriers.
- Per diem rates given to Khet Facilitators are reported to be insufficient and there have been calls for revision.

Results from the first months of formal sub-project monitoring will be transferred to National Office in July when the Provincial M&E staff and Provincial Co-ordinators attend further training (in Vientiane) on how to process the SPIM forms and other data collection tools.

Sub-project Disbursement and Completion Progress

From late December 2003 to end of June 2004, a total of 456,458.82 USD had been transferred by PRF to the villagers' Khet Bank Accounts. A summary of sub-project disbursements including some details of the sub-projects being implemented and completed in each district can be found in Annex 1.

Comparing this Quarter's disbursements with those of the previous Quarter, there has been a significant increase in the rate of disbursement, reflecting the progress of sub-project work. Budget transfer has increased by over 35%, and stands at 48% of planned first cycle disbursement.

It can be seen from Annex 1 that implementation of the sub-projects is progressing fastest in Huaphanh Province where 24 of 79 (30%) sub-projects have been completed. This can be compared to Savannakhet and Champasack (Champasack) where 14 of 62 (23%) and 2 of 107 (2%), respectively, of the planned sub-projects have been completed. Sobbao District of Huaphanh is the best performing district with 16 of 21 (76%) sub-projects completed. While not a lot of sub-projects have yet been finished in the other districts, many are very nearly completed.

Annex 2 presents summary data and an indication of progress for each individual district in a "District at a Glance" format.

Slowness in implementation of some sub-projects has been linked to delays in transfer of funds. These delays have been both at the local level and within the PRF offices. Local delays are occurring because of distance or difficulties in access to banking services and the limited services that are actually available. Delays within PRF arise because of the large number of sub-projects and the documentation/ processing systems that are currently being used. Some changes in the way PRF handles payments requests will help the situation, but there is little that can be done concerning some local difficulties.

Handover of Completed Sub-projects

None of the sub-projects completed so far have been formally handed over to the communities or to the district authorities. Operations and maintenance provisions must be in place for each different sub-project before hand over, and this necessitates training of many community groups and strong coordination with local technical offices and authorities. When all necessary things or arrangements have been done for each sub-project, PRF intends to give each appropriate community a Certificate of Sub-project Completion. When all or the great majority of sub-projects in a district are completed then a formal handover will take place at the District Centre, with all of the Khets again joining in to hear reports on what has been done with PRF resources.

Villagers with completed sub-projects are very happy with both the results of their work and the opportunity to use the services of public investment. Training for operation and maintenance of the sub-projects is reported under Section 1.2 Participation of Villagers in the PRF Process.

Quality of Sub-projects

World Bank-staff assessment of current management systems and quality of the sub-project work is very encouraging. There is a need however for further improvement and consolidation in some areas. While things are well underway at the field level, time has not yet been sufficient for one full cycle of the PRF Activity Cycle to be experienced. Because some things are still new and/or being designed as the project goes along, it is understandable that not all systems are yet fully operational.

Observations and specific recommendations made during the World Bank June 2004 mission will be outlined in separate Technical Report. The Bank staff's main concerns were related to some technical aspects of the work in Huaphanh Province - earthworks for (possibly two) road / track sub-projects and one bridge.

2.2. Participation of Villagers in the PRF Process

Training for Community Operation and Maintenance of Sub-projects

The first sessions of Operation and Maintenance Training for community teams were held in June 2004. A gravity-fed water systems training in Sobbao district was attended by Mr Neil Neate, Engineering Consultant to the World Bank. He considered that both the material presented (mostly prepared/ collated by the Chief Engineer in PRF National Office) and the structure of the training sessions were excellent. Besides a good number of community participants, it was encouraging to see cooperation between PRF and the District Health Office and its Clean Water and Environmental Sanitation Unit (*Nam Saad*) as well as the District Lao Women's Union. The gravity-fed water systems training in Sobbao was conducted for one and a half days, but

the duration of other training sessions varied according to the type of sub-project and the interest and experience of the community representatives.

Table 3 presents data on attendance at the community operation and maintenance training sessions (on the job training for PRF staff training) that had been held up until the end of June. Because different types of sub-projects are being completed at various times in various locations, this training will continue until all of the sub-projects have been completed.

Table 3. Numbers of participants attending Sub-project Operation and Maintenance Training, as at end of June 2004.

District / Khet	Training Activities / Sub-project Type	Total participants	Women	Community participants	Non community participants		
					Govt.	PRF	Other
Sepone							
Khet Keng Kok	Rural road upgrade	29	3	16	1	12	0
Khet Phon Mouang	Drilled wells	26	4	16	1	9	0
Mounlapamok							
Khet 4	Lower secondary school	14	4	4	3	7	0
Khet 4	Bridge	29	4	21	1	7	0
Sobbao							
Khet Houay Toung	Bridge	15	2	6	2	6	1
Khet Meuang Hang	Gravity-fed water system	34	10	22	3	8	1

All community participants showed their concern and carefulness for the sustainability of their sub-projects. They rigorously discussed and responded to problems raised during training. The villagers proposed to set up revolving funds for recurrent maintenance expenses.

During the training, PRF staff advised the Khets and especially the village level representatives that they should establish committees to take the roles of management and maintenance of the sub-projects at each individual village level, i.e. where the village is the site for a particular sub-project, or responsible for a section of road, etc. The Khet Maintenance Teams were asked to send names and committee structures to the PRF District Offices no later than end of July 2004. After summarising the information, PRF will assess further training needs for the committee members, e.g. bookkeeping, basic management skill for heads of committees, related technical issues and so forth, as necessary.

Since the Khets consist of a cluster of villages grouped together for the purpose of the PRF project, members of the Khet Teams may not actually live in any of the recipient villages during a particular cycle of activities. Therefore village teams have been identified, in the recipient villages where sub-project activities will take place. Both Khet teams and Village teams must understand well their respective roles and responsibilities, work well together, and coordinate effectively and efficiently in terms of information feedback so that the village level receives necessary technical support (skilled builder, technician, team leader, etc.) in good time.

Final revision of an Operations and Maintenance Training Handbook is being prepared and this will be used by PRF Technical Advisors (TAs) at provincial and district levels, with coordination with line government agency to provide training for khet teams and the village level.

Lessons Learned

Feedback from the first batches of training on operation and maintenance included the following suggestions:

- PRF should use / hire external people from experience firms as trainers.
- Two TAs at national level, 1 at provincial level and 1 at district level are not enough to train for operation and maintenance of the large numbers of sub-projects. (Comments from the WB staff also indicate that the number of TAs is not sufficient to adequately cover design and supervision of the sub-projects, and so there is an overall call for more TA staff.)
- Line government agencies at provincial and district levels lack staff specialized in particular fields, e.g. clean water, irrigation and other to provide the assistance on technical issues to PRF.

However, TA on transportation is available but their fee is higher than PRF can pay. So, this is a problem for getting assistance from TA.

- There needs to be well-prepared and effective coordination between PRF and line government agencies to set up things and to be properly organized.

The findings from the first training sessions will be taken into consideration when preparing for the next operation and maintenance trainings. PRF will recruit more TAs as soon as possible, particularly for Provincial level. The ratio of 1 PRF district staff member for every 4 khets or 30 villages is believed to be a good guide for establishing staffing requirements/ provisions.

Community contributions

Community contributions were reported in an earlier report. Overall for the 10 districts these are averaging 16.7% of the total value of the sub-projects. This figure is higher than initial estimates made during the design phase of the PRF. Since community contributions are not mandatory, it is felt that the high level of contributions is indicative of the people's interest in and ownership of the sub-projects.

2.3. Expansion of PRF into other Districts

Based on the targeting and phasing described in the PRF Operation Manual, the PRF is scheduled to expand into 4 new districts in the existing 3 provinces in the second year of project implementation. After checking the most recent poverty data, it was proposed that expansion should take place into three new districts in Huaphanh – Xamtay, Huameuang and Viengxay and in Savannakhet – Phin. All of these districts are listed in the Government's list of 47 Priority Districts under the National Poverty Eradication Programme (NPEP) which has been renamed National Growth and Poverty Eradication Strategy (NGPES).

The World Bank has approved in principle to include these districts. The PRF Board approval has also been received. The next step is to gain approval for the Procurement and Staffing plans and the Funding Allocations for each of the 14 districts that will be included in the second cycle of PRF funding for sub-projects. Final approval is needed as soon as possible, in order to allow the expansion to take place in September 2004.

Funding allocations for future cycles of PRF will take into account several factors linked to poverty. Districts with the most poor people will get more funding than those with less poor people, and districts that have not adequately targeted the poor in the most recent funding round will face the risk of having their funding levels cut.

Concerning expansion into two new provinces, it was tentatively agreed this would occur in 2005 subject to several conditions including: (i) agreement of the Board and the World Bank on the specific provinces; (ii) adequate counterpart funding being made available to sustain expansion costs; (iii) PRF submitting a revised donor mapping for provinces under consideration; and (iv) sustained administrative capacity within PRF (reduction in high turnover in staff).

3. OTHER ACTIVITIES

3.1. Baseline Survey

Inputs in June 2004 by World Bank consultant Ms Jennica Larrison, provided an opportunity to closely review progress on the PRF Baseline survey, a large part of which has been contracted to the National Statistics Center (NSC). During Ms Larrison's assignment it was found that:

- the (PRF-designed) Village Profile and Household Social Survey data appear to be relatively intact, although whole sets of data from a few villages are missing
- the quality of data for both the Village Profile and Household Social Survey appears to be adequate, but data entry mistakes are presumed prevalent
- the quality of the NSC Expenditure and Consumption Survey data appears to be more complete than the previous two data sets, but it's presentation was still in very rough form and the contracted work was behind schedule.

The contract between NSC and PRF in fact expired on 31 May 2004. Since the work has not yet been completed according to the Terms of Reference the PRF has extended contact and put in place an adjusted work plan to ensure that the remaining key tasks are fulfilled before 17 September 2004.

Given that the NSC staff are quite busy with other work, PRF staff need to closely monitor the contract and to ensure that the tables are produced as agreed and set forth in the letter from PRF concerning the contract extension.

Ms Larrison plans to return to Laos in late August to follow up on Baseline Survey data analysis and NSC report writing. She will also again give further inputs concerning PRF's overall MIS, and monitoring and evaluation of the sub-projects in particular.

3.2. Social study

An external consultant began work on the Social Study in February 2004 and the final version of a draft report was submitted to PRF on 17 May 2004. The draft report indicated that the study had been quite shallow in its analysis and had failed to adequately address the requirements laid out in Terms of Reference (TOR). The draft report was discussed with the World Bank. The Bank noted that its disappointment in the quality of the report prepared. PRF's intention to terminate the contract was communicated to the Bank.

Because the Social Study is part of the legal covenant between the Bank and the GOL, PRF sought advice from the Bank on what to do next. PRF has been advised to go ahead with the post-study workshop as planned and to seek further comments and recommendations from a wide range of stakeholders in order to formulate final recommendations and an action plan that can be submitted to the Bank and the PRF Administrative Board for consideration.

The post-study workshop is planned for 14 July 2004. Results of the workshop will be presented in a separate document, however a summary of the findings and next steps will be presented in the next Quarterly Report.

3.3. Complaint Prevention and Resolution Process

As reported in the last Quarterly Report, initial workshops to introduce the PRF Complaint Prevention and Resolution Process at the district and khet levels were held in February and March 2004 in Sobbao, Sepone and Mounlapmok Districts. Workshops introducing the same content to district and khet actors were held in May and June 2004 for the 7 remaining districts (Add, Xiengkhor, Vilabury, Nong, Khong, Pathoumphone and Sukuma). The workshops were of two days duration and were conducted by PRF national and district level staff.

Introduction of the Complaints Process is presently being extended to the village level. So far, 17 of over 550 active villages have received some training. This training is being mediated through the Heads of the Khets who attended the earlier workshops. Because of the large number of villages involved, only those villages benefiting from a PRF sub-project will be include in the first round of village level training. Using the Head of a Khet to train the villagers will help PRF to save time and budget. The village level training is simple and mainly focuses on general advice about the PRF Complaints Process, the basic process for handling PRF-related complaints/ recommendations, how to fill in Complaint/ Recommendation Form and where / who to submit the form to.

So far, PRF National Office has been advised of one complaint since May 2004. In Khet Sobhao (Sobbao District, Huaphanh Province) the community claimed that the construction of irrigation works had not met the required standard. The PRF provincial team contacted the national office to seek advice on how to solve this problem. It was decided that the best course of action was to make a request for assistance to the District Agriculture Office (Irrigation Section). The PRF District staff are receiving support from GOL counterparts to follow up on this particular activity. The irrigation works in question were being

done under Community Force Account². To ensure that this kind of problem will not occur again in the future, the following things are necessary (for all construction sub-projects): close attention to detail and design of the works must be given during sub-project appraisal; proper consultation with the community must take place at all stages of preparation for the sub-project, close monitoring by PRF TAs must be made during the constructing sub-project.

3.4. World Bank Missions

During the reporting period, two World Bank supervision visits took place:

- i. In late April - early May, Mr. Steve Burgess, re-visited the PRF to observe implementation of sub-projects (in Savannakhet) and to follow up on some concerns raised during his last visit in June 2003. - In his Back-to-Office report, Mr. Burgess highlighted especially the need for improvements in MIS structure and the way data is handled.
- ii. From 14 - 20 June, Ms. Maryam Salim (WB Task Manager for the PRF) led a team comprised of: Ms. Oithip Mongkolsawat (Procurement); Ms. Nipa Siribuddhamas (Financial Management); Ms. Sirirat Sirijaratwong (Procurement/ Disbursement); Ms. Jennica Larrison (Baseline Survey; M&E) and Mr. Neil Neate (Technical Issues). The team reviewed progress towards meeting development objectives and overall implementation progress since the 19-28 January 2004 mission.

