



Semi-Annual Progress Report

January - June 2005

Committee for Planning and Investment
Poverty Reduction Fund (PRF)

Vientiane, Lao PDR, July 2005

Cycle II (2004 - 2005)



Semi Annual Progress Report

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1. EXECUTIVE SUMMARY

This report is a summary of the implementation of PRF from January to June 2005 which includes the end of the second cycle and the beginning of the third cycle. During this time, the supervision by Committee for Planning and Investment (CPI) and the PRF Administrative Board took place in Huaphanh and Champasack Provinces, and the fifth meeting of PRF administrative board was held in Phin District, Savannakhet Province to discuss issues proposed by PRF and visited some sub-projects; and the World Bank mission came to follow-up on the project's progress. The team visited sub-projects in Huaphanh Province. A World Bank mission will take place again in December for the Mid-term Review.

The expansion into six new districts in Xiengkhouang and Saravan Provinces started in June 2005 for the third cycle; Training for new staff and Khet Facilitators for new districts was held in those two provinces. In third cycle, PRF covers 5 provinces and 20 districts. PRF currently has about 138 national staff in total.

In Cycle II as of the end of June 2005, 420 sub-projects have been initiated for implementation, and a budget of approximately 31 billion Kip (US\$ 3,101,000) budget was planned for 14 districts. 259 sub-projects (62 percent) have been completed and the amount approximately 24.5 billion kip (77 percent) has been disbursed to the community. The major sectors for implementation in this cycle are water, education and roads, which resulted from the participatory planning process with communities.

To date total PRF expenditure for the whole project is USD 5,192,885.25 (26.8 percent) of the USD 19,345,000 IDA Loan. This amount was used directly for sub-projects in the community level and other operational costs at national, provincial and district levels.

PRF has prepared inspections of the quality of sub-projects for Cycle 3 to be conducted after the District Forums by getting technical assistance from vocational schools in Savannakhet and Champasack Provinces.

PRF has noticed that negotiation, which is part of community contribution, has reduced the cost of sub-projects for PRF infrastructure in Cycle I and II. The way in which the community negotiates with any contracted company is important partly because the company recognizes the community as poor, leading it to reduce its expected margin or profit. PRF is now preparing a format to collect construction unit costs from different projects and construction companies at provincial level for further analysis of PRF and construction company costs. This will be published in a subsequent report.

The Annual audit also took place during this reporting period. The summary of the findings of the audit stated that the accompanying financial statements gave a true and fair view of the financial position. The audit report found PRF's financial processes to be acceptable. They saw no major accountability or internal control issues.

2. INTRODUCTION OF PRF

Being part of the Lao Government's National Growth and Poverty Eradication Strategy (NGPES), the Poverty Reduction Fund (PRF) shows the commitment of the Lao Government to its goal of social and economic development of the country, in particular to reduce poverty. The PRF is supported by the World Bank in the form of a low-interest loan, repayable over forty years.

The PRF has been launched for an initial five-year period starting in the fiscal year 2002 – 2003. During the first year of implementation, the PRF Project covered ten districts in three provinces: Huaphanh, Savannakhet and Champasack. In 2005 six new districts were added in two new provinces, Xieng Khuang and Saravan. From 2005 project activities will gradually expand to cover a total of twenty four districts, or 2,700 villages.

How Villages and Village Activities are Chosen

Each participating district receives an annual allocation of funding based on the number of poor villages in that district. Poor villages have so far been identified on the basis of five criteria, as per the poverty indicators defined by the Prime Minister's Instruction No. 010/PM (2001):

1. at least 51% of total households classified as poor;
2. lacking a school in the village or nearby village;
3. without a dispensary or traditional medical practitioner and/or requiring over 6 hours of travel to reach hospital;
4. lacking a safe water supply;
5. without access to roads (at least trails accessible by cart during the dry season).

PRF classifies villages into six levels of poverty according to the possession of one or more of the above indicators, viz: non poor, very low poverty, low poverty, medium poverty, high poverty and very high poverty.

75 percent of the PRF budget is spent directly at village level. Funding is given to communities as grant assistance for approved sub-projects. To access a grant and participate in the project, the villagers themselves must initiate, plan, implement, manage and maintain their own village development sub-projects.

All sub-projects and activities proposed by the villagers must conform to the PRF objectives and to seven important principles: simplicity, menu of options, participation, ownership, transparency and accountability, wise investment, empathy ("siding with the poor"). The menu of options gives guidelines concerning the type of sub-projects that can (or cannot; "Negative List") be funded by the PRF, and there are also regulations on the amount of money that can be given to a village or group of villages in any one year. Transparency and accountability are encouraged through involving large numbers of people in key functions, plus the use of (village) Information Boards and a Complaints Prevention and Resolution Process.