As well as spending time in the National Office, different members of the June mission travelled to Huaphanh and Champasack to visit sub-project sites and the PRF provincial staff. Many helpful recommendations were made by various members of the team and these are recorded in a separate Aide Memoire.

The next mission lead by Ms. Salim is expected to be in October 2004.

3.5. Staff issues

Following the resignation of the Acting Provincial Coordinator in Huaphanh Province, recruitment for a Provincial Coordinator and a CD Specialist was necessary because the resigning staff member had been covering two positions. The vacancy for the Provincial Coordinator was filled on 1 June 2004. However, the best available candidate for the CD Specialist position has not yet been released from his present job, and will not be available until end of May 2004.

3.6. Lessons learned from the First Cycle – 2003 - 2004

The initial success and generally impressive performance of the PRF has not been achieved easily. The PRF does have problems and constraints, and many of these arise because the PRF is new and attempting to implement scores of sub-projects in hundreds of villages in a very tight time frame. Other problems are due to the widely recognised need for capacity building.

It is understandable that there will be some stresses and strains while the project starts and becomes established. Notwithstanding this, the PRF Project Management Team acknowledges that improvements and consolidation in various areas are needed in order to secure success and sustainability of the project. In order to address some of the issues and to prepare for the Second Cycle a Review and Strengthening Workshop/ Retreat for all PRF staff has been planned for 19-23 July 2004. It planned that type of workshop will be held on an annual basis to ensure that improvements or changes are aired and understood by all concerned.

3.7. Development of PRF Mission and Vision Statements

Mission and Vision Statements for the PRF have been prepared to help distill and encapsulate the main aspects of PRF's mandate and to briefly describe PRF's desired broad outcome for the village

² Community Force Account means that the communities implement the sub-projects using their own resources (skilled and unskilled labor, material, equipment)

beneficiaries. The proposed Mission and Vision Statements are included in Annex 3. Some discussion on these statements has taken place with the concerned Bank staff, as well as within the PRF National Office. The statements will be presented to and discussed further with the whole body of PRF staff at the July Review and Strengthening Workshop/ Staff Retreat. It is hoped that the statements - along with the PRF Objectives and Principles - will become key, guiding documents for all that PRF does, and for all who work with the organization.

4. FINANCIAL REPORT

World Bank-staff assessment of financial management at all levels is very encouraging however PRF staff continue to make improvements as necessary.

Because there are some peculiarities in ACCPAC as set up for the PRF, it was difficult in the past for the financial staff to produce consistent financial reports. With some recent changes in the system and some brief training, PRF staff is now able to efficiently and effectively use ACCPAC. As a result, overall financial systems are stronger than they have been in the past but adjustments in the ACCPAC computerised financial program are still needed to meet the requirements of a robust financial management system. In particular it is still not yet possible to more automatically monitor and report on district level operational expenses. Further periodic inputs of a Financial Management Consultant are presently being used to refine the ACCPAC system.

Improvements in the handling and processing of payments for the sub-projects are being made. The opening of a bank account in each province specifically for the sub-projects and advances for approximately 2 months payments for sub-projects (as planned in the Operations Manual) should help with the flow of funds on PRF's side. Little may be possible to improve the communities' access to funds, but perhaps PRF field staff could consider sending messages out to the distant Khets, when money has been confirmed as being available for them in their bank accounts.

4.1. Project Expenditure

From 01/04/2004 to 30/06/2004, the project spent \$ 493,874.92 from the IDA credit and 151,712,142 Kip (14,480.97 USD) from local contributions which were mainly from income tax paid on staff salaries.

The new Training Category is used for the first time in this report.

Details concerning PRF expenditure are given in Tables 4 and 5.

Table 4. Expenditure and Sources of Funds

Sources/ Currency	Reporting period 01/04/2004 - 30/06/2004					Total Cash received by /on hand to the Project - Start to 30/06/2004
	Opening Balance	Credits to PRF A/c	Expenditure	Advances	Closing Balance	
Local Kip	35,810,933	114,929,069 ³	151,712,142	169,125	112,053,173	331,883,498 Kip
IDA \$US	637,796.40	257,598.90 ⁴	493,874.92	8,234.42	358,054.96	1,326,505.11 \$US

³ This amount is made up of i) 100,000,000 Kip, being First Instalment of GOL contributions for FY 2004;
ii) 13,574,556 Kip from residual staff salary tax payments; and iii) 1,354,513 Kip from the sale of T-shirts.

⁴ Credited from IDA Replenishment Application No. 00004 for the amount 257,546.63 USD. The difference of \$52.27 was credited to IDA account as a GOL repayment. This latter expenditure was forced on the project due to the GOL contribution not being received on time.

Table 5. Categories of Expenditure

Table 5. A. Expenditure in the Reporting period – 01/04/2004 - 30/06/2004

Category No.	1	2	3	4	5	7 ⁵	TOTAL for Reporting Period
	Sub-projects	Consultants & Salaries	Goods & Equipment	Civil Works	Inc. Operating Cost	Training	
Local Kip	0	133,185,585	1,750,000	0	16,776,557	0	Kip 151,712,142
Local \$US =	0	12,684.24	166.97	0	1,629.76	0	\$US 14,480.97
IDA \$US	354,279.92	96,723.32	5,324.61	3,636.96	31,598.99	2,311.12	\$US 491,563.80
Total \$US	354,279.92	109,407.56	5,491.58	3,636.96	33,228.75	2,311.12	\$US 508,355.89

Table 5. B. Project Expenditure to date - From Start of PRF to 30/06/2004

Category No.	1	2	3	4	5	7	TOTAL Project Expenditure to date
	Sub-projects	Consultants & Salaries	Goods & Equipment	Civil Works	Inc. Operating Cost	Training	
Local Kip	0	870,948,884	19,775,175	66,135,276	231,352,741	0	⁶ KIP 1,188,212,076
Local \$US =	0	83,613.05	1,887.50	6,282.08	21,616.89	0	= \$US 113,399.52
IDA \$US	456,458.82	655,849.35	228,292.76	55,964.40	262,665.74	2,311.12	\$US 1,661,542.19
Total \$US	456,458.82	739,462.40	230,180.26	62,246.48	284,282.63	2,311.12	\$US 1,774,941.71

4.2. Government Contributions

The First Instalment of GOL funds for FY 2004 have been received (as two deposits of 50 million Kip) in May 2004.

PRF did not have sufficient GOL funds for operating costs during the Quarter. While most costs were met as at the end of June, none of the staff had received the full 2% portion of staff salary to be paid from direct GOL cash contributions. There were three months in arrears for this payment as at the end of June. Money in the PRF Kip account is being carefully managed and reserved for external purchases, services, etc., in case there is further delay in payment of the GOL contributions.

4.3. Procurement Report

Several contracts are still in active/ open mode e.g. Social study, Base line survey, and guarantees on construction contracts for office renovations, etc. However, there was very little national office procurement expenditure in the quarterly reporting period.

5. WORK PLAN FOR NEXT QUARTER

PRF National Office plans for the next Quarter (July - September 2004) are presented in the Project Management Work Plan in Annex 4.

In preparing the Work Plan, some effort has been made to prioritize the various tasks for each of the National Office Units/Work Teams.

A separate Annual Work Plan exists for work being conducted at field level.

⁵ Category 6 has already been assigned to Project Preparation Facility (PPF). Expenditures under PPF have been absorbed and distributed amongst the other categories here, according to the type of expenditure made during the PPF period.

⁶ Of this amount, 400,000,000 Kip has been received as direct GOL cash contributions. The balance of 788,212,076 Kip has been made available to the Project from several other sources: i) by counterbalancing/offsetting GOL Contributions Payable to PRF by/with the “12%” Tax Payments Due and paid on PRF staff salaries, ii) from Residual tax Due (> 12%) and paid from PRF staff salaries, and, iii) other income such as the sale of bidding documents and T-shirts.

Summary of PRF Sub-project Disbursement and Completion Progress- Cycle 1 for the December 2003 - early July 2004

Annex 1

A total of 249 sub-projects are planned to be implemented in 10 districts

Province /District / no. villages	Type (and target numbers) of sub-projects / activities	No. of Units for No.of Benefiting villages	No. of sub-projects	% of work progress in early July	No. Sub-projects completed	PRF Total planned expenditure (USD)	Appox. PRF Total Budget transferred to date (USD)	Total Budget transferred to date (KIP)	% of Total funds planned to be transferred
Huaphanh Province									
Sobbao	Gravity fed water systems	13 units for 13 villages	13	100%	13	120,850.00	97,506.23	1,010,749,562	81%
	Rural road upgrade	15,5 km , for 4 villages	2	70%					
	School (Teaching) material	3 sets for 8 villages	3	100%	3				
	Irrigation rehabilitation	1 village	1	70%					
	Irrigation channel	6 villages	1	100%	1				
	Concrete bridge construction	30 m for 4 villages	1	100%	1				
<i>Sub-total</i>		<i>Benefiting villages 36</i>	21	86%	18				
Add	Gravity fed water systems	12 units for 12 villages	12	73%	2	113,475.00	28,172.15	292,032,542	25%
	Rural road upgrade	10; 7; 3; 40; 5 km for 34 villages	5	30%					
	Irrigation rehabilitation	1 village	1	50%					
	Irrigation system	17 villages	8	75%	3				
	School (Teaching) materials	7 sets for 34 villages	7	100%	7				
<i>Sub-total</i>		<i>Benefiting villages 54</i>	33	36%	12				
Xiengkhor	Gravity fed water systems	16 units for 16 villages	16	80%	6	110,850.00	24,864.61	257,746,594	22%
	Hand dug well	1 unit for 1 village	1	80%					
	Rural road upgrade	3 km; 6 km; 6 km for 8 villages	3	30%					
	Irrigation rehabilitation	6 villages	2	65%					
	School (Teaching) material	8 villages	2	100%	2				
Medicine box & training 1 nurse	4 villages	1	100%	1					
<i>Sub-total</i>		<i>Benefiting villages 34</i>	25	36%	9				
Huaphanh Province total			79	49%	39				
Savannakhet Province									
Sepone	Gravity fed water system	4 units for 4 village	1	95%		179,010.00	89,232.07	924,979,654	50%
	Rural road upgrade	11 km for 15 villages	2	100%	2				
	Road + Bridge up-grade	7 km for 8 villages	1	57%					
	Dormitory for dispensary	1 site for 9 villages	1	30%					
	Solar system for dispensary	1 site (for same dispensary)	1	Procurement process launched by PRF					
	Submerged bridge	4 m for 8 villages	1	30%					
	Hand dug well construction	42 units for 30 villages	8	70%					
	Drilled well construction	45 units for 29 villages	8	2 sub-projects started, 34%	1				
	School construction	5 sites for 5 villages	5	81%	1				
	School renovation	2 sites for 2 villages	2	80%					
	Teacher upgrading	5 pax, for 4 villages	1	Not yet time for training					
	Weaving training	8 pax, 2 courses for 2 villages	1	100%	1				
<i>Sub-total</i>		<i>Benefiting villages 103</i>	32	16%	5				
Nong	Rural road upgrade	58 km for 25 villages	8	6 started, 54%	3	92,011.00	55,995.56	580,449,941	61%
	Gravity fed water system	7 units for 7 villages	3	Not yet started					
	Primary School construction	3 sites for 3 villages	1	78%					
<i>Sub-total</i>		<i>Benefiting villages 27</i>	12	25%	3				
Vilabury	Hand dug well construction	13 units for 9 villages	2	70%		108,808.00	66,825.59	692,714,028	61%
	Drilled well construction	5 units for 5 villages	1	20%					
	Rural road upgrade	43.45 Km for 27 villages	7	85%	2				
	Concrete bridge	70 m for 4 villages	1	Special request to WB - survey & design					
	Dispensary	1 site for 9 villages	1	90%					
	Primary school	4 sites for 5 villages	4	95%	3				
	Weir	1 site for 1 village	1	100%	1				
	Teacher upgrading training	3 course	1	Not yet time for training					
Nursery training	1 course	1	Not yet time for training						
<i>Sub-total</i>		<i>Benefiting villages 62</i>	19	32%	6				
Savannakhet Province total			63	22%	14				