The 7 Principles of PRF

- *Simplicity*
- *Menu of Options*
- *Participation*
- *Ownership*
- *Transparency and Accountability*
- *Wise Investment*
- *Empathy ("Siding With The Poor")*

Objectives of PRF

The main objectives of the PRF are to:

- assist villagers to develop community infrastructure and gain improved access to services;
- build capacity and empower poor villages in poor districts to plan, manage and implement their own public investments in a decentralized and transparent manner; and
- strengthen local institutions to support participatory decision-making and conflict resolution processes at the village, *khet*, and district levels, involving a broad range of villagers, including women, the poor and ethnic minorities.

Principles of PRF

The Poverty Reduction Fund Project is designed around a number of key principles that provide the basis for project implementation and supervision, as well as for local innovations, and for the evaluation of the project and its impact. The principles of the project, further explained below, are:

The PRF Process for Implementing Sub-projects

The process for implementing sub-projects starts at village level. Several meetings are held for planning alone.

After introducing the PRF Project to as many people in the village as possible (Village Socialization Meeting), a simple Village Needs and Priorities Assessment (VNPA) exercise is conducted in every village of every participating district. Villagers are divided into separate men's and women's groups and asked about their problems and priorities for village development/ poverty reduction. The people are guided to choose their priorities keeping in mind the PRF objectives and principles and especially the NegativeList¹.

The women record their 3 priorities for development on a VNPA form, and the men do the same. The groups then come together as the whole village, and a decision is made on which 3 priorities will be presented on behalf of the village at the khet (group of villages, sub-district) level. Three Village Representatives are elected to present and defend their village's needs and ideas at a khet forum.

At the Khet Prioritization Meeting, the village representatives consider all of the individual village needs and priorities, and again focusing on the principles and objectives of the PRF they prioritize the needs for their khet, grouping together as many villages as possible with a similar need. Six priorities are chosen for each khet. Four Khet Representatives are elected to present and defend their khet's priorities at a combined khet/ district forum.

¹ The project will not fund: new roads; road resurfacing; road sealing (laterite, asphalt etc.); electrical, gasoline or diesel generators or pumps for irrigation; piped, individual household water hook-ups; equipment or materials that can be paid for from other funds; chain saws; pesticides and other dangerous chemicals; investments detrimental to the environment; acquisition of land (purchase or lease), under any conditions; construction, rehabilitation, or maintenance of any government office buildings; payments of salaries to government servants or the salaries of the staff of government subsidized organizations; any activity unacceptable to a large number people (regardless of their ethnic background). Forced (involuntary) resettlement is not allowed under any condition. Voluntary resettlement requires an early special approval from Vientiane, prior to any decision in the inter-khet meeting

The District Prioritization Meeting further prioritizes the needs of all khets in the district and then provisionally selects sub-projects based on a rough calculation of costs, to try to best utilize the funding available for the district in the current year.

After provisional selection of sub-projects, further consultations with the beneficiary/ affected communities take place and a formal proposal is made (Sub-project Proposal Form) combining the outputs of proper appraisal, costing and design, as well as procurement method and unexploded ordnance and environmental assessments.

More meetings are held at the khet level to ensure that the people understand the proposal/s and accept the budget, etc. To complete the initial planning process, a meeting is held again at District level (District Decision Meeting) where allocation of funding is finalized for the successful sub-projects.

Once a sub-project is approved further preparations for implementation must be made before funds can flow. These preparations include: training for community financial management and community procurement, training for technical aspects of construction and contract management, opening of a khet bank account and planning for use of each (advance) progress payment.

Two main types of procurement are used at the community level; “community force account” where communities perform all of the necessary work themselves and “small works” where communities may contract out part or all of the work to a (sub-) contractor.

FACTS OF PRF

- IDA Loan: US\$ 19,345,000
- GOL Contribution up to: US\$ 1,330,000
- Total project fund: US\$ 21,000,000 Approx.
- Current target provinces: Huaphanh, Savannakhet, Champasack, Xiengkhouang and Saravan Provinces

	2002	2003	2004	2005	2006	2007	2008
PRF established by PM Decree	May 31						
Development Credit Agreement	Aug. 19						
Loan effectiveness date		Feb. 3					
Launching activities in field		April					
Beneficiary & Technical Assessment				•			
Mid Term Review				•			
Cycle I		•	•				
Cycle II			•	•			
Cycle III				•	•		
Cycle IV					•	•	
Cycle V						•	•
Closing							March

3. COMMITTEE FOR PLANNING AND INVESTMENT (CPI) OFFICIALS MEET POOR COMMUNITIES

16–19 January 2005 senior officials from Committee for Planning and Investment (CPI) in Vientiane led by a PRF team visited the villagers and the many sub-projects in target districts of PRF in Huaphanh Province. The team visited local authorities and villagers at Sopbao, Add and Xiengkhor Districts in Huaphanh. The team had a chance to talk with the people from every village they visited. They found the villagers appreciated the government assistance. On 14–18 March 2005, they visited villagers and sub-projects in Mounlapamok and Sukuma Districts in Champsack. The team discussed the implementation of sub-projects and related issues with the villagers.