Province /District / no. villages	Type (and target numbers) of sub-projects / activities	No. of Units for No.of Benefiting villages	No. of sub-projects	% of work progress in early July	No. Sub-projects completed	PRF Total planned expenditure (USD)	Appox. PRF Total Budget transferred to date (USD)	Total Budget transferred to date (KIP)	% of Total funds planned to be transferred
Champassack Province									
Mounlapamok 67 villages	Drilled well construction	60 units for 24 villages	7	70%		67,914.00	37,589.04	389,647,979	55%
	Drilled well rehabilitation	22 units for 5 villages	1	70%					
	Rural road upgrade	18 km for 8 villages	1	72%					
	Bridge upgrades	128 m for 4 village	4	90%	4				
	School construction	1 school for 1 village	1	90%					
	School renovation	13 schools for 13 villages	13	95%	3				
	School (Teaching) material	4 sets	1	95%					
	Medical equipment	1 set	1	Procurement process launched					
<i>Sub-total</i>		<i>Benefiting villages 48</i>	29	24%	7				
Pathoumphone 93 villages	Drilled well construction	57 units for 35 villages	7	10%		83,939.00	30,687.93	318,111,084	37%
	Drilled well rehabilitation	4 units for 1 village	1	15%					
	Rural road upgrade	19 km for 2 villages	1	25%					
	Irrigation channel	3 sites for 2 villages	1	90%					
	Irrigation gateway	3 sites for 1 village	1	100%	1				
	Irrigation rehabilitation	1 site for 1 village	1	25%					
	Irrigation system	6 sites for 6 villages	1	25%					
	School renovation	2 shools for 2 villages	2	85%					
	Primary school	1 school for 1 village	1	90%					
	Secondary school	2 schools for 5 villages	2	85%					
	Cropping & Animal raising Training	6 courses for 59 villages	6	22%					
<i>Sub-total</i>		<i>Benefiting villages 73</i>	24	4%	1				
Sukuma 62 villages	Drilled well construction	68 units for 42 villages	9	Procurement process launched, 10%		90,874.00	41,882.45	434,153,513	46%
	Wooden Bridge	20 m for 5 villages	1	65%					
	School construction	8 schools for 8 villages	8	45%					
	School renovation	3 school for 3 villages	3	90%					
	Rice bank store-room	1 store for 7 villages (35 T capacity)	1	80%					
<i>Sub-total</i>		<i>Benefiting villages 49</i>	22	0%	0				
Khong 137 villages	Drilled well	85 units for 49 villages	9	Procurement process launched, 15%		102,200.00	44,837.82	464,788,811	44%
	Primary school	6 schools for 6 villages	6	25%					
	School renovation	7 schools for 7 villages	7	60%	1				
	Secondary school	1 school for 1 village	1	75%					
	Culvert	5 km for 1 villages	1	65%					
	Poultry raising training	3 courses for 15 villages	3	10%					
	Mushroom planting training	1 course for 3 villages	1	10%					
	Kindergarten construction	1 kindergarten for 1 village	1	25%					
	Medicine Box	3 sets for 3 villages	3	24%					
<i>Sub-total</i>		<i>Benefiting villages 77</i>	32	3%	1				
Champasak Province total									
			107	8%	9	1,069,931.00	517,593.45	5,365,373,708	48%

- Notes:**
- * Gravity fed system; drilled wells, hand dug wells sub-projects may group together many villages possible within the khet that need exactly the same kind of water supply. Thus, the numbers of units required for each of the three main types of water system is typically much greater than the number of sub-projects.
 - * Number of benefiting villages in a district will often be lower than what seems to be the case when comparing this parameter with the data concerning number of units for number of villages. This is because some villages are implementing/ benefiting from more than one activity.
 - * Average exchange rate used at time of District Decision Meetings: 1 \$ = 10,366 kip
 - * Field data as at 30 June 2004 was not available, therefore, data from early July had to be used.

Annex 2

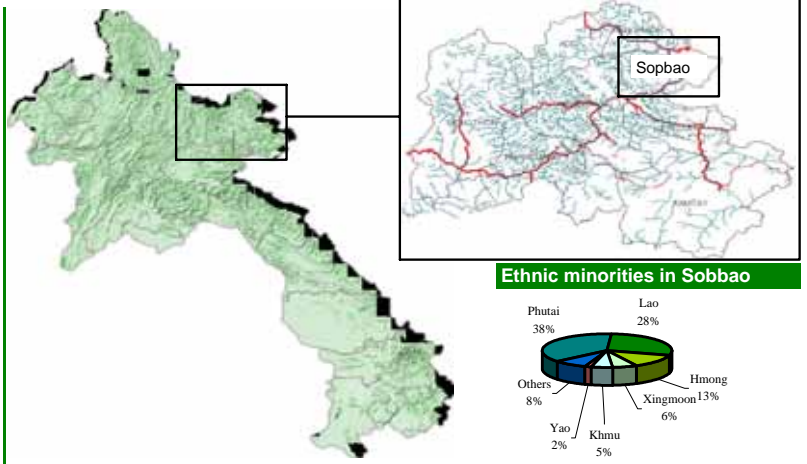
District at a glance for 10 districts

Progress activity of Sobbao District, as of June 2004

General Information

Huaphanh Province:	Total	Women
Population of Province (NSC; year 2003):	303,700	152,700
Total Number of districts:	8	
<i>Xiengkho, Add, Sobbao, Viengxay, Viengthong, Xamtay, Heuameuang, Xamneua</i>		
Total Number of districts covered by PRF:	3	
<i>Xiengkho, Add, Sobbao</i>		
Sobbao District:	Total	Women
District Population (2003)	26,061	13,499
Total Number of Khets:	7	
Total Number of Villages:	75	
Total Number of "Poor" Villages*:	69	
% of villages without access to health services	5%	
% of villages without safe water supply	88%	
% of villages without road	32%	
% of villages without access to School	3%	
Main ethnic groups in the district: (NSC Census 95 in former Xiengkho District)		
<i>Phutai, Lao, Hmong, Xingmoon, Khmu, Yao</i>		

Maps of Lao PDR showing Huaphanh & Sobbao



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

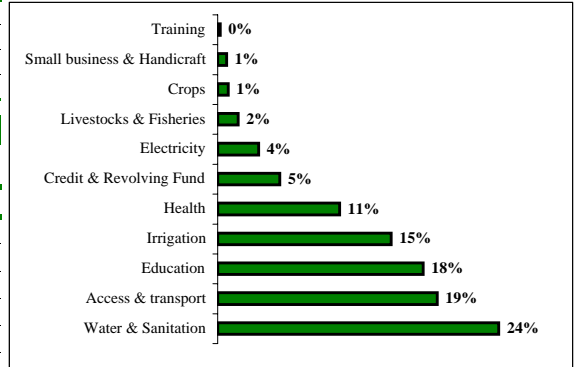
Description	Total	%
Number of Village Needs (activities) expressed by villagers by 6 priorities	450	
Number of Village Needs (activities) expressed by women by 3 priorities	117	52%
Number of Village Needs (activities) expressed by men by 3 priorities	108	48%
Village Needs after consolidation at Khet level (Khet Priorities)	145	

Selected / approved sub-projects for the period 2003-2004 - Cycle I

Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Sobbao budget allocation 2003	1,170,000,000		117,000
PRF Contribution to sub-project implementation	1,208,461,936		120,850
Village Contribution (cash / kind) to project implementation	595,051,000		59,505
Total Cost for Sub-Projects:	1,803,512,936		180,351
% of village contribution compared to total cost for sub-projects	33%		-
Average PRF contribution per Sub-project	57,545,806		5,755
Average PRF contribution per participating village	60,423,097		6,042
Number of Villages benefiting from 2003 funding round	20		-
Number of Poor Villages benefiting from 2003 funding round	19		-
Number and percentage of beneficiaries in 2003 funding round	15,560		60%
Number and percentage of Khets benefiting from 2003 funding round	7		-
Number of Sub-Projects to be implemented in 2003 funding round	21		-
Percentage of selected sub-projects proposed by women			45%
Average Number of Sub-projects / Khet	3		-
Average Number of Village activities / Khet	3		-
Sub-project budget allocation per sector	Allocation (Kip)	Percentage %	
Water & Sanitation	760,820,040	40.0 %	
Access/ Transport	251,378,858	28.1 %	
Irrigation	156,279,038	21.9 %	
Education	39,984,000	9.4 %	
Total:	1,208,461,936	100 %	

Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector

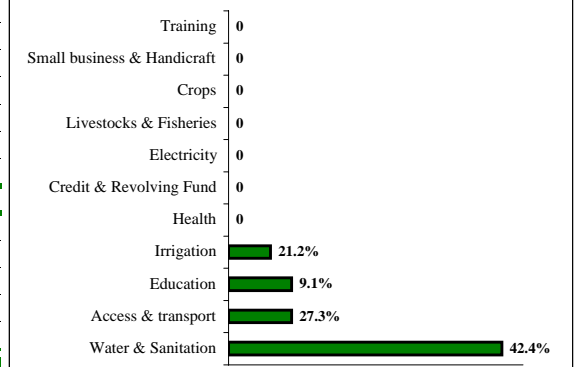
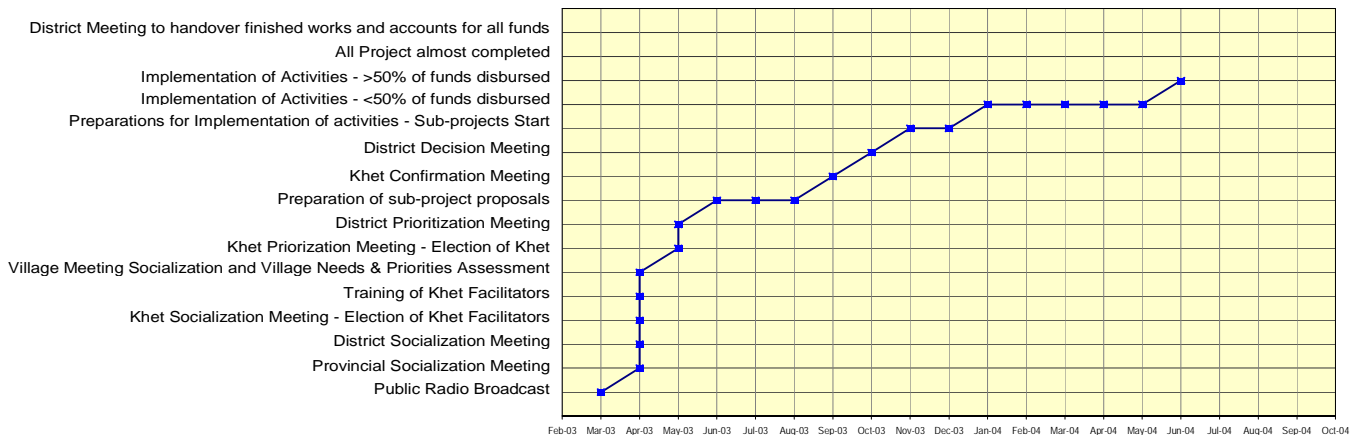


Chart of progress

Activity progress for Sobbao District



Exchange Rate: approx. 1 US\$ = 10,000 kip, rate used at the day of the District Decision Meeting

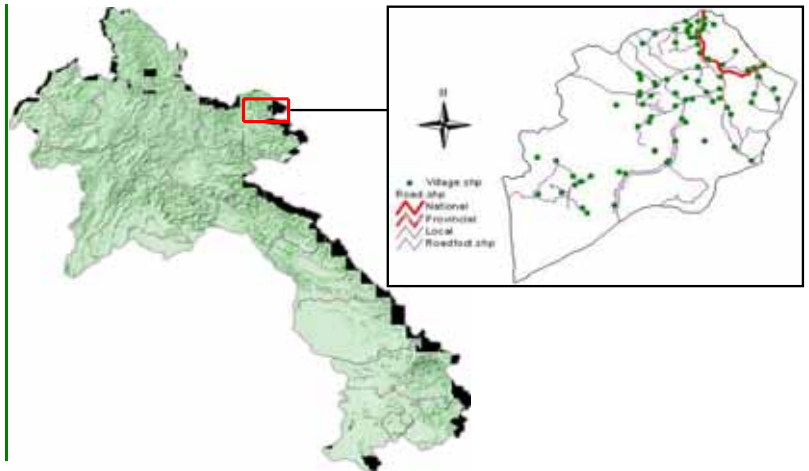
* Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Progress activity of Add District, as of June 2004

General Information

Huaphanh Province:	Total	Women
Population of Province (NSC; year 2002):	303,700	152,700
Total Number of districts:	8	
<i>Xiengkho, Add, Sobbao, Viengxay, Viengthong, Xamtay, Heuameuang, Xamneua</i>		
Total Number of districts covered by PRF:	3	
<i>Xiengkho, Add, Sobbao</i>		
Add District:	Total	Women
District Population (2003)	25,942	
Total Number of Khets:	12	
Total Number of Villages:	76	
Total Number of "Poor" Villages*:	59	
% of villages without access to health services	23%	
% of villages without safe water supply	24%	
% of villages without road	50%	
% of villages without access to School	62%	

Maps of Lao PDR showing Huaphanh and Add



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

Description	Total	%
Number of Village Needs (activities) expressed by villagers by 6 priorities	456	
Number of Village Needs (activities) expressed by women by 3 priorities	115	49%
Number of Village Needs (activities) expressed by men by 3 priorities	117	51%
Village Needs after consolidation at Khet level (Khet Priorities)	145	

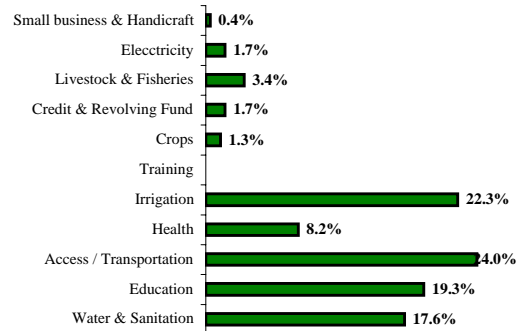
Selected / approved sub-projects for the period 2003-2004 - Cycle I

Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Add budget allocation 2003	1,164,688,000		112,000
PRF Contribution to sub-project implementation	1,177,815,985		113,475
Village Contribution (cash / kind) to project implementation	477,985,000		45,965
Total Cost for Sub-Projects:	1,655,800,985		159,227
% of village contribution compared to total cost for sub-projects	28.9%		-
Average PRF contribution per Sub-project	35,691,393		3,432
Average PRF contribution per participating village	22,222,943		2,137
Number of Villages benefiting from 2003 funding round	53		-
Number of Poor Villages benefiting from 2003 funding round	45		-
Number and percentage of beneficiaries in 2003 funding round	18,399		71%
Number of Khets benefiting from 2003 funding round	12		-
Number of Sub-Projects to be implemented in 2003 funding round	33		-
Percentage of selected sub-projects proposed by women			53%
Average Number of Sub-projects / Khet	2.8		-
Average Number of Village activities / Khet	1.6		-

Sub-project budget allocation per sector	Allocation (Kip)	Percentage %
Water & Sanitation	463,518,124	17.4 %
Access/ Transport	292,003,176	44.9 %
Irrigation	268,142,625	13.0 %
Education	154,152,060	24.6 %
Total:	1,177,815,985	100 %

Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector

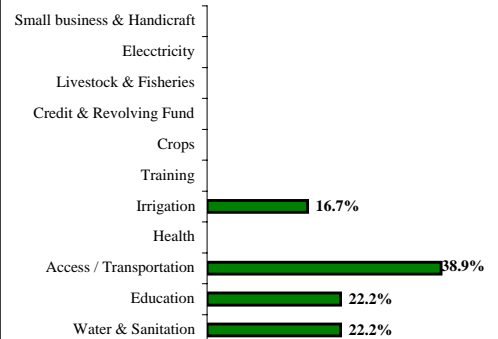
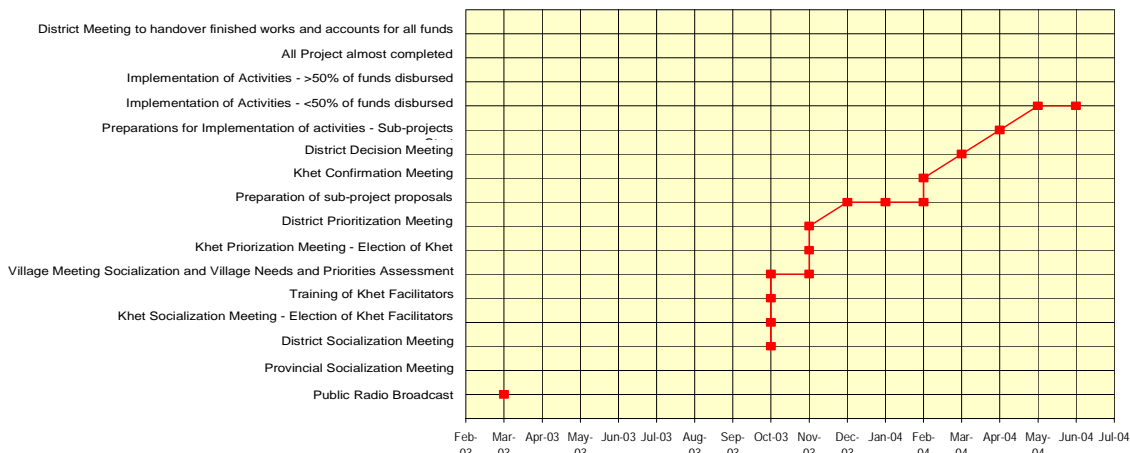


Chart of progress

Activity progress for Add District



Exchange Rate: approx. 1 US\$ = 10,399 Kip, rate used on the day of District Decision Meeting

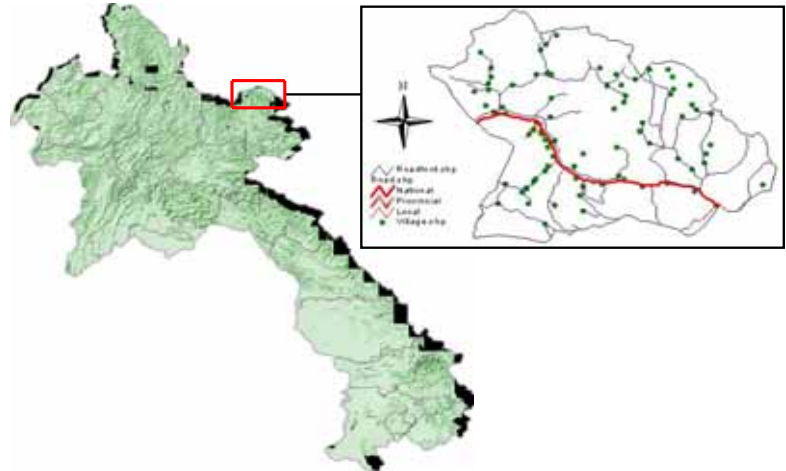
* Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Progress activity of Xiengkhor, as of June 2004

General Information

Huaphanh Province:	Total	Women
Population of Province (NSC; year 2002):	303,700	152,700
Total Number of districts:	8	
Xiengkho, Add, Sobbao, Viengxay, Viengthong, Xamtay, Heuameuang, Xamneua		
Total Number of districts covered by PRF:	3	
Xiengkho, Add, Sobbao		
Xiengkhor District:	Total	Women
District Population (2003)	25,125	
Total Number of Khets:	12	
Total Number of Villages:	64	
Total Number of "Poor" Villages*:	56	
% of villages without access to health services	2%	
% of villages without safe water supply	12%	
% of villages without road	39%	
% of villages without access to School	44%	
Main ethnic groups in the district: (NSC Census 95 in)		
Lao, Phoutai, Khmu, Hmong, Xingmoon, Yao		

Maps of Lao PDR showing Huaphanh and Xiengkhor



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

Description	Total	%
Number of Village Needs (activities) expressed by villagers by 6 priorities	384	
Number of Village Needs (activities) expressed by women by 3 priorities	93	48%
Number of Village Needs (activities) expressed by men by 3 priorities	99	52%
Village Needs after consolidation at Khet level (Khet Priorities)	135	

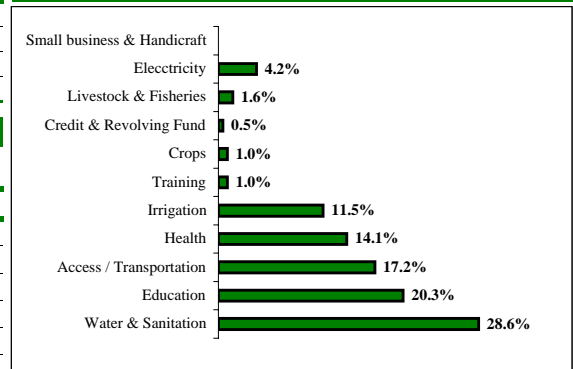
Selected / approved sub-projects for the period 2003-2004 - Cycle I

Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Xiengkhor budget allocation 2003	1,144,110,000		110,000
PRF Contribution to sub-project implementation	115,064,959		110,850
Village Contribution (cash / kind) to project implementation	262,954,550		25,282
Total Cost for Sub-Projects:	378,019,509		36,345
% of village contribution compared to total cost for sub-projects	69.6%		-
Average PRF contribution per Sub-project	4,602,598		443
Average PRF contribution per participating village	3,711,773		357
Number of Villages benefiting from 2003 funding round	31		-
Number of Poor Villages benefiting from 2003 funding round	25		-
Number and percentage of beneficiaries in 2003 funding round	11,124		44%
Number of Khets benefiting from 2003 funding round	12		-
Number of Sub-Projects to be implemented in 2003 funding round	25		-
Percentage of selected sub-projects proposed by women			50%
Average Number of Sub-projects / Khet	2.1		-
Average Number of Village activities / Khet	1.2		-

Sub-project budget allocation per sector	Allocation (Kip)	Percentage %
Water & Sanitation	657,647,267	64 %
Access/ Transport	135,877,699	12 %
Irrigation	151,951,600	8 %
Education	71,797,800	8 %
Health	13,699,008	4 %
Electricity	119,451,568	4 %
Total:	1,150,424,942	100 %

Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector

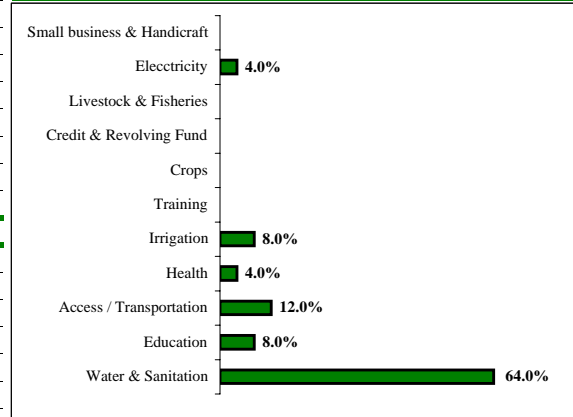
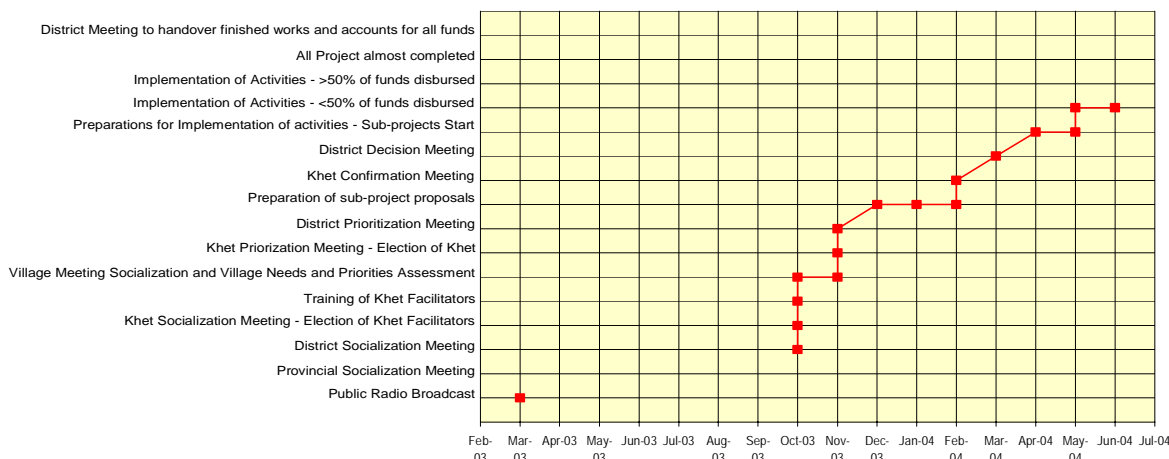


Chart of progress

Activity progress for Xiengkhor District



Exchange Rate: approx. 1 US\$ = 10,401 Kip, rate used on the day of District Decision Meeting

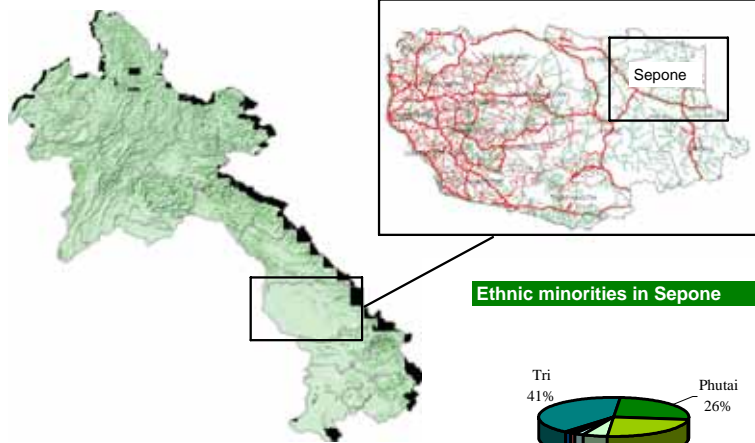
* Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Progress activity of Sepone District, as of June 2004

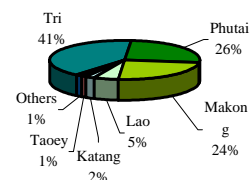
General Information

Savannakhet Province:	Total	Women
Population of Province (NSC; year 2003):	833,900	425,400
Total Number of districts:	15	
<i>Sepone, Nong, Vilaboury, Khanthabouly, Outhoumphone, Atsapangthong, Phine, Thapangthong, Songkhone, Champhone, Xonbuly, Xaybuly, Atsaphone, Xayphouthong and Thaphanlanxay.</i>		
Total Number of districts covered by PRF:	3	
<i>Sepone, Nong and Vilaboury</i>		
Sepone District:	Total	Women
District Population (2003)	41,067	20,208
Total Number of Khets:	20	
Total Number of Villages:	159	
Total Number of "Poor" Villages*:	144	
% of villages without access to health services	83%	
% of villages without safe water supply	78%	
% of villages without road	45%	
% of villages without access to School	44%	
Main ethnic groups in the district (NSC Census 95 in former Xiengkho District)		
<i>Tri, Phutai, Mako, Lao and Katang.</i>		

Maps of Lao PDR showing Savannakhet & Sepone



Ethnic minorities in Sepone



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

Description	Total	%
Number of Village Needs (activities) expressed by 6 priorities	952	
Number of Village Needs (activities) expressed by women by 3 priorities	215	46%
Number of Village Needs (activities) expressed by men by 3 priorities	248	54%
Village Needs after consolidation at Khet level (Khet Priorities)	228	