The minority girls in Sopbao District had a warm welcomed Vice-president of Committee for Planning and Investment and the team



PRF board member (Vice Provincial Governor in front) and Senior government officials from CPI and visiting Ban Nga village, Mounlapamok District



4. IMPLEMENTATION OF RURAL INFRASTRUCTURE IN 14 POOR DISTRICTS

By 2005, 431 sub-projects using approximately 31 billion kip (31,825,374,415 Kip) or (USD 3,101,000²) have been planned for implementation in 14 districts for Cycle II. As of June 2005, 420³ sub-projects have been initiated and approximately 31,825,374,415 Kip has been planned to disburse. 259 sub-projects or 62 percent have been completed and an amount of 24.5 billion kip (24,591,734,340 kip) or 77 percent has been transferred to Khet bank accounts in 14 districts. More detail is shown in Table 1.

The machine broke down when drilling a well in rocks



Rocks

Some sub-projects from Cycle II and even Cycle I are still being implemented. The delay of completion of sub-projects has been caused by:

- a delay in hand pump delivery,
- the difficulty of digging wells in rock and
- the difficulty of finding local contractors for roads in areas with several streams.

Details of physical disbursement and progress of sub-projects in 14 districts as end of June 2005 can be found in Annex 1.

Table 1. Summary of sub-projects planning, budget and disbursement, as of June 2005

	Cycle 1	Cycle 2	Total
Number of Districts	10	14	...
Number of Villages with VNPA	913	1412	...
Number of Direct Beneficiary Villages	Approx. 558	Approx. 887	...
Number of Indirect Beneficiary Villages ⁴	...	Approx. 1047	...
Number of Sub-projects planned	249	431	680
Number of Sub-projects initiated	248	420	668
number of sub-projects set aside for implementation ⁵	...	20	20

² PRF uses average exchange rate 1 USD equals 10,500 kips to convert value of sub-projects in 14 districts from Kip into USD

³ The number of sub-projects may change several sub-projects have not been started because the methodology still works on at provincial level.

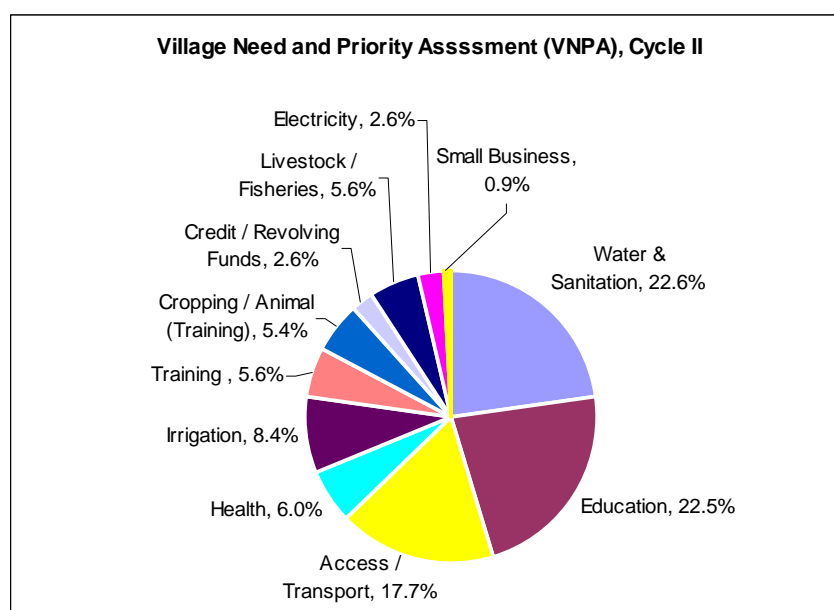
⁴ One village can receive more than one sub-project or one sub-project can benefits more than one village

⁵ Sub-projects not yet planned are Income Generation Activities and Cropping and Animal Raising Training

Number of Sub-projected completed	215	245	460
Funds Planned ⁶	Kip 11 billion	Kip 32 billion	Kip 43 billion
funds for sub-projects being currently implemented	...	Approx. Kip 30 billion	...
fund set aside for sub-projects not yet planned ⁷	...	Approx. Kip 1,3 billion	...
Funds disbursed to Khet Bank accounts	Kip 8,7 billion	Kip 24.5 billion	Kip 33.2 billion

The first participatory planning step, the Village Need and Priorities Assessment or VNPA was exercised in all 1,412 villages of 14 districts in the 3 active provinces of Cycle II. The analysis of the findings aggregated for 10 districts is below in Figure 1.

Figure 1: Village Needs and Priorities are expressed by villagers, grouped by sector / category for – 14 districts



The data in Figure 1 suggest that Water and Sanitation and Education followed by Access/Transport are the main areas of concern for the poor villager in PRF Cycle II. The prevalence of desire for a better domestic water supply has remained the same from cycle I to cycle II.



PRF staff checking the quality of road construction in Xamtay District

⁶ Resulted from District Decision Meetings in 14 districts

⁷ Fund for sub-projects set aside for further implementation

Figure 2: Priority needs expressed and selected by representatives of communities for 14 districts

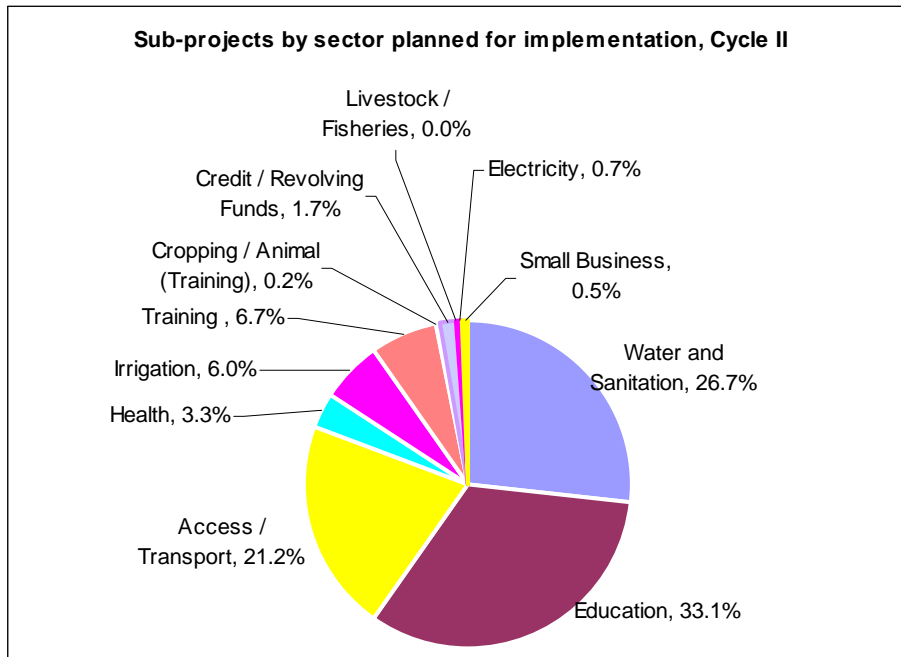
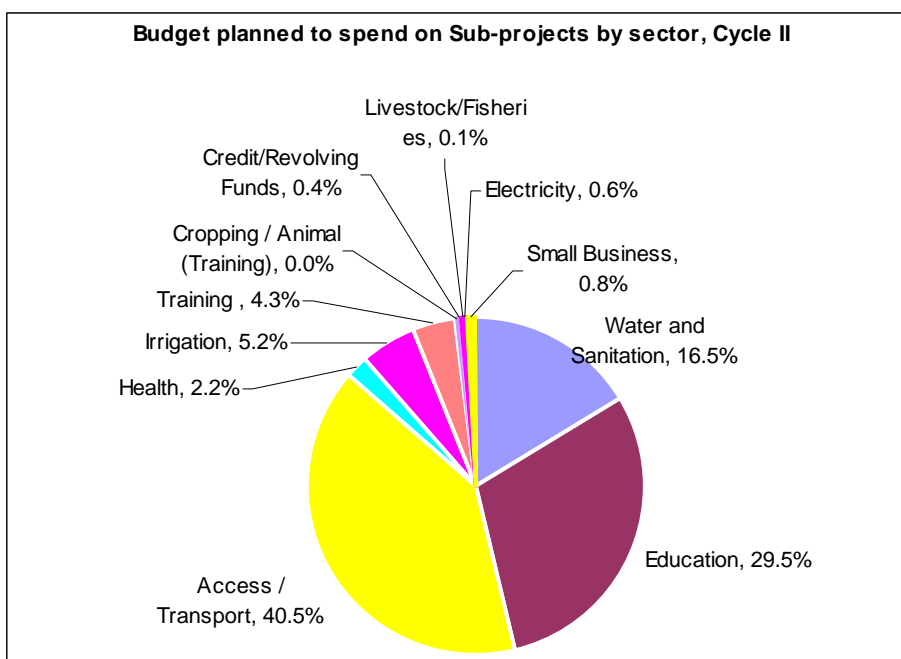


Figure 2 shows that by the District decision meeting the three major sectors of water, education and roads were slightly more predominant. District Decision Meetings were held in the 14 districts during December 2005, representing the last step of the participatory planning process with communities. Education accounts for 33.1% of the choices. This includes 82 school sub-projects, 50 learning-teaching material sub-projects and 12 teachers for upgrading sub-projects. It is noteworthy that for community (khet) representatives in Cycle I, water supply was the top selection, while in Cycle II, Education is at the top.