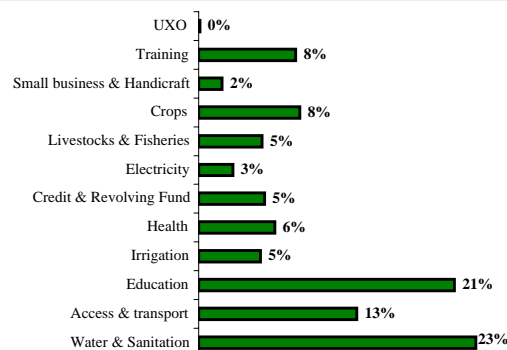
Selected / approved sub-projects for the period 2003-2004 - Cycle I

Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Sepone budget allocation 2003	1,228,851,000		117,000
PRF Contribution to sub-project implementation	1,869,867,624		179,117
Village Contribution (cash / kind) to project implementation	184,059,660		17,524
Total Cost for Sub-Projects:	2,053,927,284		195,556
% of village contribution compared to total cost for sub-projects		11.2%	
Average PRF contribution per Sub-project	58,433,363		5,563
Average PRF contribution per participating village	21,248,496		2,023
Number of Villages benefiting from 2003 funding round	88	-	
Number of Poor Villages benefiting from 2003 funding round	76	-	
Number and percentage of beneficiaries in 2003 funding round	22,729	55%	
Number and percentage of Khets benefiting from 2003 funding round	20	-	
Number of Sub-Projects to be implemented in 2003 funding round	32	-	
Percentage of selected sub-projects proposed by women		51.2%	
Average Number of Sub-projects / Khet	1.6	-	
Average Number of Village activities / Khet	5		

Sub-project budget allocation per sector	Allocation (Kip)	Percentage %
Water & Sanitation	926,701,437	62.6 %
Access/ Transport	330,685,768	24.2 %
Health	111,228,468	1.0 %
Education	379,796,823	5.1 %
Training	9,404,451	6.1 %
Electricity	1,933,920	1.0 %
Total:	1,757,816,947	100 %

Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector

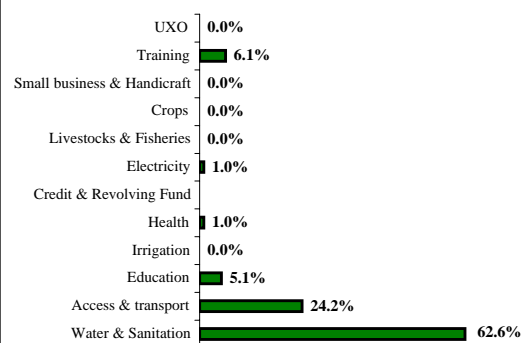
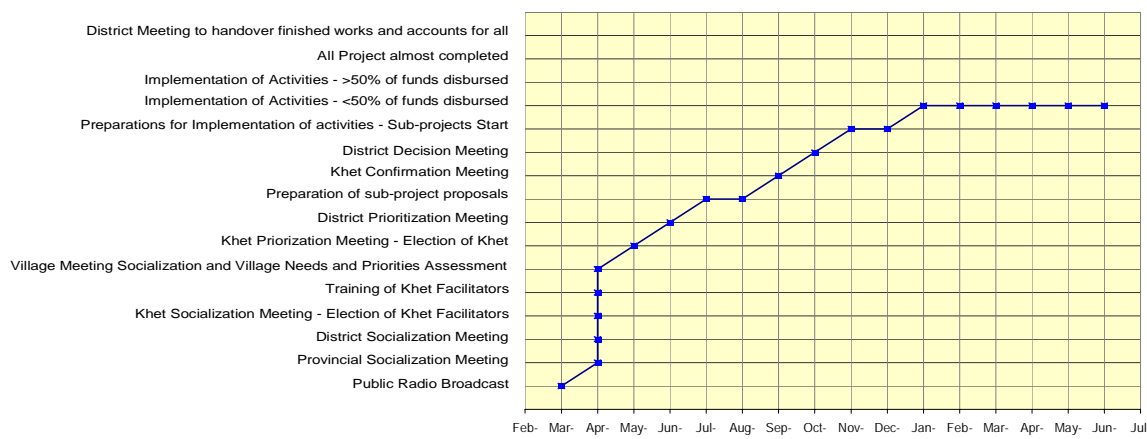


Chart of progress

Activity progress for Sepone District



Exchange Rate: approx. 1 US\$ = 10,503 Kip, rate used at the day of District Decision Meeting

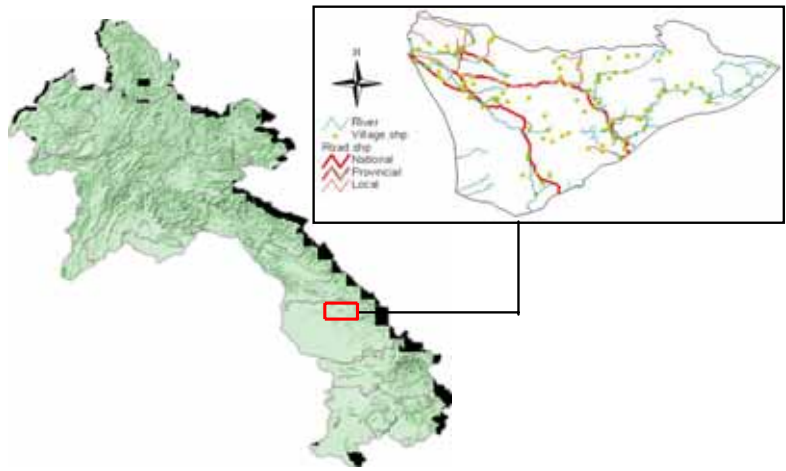
* Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Progress activity of Vilabury District, as of June 2004

General Information

Savannakhet Province:	Total	Women
Population of Province (NSC; year 2003):	833,900	425,400
Total Number of districts:	15	
<i>Sepone, Nong, Vilaboury, Khanthabouly, Outhoumphone, Atsapangthong, Phine, hapangthong, Songkhone, Champhone, Xonbully, Xaybuly, Atsaphone, Xayphouthong and Thaphanlanxay.</i>		
Total Number of districts covered by PRF:	3	
<i>Sepone, Nong and Vilaboury</i>		
Vilabury District:	Total	Women
District Population (2003)	28,576	
Total Number of Khets:	16	
Total Number of Villages:	101	
Total Number of "Poor" Villages*:	77	
% of villages without access to health services	12%	
% of villages without safe water supply	27%	
% of villages without road	68%	
% of villages without access to School	7%	
Main ethnic groups in the district: (NSC Census 95)		
<i>Phoutai, Makong, Tri, Lao</i>		

Maps of Lao PDR showing Champasack and Nong



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

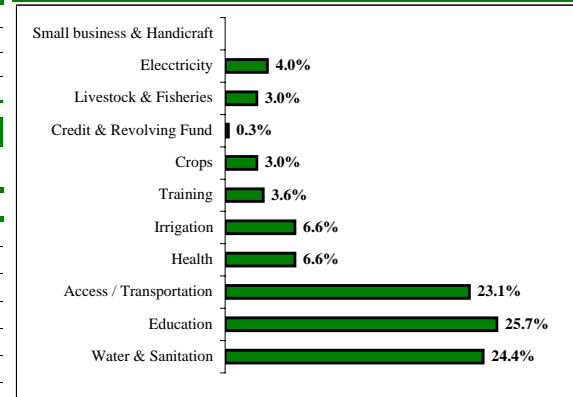
Description	Total	%
Number of Village Needs (activities) expressed by villagers by 6 priorities	605	
Number of Village Needs (activities) expressed by women by 3 priorities	133	44%
Number of Village Needs (activities) expressed by men by 3 priorities	170	56%
Village Needs after consolidation at Khet level (Khet Priorities)	246	

Selected / approved sub-projects for the period 2003-2004 Cycle I

Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Vilabury budget allocation 2003	1,113,228,000		107,000
PRF Contribution to sub-project implementation	1,131,693,228		108,808
Village Contribution (cash / kind) to project implementation	177,973,300		17,106
Total Cost for Sub-Projects:	1,309,666,528		125,881
% of village contribution compared to total cost for sub-projects	13.6%		-
Average PRF contribution per Sub-project	9,367,016		5,725
Average PRF contribution per participating village	18,253,117		1,754
Number of Villages benefiting from 2003 funding round	62		-
Number of Poor Villages benefiting from 2003 funding round	43		-
Number and percentage of beneficiaries in 2003 funding round	7,354		29%
Number of Khets benefiting from 2003 funding round	16		-
Number of Sub-Projects to be implemented in 2003 funding round	19		-
Percentage of selected sub-projects proposed by women	-		30%
Average Number of Sub-projects / Khet	1.2		-
Average Number of Village activities / Khet	3		-
Sub-project budget allocation per sector	Allocation (Kip)	Percentage %	
Water & Sanitation	133,084,013	22.6 %	
Access/ Transport	525,962,778	48.4 %	
Health	120,449,697	14.5 %	
Irrigation	58,561,661	1.6 %	
Education	286,066,363	6.5 %	
Training	7,568,716	6.5 %	
Total:	1,131,693,228	100 %	

Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector

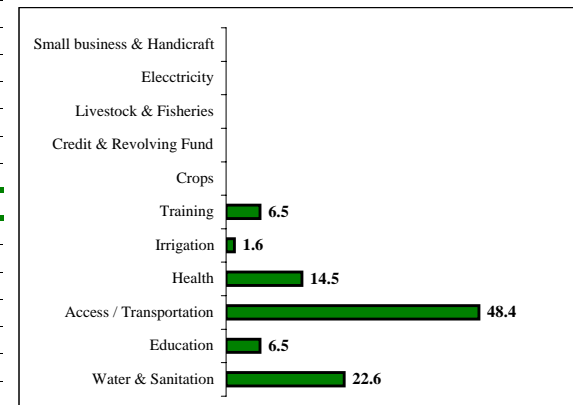
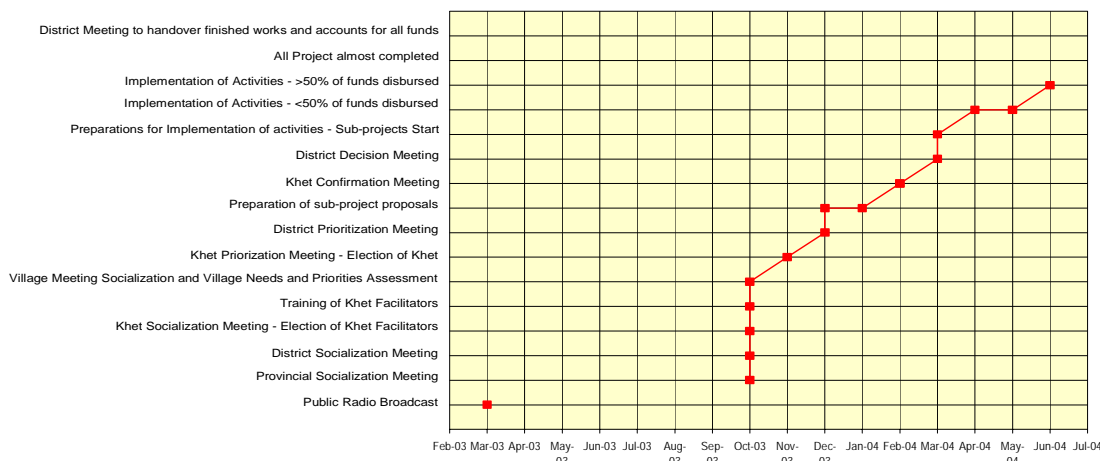


Chart of progress

Activity progress for Vilabury District



Exchange Rate: approx. 1 US\$ = 10,404 Kip, rate used on the day of District Decision Meeting

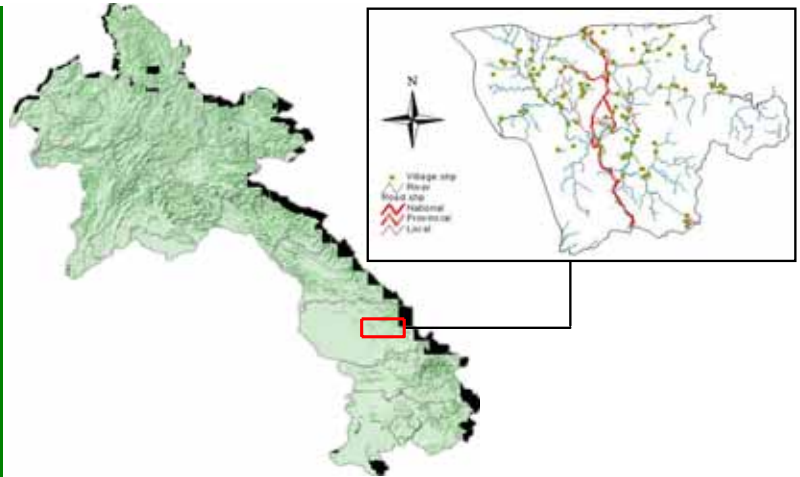
* Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Progress activity of Nong District, as of June 2004

General Information

Savannakhet Province:	Total	Women
Population of Province (NSC; year 2003):	833,900	425,400
Total Number of districts:	15	
<i>Sepone, Nong, Vilaboury, Khanthabouly, Outhoumphone, Atsapangthong, Phine, Thapangthong, Songkhone, Champhone, Xonbuly, Xaybuly, Atsaphone, Xayphouthong and Thaphanlanxay.</i>		
Total Number of districts covered by PRF:	3	
<i>Sepone, Nong and Vilaboury</i>		
Nong District:	Total	Women
District Population (2003)	20,133	
Total Number of Khets:	10	
Total Number of Villages:	79	
Total Number of "Poor" Villages*:	75	
% of villages without access to health services	23%	
% of villages without safe water supply	29%	
% of villages without road	85%	
% of villages without access to School	12%	
Main ethnic groups in the district: (NSC Census 95)		
<i>Makong, Phoutai, Katang, Ta oey, Tri</i>		