Figure 3: Budget planned to spend on sub-projects grouped by sector for 14 districts



PRF budget planned for each category shown in Figure 3 resulted from District Decision Meetings held in December 2004 in 14 districts. This indicates a further shift towards the greater predominance of two of the major sectors and reduced interest in water and most of the small sectors. The detail of sub-projects in Cycle II is shown in Table 3.

Challenges and solutions

For the two cycles, the second most common request from poor villagers in Savannakhet and Champassack Provinces was clean water. But PRF has been facing problems in first two cycles with digging wells in rock, obtaining hand pumps for drilled wells and finding local contractors for roads in areas with several streams. Therefore, PRF has proposed (to the World Bank) that in Cycle III and onwards support will not be given for drilled wells with hand pumps due to the weakness of data on groundwater, its low or doubtful quality, the slow delivery of TARA pumps and maintenance and repair problems. PRF will, however, continue to support clean water through the funding of dug wells at suitable sites and spring gravity fed systems. PRF will further explore methods of providing safe water, such as through the construction of a community water supply.

Kids in Sepone District, Savannakhet Province helping their families to fetch water to their home



Table 3: Plan for implementation of sub-projects and value of community contribution in 14 districts for cycle II (2004-2005 funding round)

Province / District	No. of Khet	Total no. of village According to Provincial Govt. Offices	Total. No of villages (VNPA, 2004)	Total population (VNPA, 2004)	PRF Budget District allocation Funding 04-05 (USD)	PRF Budget District allocation Funding 04-05 (KIP) \$ ' 10,500 kip	No. of Sub-projects At District Decision Meeting Dec. 2004	PRF Budget Planned Expenditure Cycle II. Data updated as of June 05 , (KIP)	No. of Sub-projects Cycle II Data updated as of June 05	Value of village contribution (KIP)	% Village contribution (KIP)
Huaphanh											
Sobbao	7	75	70	25,195	222,000	2,331,000,000	32	2,328,980,851	32	1,369,906,598	58.8%
Add	12	78	78	26,414	198,000	2,079,000,000	42	2,072,637,317	33	517,764,700	25.0%
Xiengkhor	12	64	63	25,986	206,000	2,163,000,000	40	2,148,983,361	36	511,986,500	23.8%
Viengxay	19	131	130	35,234	237,000	2,488,500,000	40	2,389,890,859	42	981,927,722	41.1%
Huameuang	11	88	85	27,324	234,000	2,457,000,000	29	2,451,233,550	29	401,507,752	16.4%
Xamtay	22	180	172	54,213	496,000	5,208,000,000	61	5,122,252,945	61	1,467,739,719	28.7%
Sub total	83	616	598	194,366	1,593,000	16,726,500,000	244	⁸16,513,978,883	⁹233	5,250,832,991	31.8%
Savannakhet											
Sepone	20	159	159	42,497	372,000	3,906,000,000	42	3,906,000,000	41	272,832,672	7%
Nong	10	79	79	27,194	195,000	2,047,500,000	11	2,047,500,000	12	41,548,000	2%
Vilabury	16	102	102	29,106	205,000	2,152,500,000	23	2,152,500,000	23	97,903,500	5%
Phin	15	116	116	49,626	282,000	2,961,000,000	28	2,961,000,000	28	300,524,986	10%
Sub total	61	456	456	148,423	1,054,000	11,067,000,000	104	11,067,000,000	104	712,809,158	6%
Champasack											
Mounlapamok	10	67	67	48,105	171,000	1,795,500,000	26	1,780,724,999	26	328,314,360	18.4%
Khong	14	137	136	70,170	95,000	997,500,000	25	¹⁰ 901,306,147	25	264,706,626	29.3%
Sukuma	10	62	62	35,234	106,000	1,113,000,000	15	¹¹ 701,432,377	15	118,925,445	16.9%
Pathoumphone	10	93	93	51,101	82,000	861,000,000	17	860,950,000	17	203,242,103	23.6%
Sub total	44	359	358	204,610	454,000	4,767,000,000	83	4,244,413,523	83	915,188,534	21.5%
Grand Total	188	1,431	1,412	547,399	3,101,000	32,560,500,000	431	31,825,392,406	420	6,878,830,683	21.61%

⁸ As of June 2005, the total amount of 16 billion kip (16,513,978,883 kip) was planned for 233 sub-projects. The balance of District Allocation and budget still remain in a bank account at national level. The differences of budget occur because the PRF and community negotiated with contractors to reduce cost of construction.

⁹ Twelve sub-projects of learning – teaching materials have been merged as one sub-project because they are the same type of sub-projects.

¹⁰ Khong and Sukum Districts' primary budget allocation for Cycle II has been cut in order to spend more on drilled well – hand pump sub-projects initiate in Cycle I. During Cycle I, PRF proposed to the contractor that they use their own budget to continue the construction, so PRF has to compensate them with budget from Cycle II.

¹¹ As 3 above

4.2. Construction cost comparison analysis

As described in the 2004 Annual Report, the unit costs of PRF infrastructure sub-project construction in Cycle I and II are lower than the unit costs of those of MCTPC¹² or construction companies. Rural road upgrading, bridge construction and schools are cheaper than others of a similar type. It appears that the reason PRF has lower costs of construction is because PRF organized community participation and contribution either in labour, cash or materials. Although the total cost recorded and disbursed by PRF includes labour and all materials, the villagers may provide part of this in kind and so be able to use the funds allocated for extra materials or equipment. This means that the quality of the project increases.

The negotiation skills of the community with the contracted company are important so that the company recognizes the community as poor, leading it to reduce its expected margin or profit. This may also be a reason.

PRF is now preparing a format to collect construction unit costs from different projects and construction companies at provincial level for an analysis of PRF and construction company costs. This will be published in a subsequent report.

4.3. Quality control of rural infrastructure

PRF can benefit from participation and supervision from external sources; therefore, a scheme of quality inspection of sub-project construction has been formulated. This method would use resources from polytechnic schools and local individual consultants. PRF has already contacted the vocational schools in Savannakhet and Champasack provinces where such schools are available near target districts. Besides contacting schools at provincial level, PRF also has contacted the National University to assist with curriculum design and standardization of construction to ensure standard designs and a high quality of construction.

In cycle III students will be organized to inspect the quality of rural infrastructure after the District Decision Meetings. It will be divided into two parts: Pre-implementation and implementation

5. REVISING THE MONITORING SYSTEM FOR PHYSICAL AND FINANCIAL PROGRESS OF SUB-PROJECTS

The Sub-Project Implementation Monitoring (SPIM) forms and its database were designed in Cycle I to monitor the status of sub-projects. PRF district staff and Khet Facilitators were provided training on how to collect data and fill in the SPIM form. The completed forms were sent to provincial staff who enter all data before sending the SPIM report to PRF office Vientiane. However, the planned process did not operate well in Cycle I. Organizing meetings of Khet Facilitators at the District centre for discussion, reporting, and monthly planning seemed to be too expensive to repeat. The process was revised at the national level in collaboration with provincial teams before commencing Cycle II.

The SPIM database is designed in three parts:

- (i) database for entry of sub-project proposals that is under the Technical Advisors;
- (ii) database for entry of progress payments of sub-projects that is under the Finance officer; and
- (iii) database for entry of physical progress or status of sub-projects and problems that is the responsibility of the M&E staff.

¹² Ministry of Communication Transportation Post and Construction

After programming the database for SPIM, training was organized again for Technical, Finance and M&E staff at provincial level. Then, training was organized at all districts for district staff and Khet Facilitators in sub-project data collection using the SPIM form.

Khet Facilitators attend monthly meetings at Khet level for discussion and reporting on the status of sub-projects before sending all the forms to the PRF district office and on to the Provincial office where all data on the forms is entered by the provincial team. Final reports are sent to national level by compact disk (CD) for the national office to analyse and follow-up. This system allows PRF at national level to follow-up on financial progress and physical progress of all sub-projects implemented in the field. This data is circulated to all units at the national level for following up and taking action.

6. COMMUNITY CONTRIBUTIONS

Community contributions (in kind and cash) overall for the 10 districts in Cycle I were reported averaging 20% percent (as data updated at end of 2004) of the total value of the sub-projects. This figure was higher than initial estimates made during the design phase. Community contributions for 14 districts averaged 21.6 percent in Cycle II as updated as of June 2005.

Table 4: Value of Community Contributions in 10 districts (2003-2004 funding round) and 14 districts (2004-2005 funding round)

Province / District	2003 – 2004 funding round for 10 districts			2004 – 2005 funding round for 14 districts		
	PRF Budget (KIP) Data as of end 2003	Value of village contribution (KIP) Data as of end 2003	% village contribution (KIP)	PRF Budget planned (KIP)	Value of village contribution (KIP)	% Village contribution (KIP)
Huaphanh						
Sobbaio	1,208,461,935	595,144,386	49%	2,328,980,851	1,369,906,598	58.8%
Add	1,178,575,061	477,725,550	41%	2,072,637,317	517,764,700	25.0%
Xiengkhor	1,162,731,642	262,954,550	23%	2,148,983,361	511,986,500	23.8%
Viengxay	-	-	-	2,389,890,859	981,927,722	41.1%
Huameuang	-	-	-	2,451,233,550	401,507,752	16.4%
Xamtay	-	-	-	5,122,252,945	1,467,739,719	28.7%
Sub total	3,527,874,034	1,335,824,486	38%	16,513,978,883	5,250,832,991	31.8%
Savannakhet						
Sepone	1,817,823,348	184,255,662	10%	3,906,000,000	272,832,672	7%
Nong	989,915,975	61,014,000	6%	2,047,500,000	41,548,000	2%
Vilabury	1,131,693,231	177,973,300	16%	2,152,500,000	97,903,500	5%
Phin	-	-	-	2,961,000,000	300,524,986	10%
Sub total	3,939,432,554	423,242,962	11%	11,067,000,000	712,809,158	6%
Champasack						
Mounlapamok	708,687,751	76,222,500	11%	1,780,724,999	328,314,360	18.4%
Khong	1,141,389,739	98,416,676	9%	901,306,147	264,706,626	29.3%
Sukuma	1,347,516,472	216,142,002	16%	701,432,377	118,925,445	16.9%
Pathoumphone	858,786,828	206,518,000	24%	860,950,000	203,242,103	23.6%
Sub total	4,056,380,790	597,299,178	15%	4,244,413,523	915,188,534	21.5%
Grand Total	11,523,687,378	2,356,366,626	20%	31,825,392,406	6,878,830,683	21.61%