Maps of Lao PDR showing Savannakhet and Nong



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

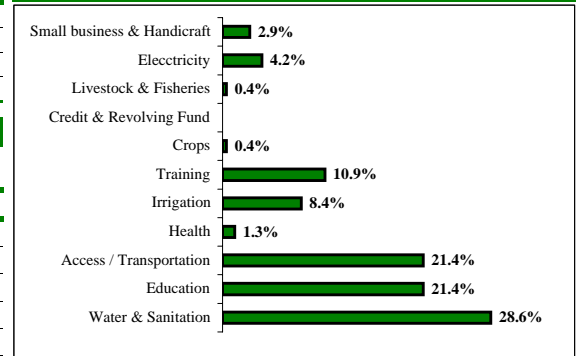
Description	Total	%
Number of Village Needs (activities) expressed by villagers by 6 priorities	471	
Number of Village Needs (activities) expressed by women by 3 priorities	111	47%
Number of Village Needs (activities) expressed by men by 3 priorities	127	53%
Village Needs after consolidation at Khet level (Khet Priorities)	216	

Selected / approved sub-projects for the period 2003-2004 - Cycle I

Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Nong budget allocation 2003	1,005,051,000		93,000
PRF Contribution to sub-project implementation	989,915,979		92,011
Village Contribution (cash / kind) to project implementation	61,041,000		5,648
Total Cost for Sub-Projects:	1,050,956,979		97,248
% of village contribution compared to total cost for sub-projects	5.8%		-
Average PRF contribution per Sub-project	89,992,362		8,327
Average PRF contribution per participating village	38,073,692		3,523
Number of Villages benefiting from 2003 funding round	26		-
Number of Poor Villages benefiting from 2003 funding round	25		-
Number and percentage of beneficiaries in 2003 funding round	2,360		42%
Number of Khets benefiting from 2003 funding round	10		-
Number of Sub-Projects to be implemented in 2003 funding round	11		-
Percentage of selected sub-projects proposed by women			32%
Average Number of Sub-projects / Khet	1		-
Average Number of Village activities / Khet	2		-
Sub-project budget allocation per sector	Allocation (Kip)	Percentage %	
Access/ Transport	710,161,618	88 %	
Education	275,882,360	12 %	
Total:	986,043,978	100 %	

Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector

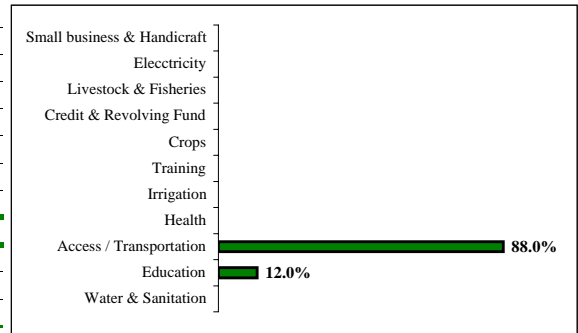
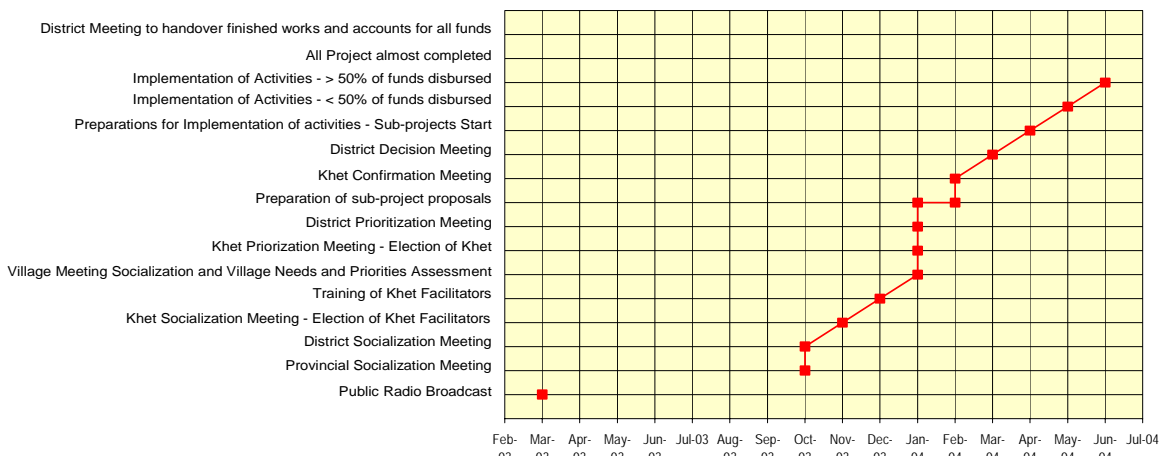


Chart of progress

Activity progress for Nong District



Exchange Rate: approx. 1 US\$ = 10,807 Kip, rate used on the day of the District Decision Meeting

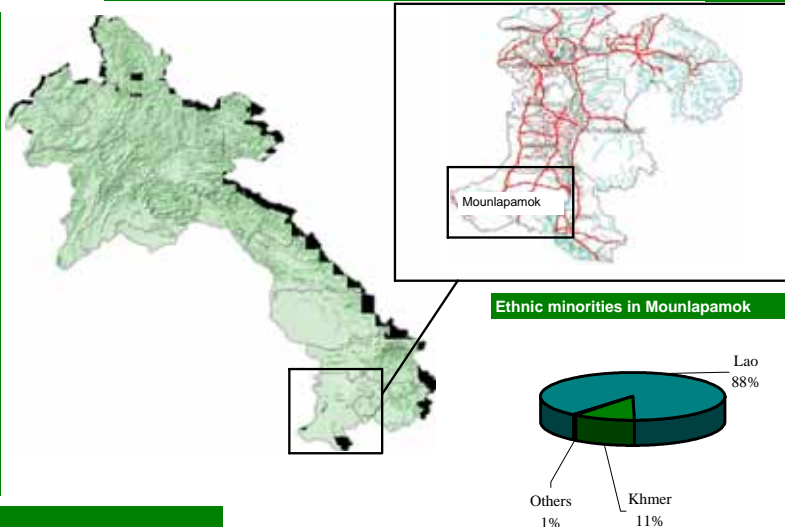
* Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Progress activity of Mounlapamok District, as of June 2004

General Information

Champasack Province:	Total	Women
Population of Province (NSC; year 2003):	622,400	318,700
Total Number of districts:	10	
<i>Mounlapamok, Khong, Pathoumphone, Sukuma, Pakse, Sanasomboun, Bachieng, Paksong, Phonethong and Champasack.</i>		
Total Number of districts covered by PRF:	4	
<i>Pathoumphone, Sukuma, Kkong and Mounlapamok</i>		
Mounlapamok District:	Total	Women
District Population (2003)	37,101	
Total Number of Khets:	10	
Total Number of Villages:	67	
Total Number of "Poor" Villages*:	51	
% of villages without access to health services	27%	
% of villages without safe water supply	45%	
% of villages without road	0%	
% of villages without access to School	0%	
Main ethnic groups in the district: (NSC Census 95 in former Xiengkho District)		
<i>Lao and Khmer.</i>		

Maps of Lao PDR showing Champasack & Mounlapamok



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

Description	Total	%
Number of Village Needs (activities) expressed by villagers by 6 priorities	402	
Number of Village Needs (activities) expressed by women by 3 priorities	89	44%
Number of Village Needs (activities) expressed by men by 3 priorities	112	56%
Village Needs after consolidation at Khet level (Khet Priorities)	71	

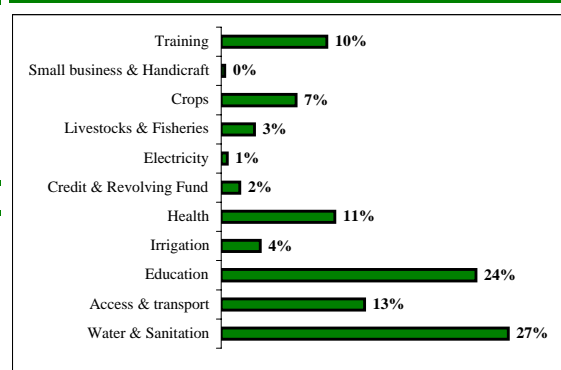
Selected / approved sub-projects for the period 2003-2004 - Cycle I

Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Mounlapamok budget allocation 2003	713,932,000		68,000
PRF Contribution to sub-project implementation	713,147,992		67,914
Village Contribution (cash / kind) to project implementation	69,641,394		6,633
Total Cost for Sub-Projects:	782,789,386		74,558
% of village contribution compared to total cost for sub-projects	9%		-
Average PRF contribution per Sub-project	24,591,310		2,342
Average PRF contribution per participating village	17,393,853		1,657
Number of Villages benefiting from 2003 funding round	41		-
Number of Poor Villages benefiting from 2003 funding round	35		-
Number and percentage of beneficiaries in 2003 funding round	9,619		26%
Number of Khets benefiting from 2003 funding round	10		-
Number of Sub-Projects to be implemented in 2003 funding round	29		-
Percentage of selected sub-projects proposed by women	-		48%
Average Number of Sub-projects / Khet	3		-
Average Number of Village activities / Khet	6		-

Sub-project budget allocation per sector	Allocation (Kip)	Percentage %
Water & Sanitation	264,736,134	39.6 %
Access/ Transport	108,115,245	22.9 %
Health	42,210,000	2.1 %
Education	298,086,613	35.4 %
Total:	713,147,992	100 %

Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector

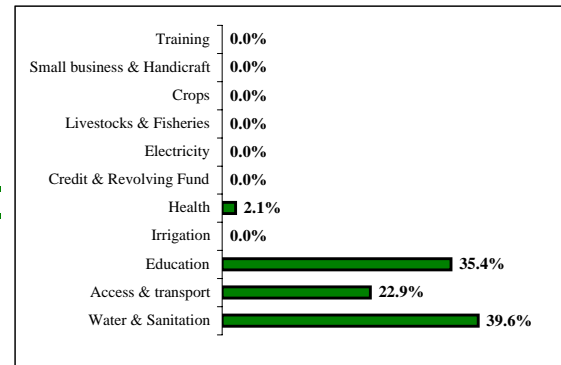
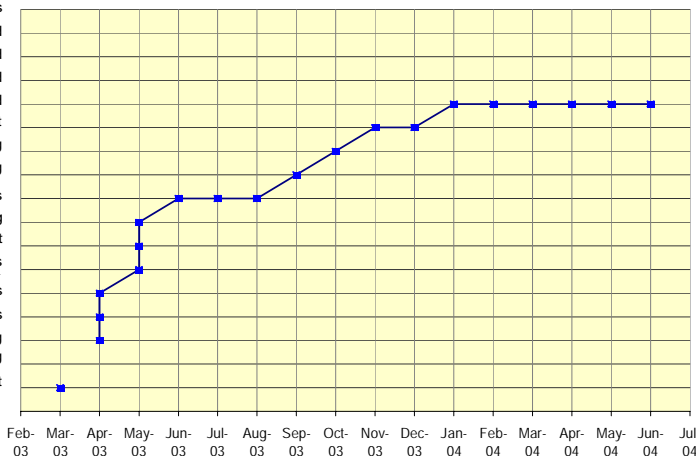


Chart of progress

Activity progress for Mounlapamok District

- District Meeting to handover finished works and accounts for all funds
- All Project almost completed
- Implementation of Activities - >50% of funds disbursed
- Implementation of Activities - <50% of funds disbursed
- Implementation of Activities - <50% of funds disbursed
- Preparations for Implementation of activities - Sub-projects Start
- District Decision Meeting
- Khet Confirmation Meeting
- Preparation of sub-project proposals
- District Prioritization Meeting
- Khet Prioritization Meeting - Election of Khet
- Village Meeting Socialization and Village Needs and Priorities
- Training of Khet Facilitators
- Khet Socialization Meeting - Election of Khet Facilitators
- District Socialization Meeting
- Provincial Socialization Meeting
- Public Radio Broadcast



Exchange Rate: approx. 1 US\$ = 10,499 Kip, rate used at the day of District Decision Meeting

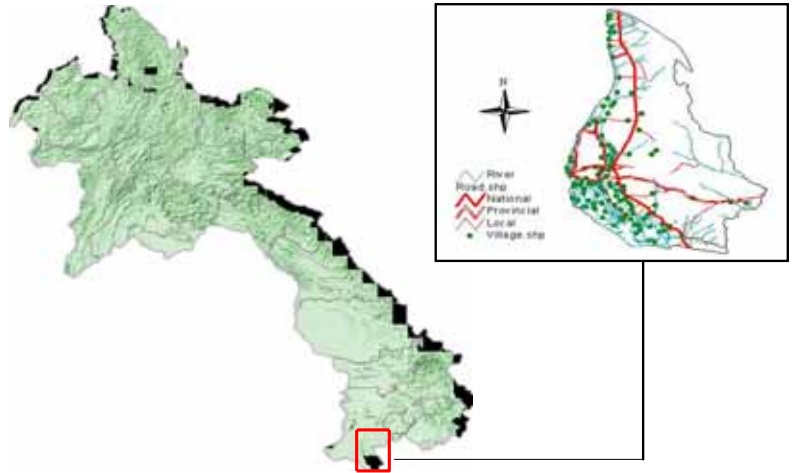
* Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Progress activity of Khong District, as of June 2004