The community contribution for Savannakhet is lower than the other two provinces. One reason may be the proximity of target districts to UXO areas, causing difficulties for the community to gather raw materials. Is it possible that appropriate natural resources in Savannakhet are not as rich as in Huaphanh and Champasack Provinces? Sand, wood and stones that can be contributed in kind seem to be more easily available in these two provinces. We will study this issue further in the coming months.

7. EXPANSION OF THE PRF PROJECT INTO NEW PROVINCES

PRF has launched activities in two new provinces: Xiengkhouang and Saravan Provinces starting with socialization at the end of May 2005. Six districts in these two provinces are being included in Cycle III. New staff recruited in April were provided with pre-service training. As is standard, the national staff trained the provincial staff and the national and provincial staff trained the district staff. Staff are offered training in PRF processes, principles, procedures and other issues related to each unit in PRF. Some new staff claimed that the training was too brief and requested more specific training about their job. PRF at the national level plans to offer some staff on-the-job training in the national office and / or their field office.

New staff will receive further training on specific skills, including financial management, use of MIS forms, the MIS database, technical assistance for survey and design of sub-projects. This is expected to be held in August 2005.

Cycle I	Cycle II	Cycle III
Savannakhet	Savannakhet	Savannakhet
Nong	Nong	Nong
Sepone	Sepone	Sepone
Vilabuly	Vilabuly	Vilabuly
	Phin	Phin
Champassak	Champassak	Champassak
Khong	Khong	Khong
Mounlapamok	Mounlapamok	Mounlapamok
Phathoumphone	Phathoumphone	Phathoumphone
Sukuma	Sukuma	Sukuma
Huaphanh	Huaphanh	Huaphanh
Add	Add	Add
Xiengkho	Xiengkho	Xiengkho
Sopbao	Sopbao	Sopbao
	Xamtay	Xamtay
	Viengxay	Viengxay
	Huameuang	Huameuang
		Xieng khuang
		Kham
		Khun
		Nong het
		Salavanh
		Ta oiy
		Tom lanh
		Sa mouy
10 districts	14 districts	20 districts
US\$ 1,069,934	US\$ 3,101,000	Est. US\$ 4,000,000

7.1. Provincial and District Socialization held in new provinces and new districts

Provincial Socialization meetings for Xiengkhuang and Saravan Provinces were held in May 2005. Provincial authority, the ministries at the provincial level and mass organizations were invited to the meetings. PRF at national and provincial levels gave presentations. At Saravan questions were raised regarding access to bank services in the three new districts. The communication and transportation between districts is very difficult in the dry season and impossible in the rainy season. It is not yet known how PRF will be able to transfer money to the local level and where the villagers will withdraw money to pay for sub-projects. The PRF team has to seek a solution for three districts in Saravan. Nong Haed District in Xieng Khouang also faces the same problem but there is easy, but time consuming access to Muang Kham District.

The same problem was earlier faced in Add and Sobbao districts in Huaphan Province where the people travel to the bank at Xiengkhor District. But this solution is unlikely to be applicable to districts in Saravan as the roads are of very poor standard.



Children in the hot climate of Saravan Province

A fairly good point on the road between Toumlan and Ta Ouy District



Saravan is the poorest province according to National Statistics Centre, Lao Expenditure and Consumption Survey, 2003. During Cycle II PRF faced the difficulty of access to villages in Xamtay District in Huaphanh and expects greater difficulty in Saravan. Furthermore, Saravan is more difficult because many bridges have broken down along the road from Toumlan to Ta oiy and Sa mouy. For example, from the district centre to Sa mouy is about 160 Km but taking the whole day by car in the rainy season if possible at all.

Working in Saravan is very challenging for PRF not only due to transportation problems, but also communication problems. Most villagers speak minority languages. Despite of these difficulties, PRF has received good collaboration from the local authorities in three target districts to support PRF to work with their community.



Village Socialization Meeting and Village Need and Priority Assessment in Saravan Province. PRF staff and Khet Facilitators introducing PRF objectives, processes and the discussion method to villagers.