General Information

Champasack Province:	Total	Women
Population of Province (NSC; year 2003):	622,400	318,700
Total Number of districts:	10	
<i>Mounlapamok, Khong, Pathoumphone, Sukuma, Pakse, Sanasomboun, Bachiang, Paksong, Phonethong and Champasack.</i>		
Total Number of districts covered by PRF:	4	
<i>Pathoumphone, Sukuma, Kkong and Mounlapamok</i>		
Khong District:	Total	
District Population (2003)	72,746	
Total Number of Khets:	10	
Total Number of Villages:	137	
Total Number of "Poor" Villages*:	46	
% of villages without access to health services	7%	
% of villages without safe water supply	24%	
% of villages without road	10%	
% of villages without access to School	0%	
Main ethnic groups in the district: (NSC Census 95)		
Lao		

Maps of Lao PDR showing Champasack and Khong



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

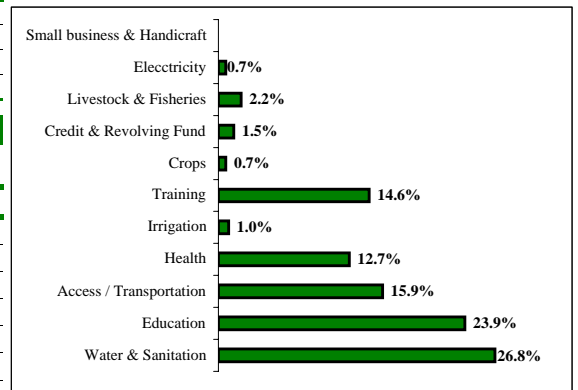
Description	Total	%
Number of Village Needs (activities) expressed by villagers by 6 priorities	790	
Number of Village Needs (activities) expressed by women by 3 priorities	201	49%
Number of Village Needs (activities) expressed by men by 3 priorities	209	51%
Village Needs after consolidation at Khet level (Khet Priorities)	266	

Selected / approved sub-projects for the period 2003-2004 - Cycle I

Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Khong budget allocation 2003	1,102,500,000		105,000
PRF Contribution to sub-project implementation	1,041,859,029		102,200
Village Contribution (cash / kind) to project implementation	64,359,500		6,129
Total Cost for Sub-Projects:	1,106,218,529		105,354
% of village contribution compared to total cost for sub-projects	5.8%		-
Average PRF contribution per Sub-project	2,011,234		3,191
Average PRF contribution per participating village	846,836		1,343
Number of Villages benefiting from 2003 funding round	76		-
Number of Poor Villages benefiting from 2003 funding round	29		-
Number and percentage of beneficiaries in 2003 funding round	35,500		49%
Number of Khets benefiting from 2003 funding round	10		-
Number of Sub-Projects to be implemented in 2003 funding round	32		-
Percentage of selected sub-projects proposed by women			52%
Average Number of Sub-projects / Khet	3.2		-
Average Number of Village activities / Khet	2		-
Sub-project budget allocation per sector	Allocation (Kip)	Percentage %	
Water & Sanitation	361,959,988	59.2%	
Access/ Transport	8,794,050	1.3%	
Health	8,496,993	3.9%	
Education	652,895,558	15.8%	
Training	9,712,440	19.7%	
Total:	1,041,859,029	100%	

Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector

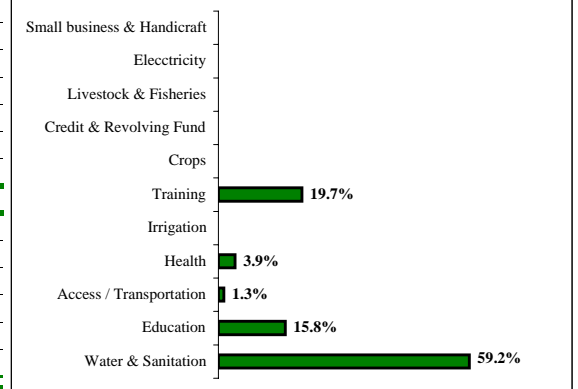
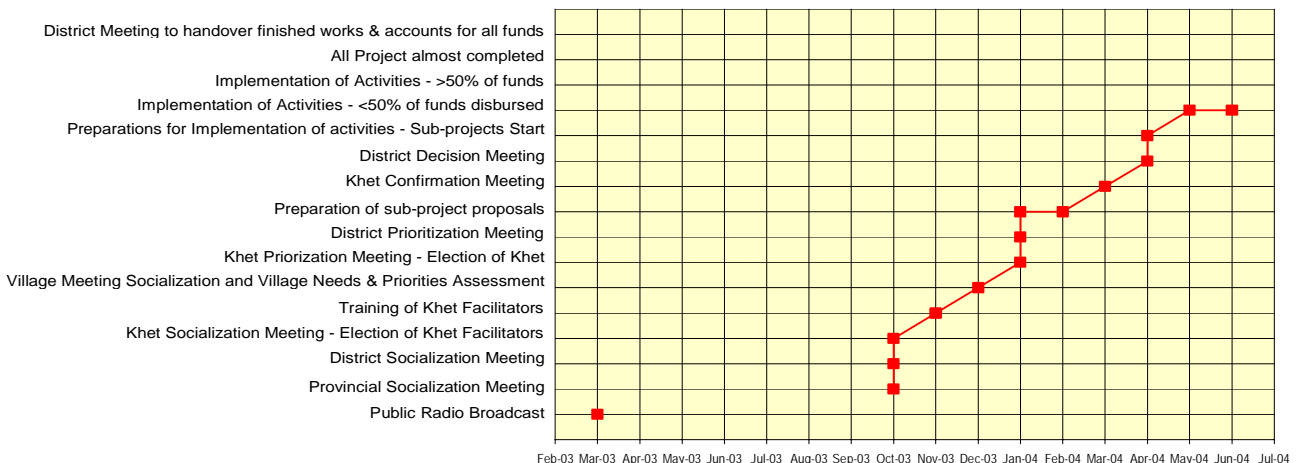


Chart of progress

Activity progress for Khong District



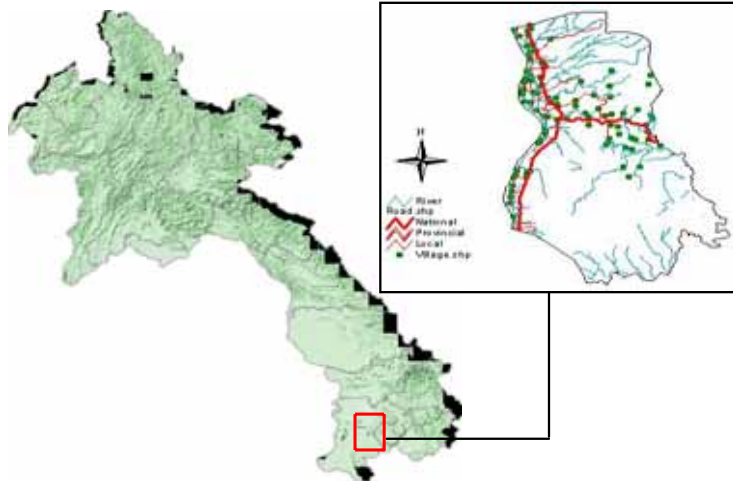
Exchange Rate: approx. 1 US\$ = 10,204 Kip, rate used at the day of District Decision Meeting
 * Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Progress activity of Pathoumphone District, as of June 2004

General Information

Champasack Province:		Total	Women
Population of Province (NSC; year 2003):		622,400	318,700
Total Number of districts:		10	
<i>Mounlapamok, Khong, Pathoumphone, Sukuma, Pakse, Sanasomboun, Bachieng, Paksong, Phonethong and Champasack.</i>			
Total Number of districts covered by PRF:		4	
<i>Pathoumphone, Sukuma, Kkong and Mounlapamok</i>			
Pathoumphone District:		Total	Women
District Population (2003)		49,670	
Total Number of Khets:		14	
Total Number of Villages:		93	
Total Number of "Poor" Villages*:		44	
% of villages without access to health services		3%	
% of villages without safe water supply		14%	
% of villages without road		34%	
% of villages without access to School		17%	
Main ethnic groups in the district (NSC Census 95)			
<i>Lao, Laven, Lavae, Taoye, Ngae</i>			

Maps of Lao PDR showing Champasack and Pathoumphone



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

Description	Total	%
Number of Village Needs (activities) expressed by villagers by 6 priorities	520	
Number of Village Needs (activities) expressed by women by 3 priorities	127	46%
Number of Village Needs (activities) expressed by men by 3 priorities	148	54%
Village Needs after consolidation at Khet level (Khet Priorities)	224	

Selected / approved sub-projects for the period 2003-2004 - Cycle I

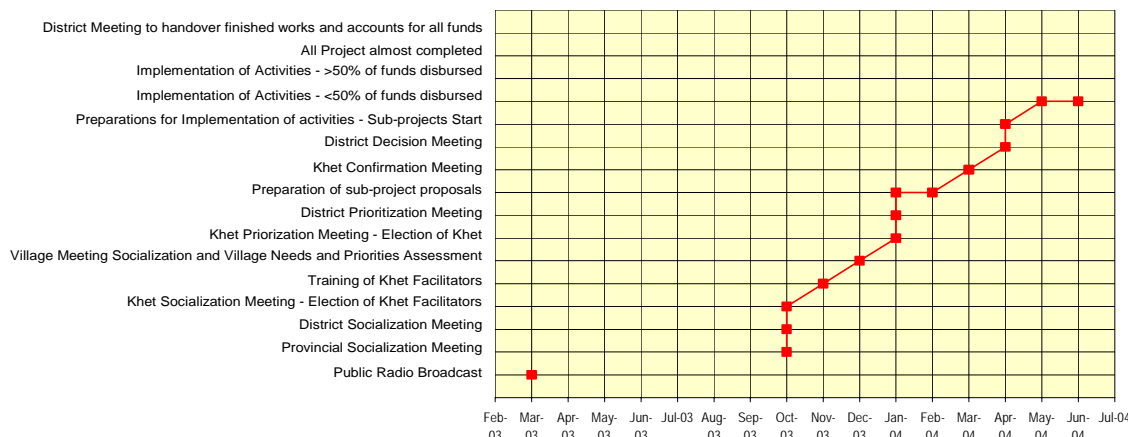
Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Pathoumphone budget allocation 2003	840,336,000		82,000
PRF Contribution to sub-project implementation	858,786,826		83,939
Village Contribution (cash / kind) to project implementation	92,249,104		8,786
Total Cost for Sub-Projects:	951,035,930		92,802
% of village contribution compared to total cost for sub-projects	9.7%		-
Average PRF contribution per Sub-project	3,843,713		3,492
Average PRF contribution per participating village	1,263,686		1,148
Number of Villages benefiting from 2003 funding round	73		-
Number of Poor Villages benefiting from 2003 funding round	34		-
Number and percentage of beneficiaries in 2003 funding round	34,024		74%
Number of Khets benefiting from 2003 funding round	14		-
Number of Sub-Projects to be implemented in 2003 funding round	24		-
Number and percentage of selected sub-projects proposed by women			53%
Average Number of Sub-projects / Khet	1.7		-
Average Number of Village activities / Khet	3		

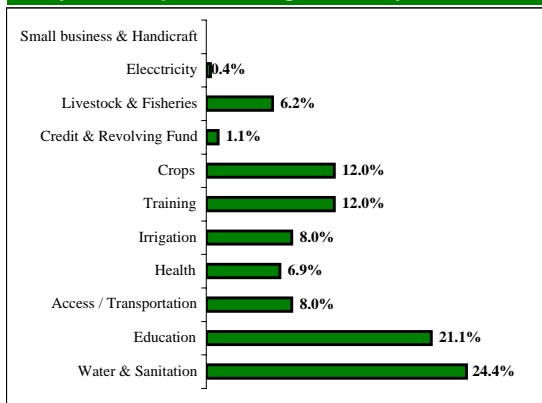
Sub-project budget allocation per sector	Allocation (Kip)	Percentage %
Water & Sanitation	322,959,845	36 %
Access/ Transport	43,829,400	2
Education	271,086,313	8
Training	70,797,664	44
Irrigation	150,113,604	10
Total:	858,786,826	100 %

Chart of progress

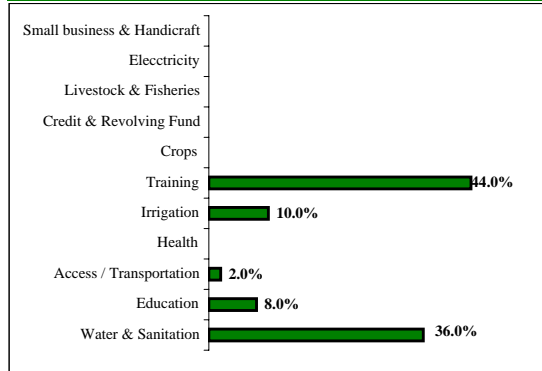
Activity progress for Pathoumphone District



Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector



Exchange Rate: approx. 1 US\$ = 10,248 Kip, rate used at the day of District Decision Meeting

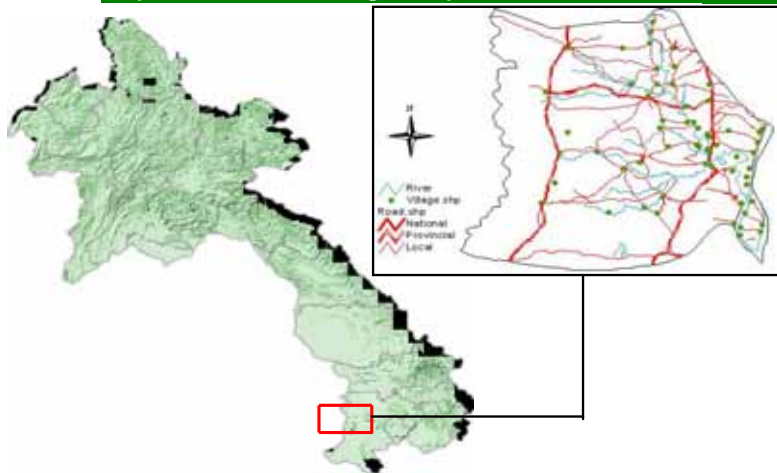
* Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Progress activity of Sukuma District, as of June 2004

General Information

Champasack Province:	Total	Women
Population of Province (NSC; year 2003):	622,400	318,700
Total Number of districts:	10	
<i>Mounlapamok, Khong, Pathoumphone, Sukuma, Pakse, Sanasomboun, Bachieng, Paksong, Phonethong and Champasack.</i>		
Total Number of districts covered by PRF:	4	
<i>Pathoumphone, Sukuma, Kkong and Mounlapamok</i>		
Sukuma District:	Total	
District Population (2003)	45,765	
Total Number of Khets:	10	
Total Number of Villages:	62	
Total Number of "Poor" Villages*:	39	
% of villages without access to health services	12%	
% of villages without safe water supply	8%	
% of villages without road	10%	
% of villages without access to School	23%	
Main ethnic groups in the district: (NSC Census 95)		
<i>Lao, Xuay</i>		

Maps of Lao PDR showing Champasack & Sukuma



Initially requested village needs

Results after Village Needs and priorities Assessment and Prioritization

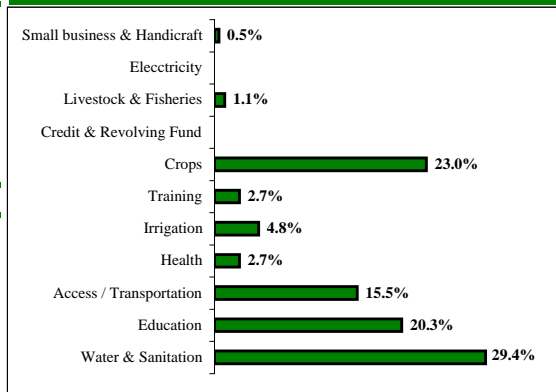
Description	Total	%
Number of Village Needs (activities) expressed by villagers by 6 priorities	365	
Number of Village Needs (activities) expressed by women by 3 priorities	91	49%
Number of Village Needs (activities) expressed by men by 3 priorities	96	51%
Village Needs after consolidation at Khet level (Khet Priorities)	168	

Selected / approved sub-projects for the period 2003-2004 - Cycle I

Results after sub-project appraisal and District Decision Meeting

Description	Total	Kip	US\$
PRF Sukuma budget allocation 2003	897,512,000		88,000
PRF Contribution to sub-project implementation	928,598,850		90,874
Village Contribution (cash / kind) to project implementation	229,564,502		22,509
Total Cost for Sub-Projects:	1,158,163,352		113,557
% of village contribution compared to total cost for sub-projects	19.8%		-
Average PRF contribution per Sub-project	42,209,039		4,139
Average PRF contribution per participating village	18,571,977		1,821
Number of Villages benefiting from 2003 funding round	50		-
Number of Poor Villages benefiting from 2003 funding round	30		-
Number and percentage of beneficiaries in 2003 funding round	27,500		71%
Number of Khets benefiting from 2003 funding round	10		-
Number of Sub-Projects to be implemented in 2003 funding round	22		-
Percentage of selected sub-projects proposed by women			50%
Average Number of Sub-projects / Khet		2	
Average Number of Village activities / Khet		2	
Sub-project budget allocation per sector	Allocation (Kip)	Percentage %	
Water & Sanitation	379,538,462	78 %	
Access/ Transport	43,390,239	4 %	
Education	484,224,649	17 %	
Cropping	21,445,500	1 %	
Total:	928,598,850	100 %	

Analysis of requested village needs by sector



Analysis of selected PRF sub-projects by sector

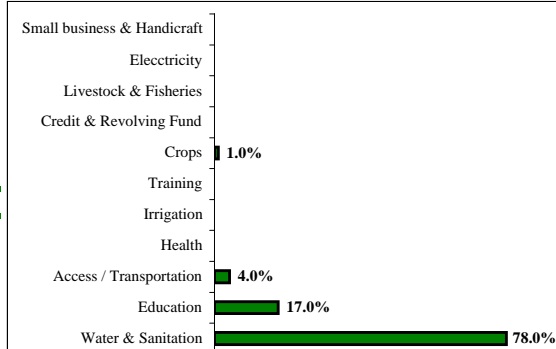
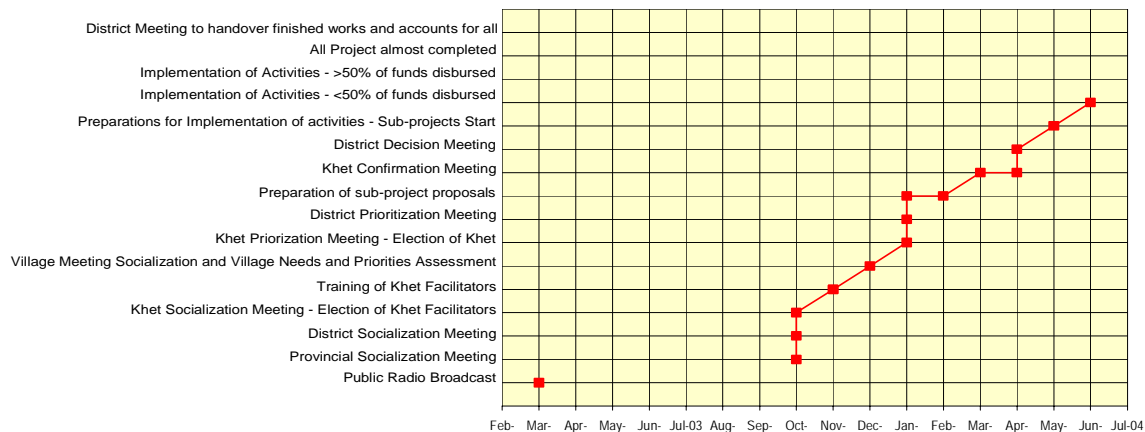


Chart of progress

Activity progress for Sukuma District



Exchange Rate: approx. 1 US\$ =

10,199

Kip, rate used at the day of the District Decision Meeting

* Poverty indicators and "poor" villages are defined by the Prime Minister's Instruction No. 010/PM and the National Statistic Centre.

Proposed PRF Mission and Vision Statements

PRF Mission Statement

“ To support and establish local capacity, procedures and systems in line with the Government of Lao PDR’s decentralization policy,

to efficiently and effectively channel and utilise various funding resources including loans, government and other donor’s funds,

to reduce the poverty of rural communities – through a program of highly participative, accountable grant-based, village-managed activities such as small-scale infrastructure projects, life skills development and income generation,

to enable rural poor and ethnic minorities to benefit from the country’s move towards improving socio-economic conditions for all citizens. ”

PRF Vision Statement

“ Strong, capable communities, in even the most remote rural areas, working together and finding solutions to meet their present and future needs in respond to the government’s directions. ”

Operations Planning and Training Unit

Core Activities	Sub-Activities	Target/ Required By
Community Development	<ol style="list-style-type: none"> 1. Complete preparation of protocols for Village Savings and Revolving Funds Scheme to support income generation activities. Discuss with PRF staff and other agencies as necessary. Send to WB. 2. Oversee completion of Study on Social Organizations contract. 3. Monitor activities in the field 	<ol style="list-style-type: none"> 1. continue to September 2. continue to September 3. continuous
Information, Education and Communication (IEC)	<ol style="list-style-type: none"> 1. Gather material and prepare Quarterly Bulletins/ Newsletters (cooperate with M&E staff and PRF provincial teams) 2. Monitor content and results of radio broadcasts 3. Assist with monitoring and supervision at field level 	<ol style="list-style-type: none"> 1. end of September 2. continuous 3. as available/ required
Training	<ol style="list-style-type: none"> 1. Provide refresher and next training to PRF Province and District staff 2. Identify trainers and deliver Gender, Social and Ethnic Training in 2 locations 3. Oversee training for community maintenance and management of sub-projects 4. Review field training results and records, as part of monitoring process 	<ol style="list-style-type: none"> 1. Beginning of July 2. July 3. July - September 4. continuous
Operations	<ol style="list-style-type: none"> 1. Develop plans and guidelines for next activities at field level. These include: <ol style="list-style-type: none"> i. Documents and certificates for completion and handover of Sub-projects ii. Training for PRF staff and Khet Facilitators iii. Meeting guidelines for Khet Completion Meeting iv. Meeting Guidelines for District Evaluation Meeting 2. Check district plans and budgets for activities based on advice from NO. (Individual activities can only go ahead when all other supporting activities have been completed) 3. Continue preparations for round two funding cycle and expansion of the Project 4. Support field activities 5. Check procedures and tools being used in the provinces 	<ol style="list-style-type: none"> 1. July - September 2. Continuous 3. July - September 4. continuous 5. continuous
Procurement, Engineering and Construction activities	<ol style="list-style-type: none"> 1. Assist in collecting information for and updating of UCDB 2. Follow up and check procurement procedures for the sub-projects. 3. Identify a suitable Translator for Engineering and Technical Guidelines Handbook and oversee translation of the handbook 4. Prepare for procurement for 4 new districts 	<ol style="list-style-type: none"> 1. continuous 2. continuous 3. a.s.a.p. 4. July - September

Monitoring and Evaluation Unit

Core Activities	Sub-Activities	Target/ Required By
Baseline and other Surveys	<ol style="list-style-type: none"> 1. Cooperate with NSC concerning completion of data analysis for baseline survey 2. Data analyze for Village Profile and HH Social forms 3. Assist facilitation of the Study on Social Organizations contract, as required 4. Develop TORs for Technical Quality Assessment and Beneficiary Assessment Consultants 	<ol style="list-style-type: none"> 1. July 2. July - August 3. June - August 4. July
Systems	<ol style="list-style-type: none"> 1. Get adequate back up and virus protection systems working a.s.a.p. 2. Arrange for and assist in training of staff in National Office on how to use the network, etc. (cooperate with OPT team). 	<ol style="list-style-type: none"> 1. a.s.a.p. 2. a.s.a.p
Reporting	<ol style="list-style-type: none"> 1. Collect and coordinate data /content for Quarterly Progress Reports 2. Produce report to Government and others as required 3. Prepare issues / lesson learned for discussion during Staff Retreat in Luang prabang province by each unit and province 4. Update information on PRF website 	<ol style="list-style-type: none"> 1. continuous 2. continuous 3. Beginning of July 4. continuous
M & E forms / databases	<ol style="list-style-type: none"> 1. Update Unit Costs for each of 3 provinces, as required 2. Query and coordinate Performance Indicators prepared by World Bank assistance 3. Follow-up with Khet Monitoring and entry those data into Sub-project Monitoring Database 4. Entry the relevant Khet and district meetings data from field level 	<ol style="list-style-type: none"> 1. continuous 2. July - August 3. continuous 4. continuous
Complaints Resolution Process	<ol style="list-style-type: none"> 1. Introduce the benefiting villages about Complaint Resolution Process by Head of Khet and follow up by PRF District Facilitator 2. Expansion of the Complaints Resolution Process in each of the 3 provinces 3. Monitor and assist with Complaints as required. 	<ol style="list-style-type: none"> 1. continuous 2. continuous 3. continuous

Work Plan for July - September 2004

Administration and Financial Unit

Core Activities	Sub-Activities	Target/ Required By
Staffing and Recruitment	<ol style="list-style-type: none"> 1. Recruitment of staff for 4 new districts 2. Handle with personnel issues in terms of staff performance 	<ol style="list-style-type: none"> 1. July - August 2. continuous
Auditing	<ol style="list-style-type: none"> 1. Support and assist 3 provinces for regular audit functions 	<ol style="list-style-type: none"> 1. continuous
Revision of Budgets	<ol style="list-style-type: none"> 1. Enter data from new budget 2. Modify Chart of Accounts according to new budget 3. Check individual budgets to facilitate planning at and monitoring of provincial and district levels 	<ol style="list-style-type: none"> 1. July 2. July 3. Continuous
Financial Reporting	<ol style="list-style-type: none"> 1. Sort out all problems with ACCPAC 2. Prepare monthly reports as required for project management 3. Prepare quarterly, YTD and Project Life TD reports for management and Quarterly Progress reports 4. Prepare FMR as required for WB 5. Set up system to generate and collect expenditure reports from each individual district level 6. Monitor funds at bank and prepare SOE's expenditure and replenishment application 	<ol style="list-style-type: none"> 1. a.s.a.p. 2. monthly 3. July 4. July 5. Continuous 6. as required
Supporting Sub-project implementation	<ol style="list-style-type: none"> 1. Assist provincial accountants to monitor and develop sub-project financial formats. 	<ol style="list-style-type: none"> 1. July -September

Work Plan for July - September 2004