Guests and PRF staff taking photo after finishing Provincial Socialization meeting, Xiengkhuang Province

7.2. Khet Facilitator Training

In June 2005, three days of training were provided for Khet Facilitators from six new districts: Ta oiy, Toumlan and Samouoi Districts in Saravan Province; Kham, Nonghaed and Khoun Districts in Xiengkhouang Province. The first day of training covered PRF objectives, process, principles and how to use IEC materials. On the second day staff practiced how to use IEC materials and communicate with the villagers in the class. The third day included on-the-job training in the villages. The purpose of the training was to train the Khet Facilitators to help PRF district staff work with the villagers throughout the sub-project implementation process. All Khet facilitators were able to speak the Lao language which made the training easy. The training method that was used in Cycle I was still used in Cycle II.

8. SOCIAL PROGRAMME

A Social Study is part of the legal covenant between the bank and the GOL. PRF hired an external consultant to begin work in February 2004 and final version of draft report was in May 2004 but the report failed to adequately address the requirements laid out in Terms of Reference (TOR). The post-study workshop was held in July 2004 to seek 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 World Bank and PRF Administrative Board for consideration. Following this workshop a strategy and provisional action plan has been prepared.

Action Plan

PRF envisages that the Social Programme includes three components as follows:

1. A Complaints Prevention and Resolution component in association with the Lao National Front for Reconstruction (LNFR)
2. Saving and Loans (S&L) Group development in association with the Lao Women's Union (LWU) and the LNFR.
3. Income Generation Activity (IGA) sub-projects in association with the Lao Youth Union (LYU) and LWU and LNFR.

PRF will offer initial and refresher training for LNFR staff from five provinces and 20 districts in the complaints prevention and resolution process. The training will take place in the five provincial centres.

Development of Savings and Loans Groups will be conducted in parallel with Income Generation. It will be important that learning in income generating opportunities takes places in the same villages in which S&L groups are strengthened. This will start in provinces when the processes are sufficiently well established.

It is envisaged that the LWU and LNFR staff at central and provincial levels will be able to assist or train District LWU and LNFR staff respectively to bring them to a level where they can train village S&L committees and villagers. If necessary PRF will contract a micro-finance trainer to assist this process.

A long-term consultant will be retained at central level to guide the IGA component.

Trainers are being sought to train villagers and a few district staff in IGA in a pilot district.

A local short-term IGA consultant will be hired for an initial period of about three to six months to attend the training and follow-up with villagers in the pilot district.

9. RECOMMENDATIONS AND NEW IDEAS FROM PRF ADMINISTRATIVE BOARD

The fifth PRF Administrative Board meeting took place on 5-6 May 2005 at Phin District, Savannakhet Province. Twenty-five people attended the meeting including three women: PRF board members, staff from the Ministry of Finance, Domestic and International Cooperation Department of Committee for Planning and Investment, Vice District Governor of Vilabury and Phin, Coordinator of PRF from Committee for Planning and Investment at Huaphanh, Xiengkhuang, Savannakhet, Champassack and Saravan Provinces, some representatives from Champasack Provinces and some PRF staff.

The meeting was chaired by Mr. Thongloun Sisourith, Vice-Prime Minister, President of Committee for Cooperation and Investment, and President of PRF Administrative Board. The Executive Director of PRF presented the achievements and problems of PRF and proposed recommendations at the meeting. The meeting agreed to the recommendations on nine points as follows:

- i. receive new board members from Xiengkhuang and Saravan Provinces;
- ii. received new senior advisor;
- iii. phasing out some khets that are already developed;
- iv. cooperation with universities and other related sectors for quality of sub-project construction inspection;
- v. the Agriculture Promotion Bank and the Ministry of Finance will help to coordinate with the World Bank about transfer fee exemption;
- vi. the estimated budget for 2005 – 2006;
- vii. the expansion of PRF project into two new provinces;
- viii. consistent work plan for Cycle III;
- ix. the annual meeting of provincial and district teams.

On the second day, all participants visited sub-projects that are being implemented in Savannakhet Province, including a road upgrading, electricity network and school construction in Phin District, and road upgrading and school construction in Sepon District. The next (sixth) PRF Administrative Board Meeting is expected to be held in December 2005 in Huaphanh Province.



President of PRF Administrative Board and Board members visiting sub-project (rural upgrading) at Phin District, Savannakhet Province. The students and elder people welcoming all participants. PRF Board had a chance to discuss about the activities with villagers.



10. WORLD BANK MISSION

A World Bank Mission took place from June 6-11, 2005. The mission was composed of Ms. Maryam Salim (Mission Leader), Ms. Oithip Mongkolsawat (Procurement), and Ms. Nipa Siribuddamas (Financial Management). The main objectives of the mission were to (i) review progress in meeting project development objectives and (ii) review overall implementation progress. The mission travelled to Huaphanh Povince to visit the sub-project sites and PRF provincial team then returned to Vientiane to work with the PRF team at national office. Ms. Maryam Salim has written an Aide Memoire that included a wide range of recommendations on which PRF should take action. PRF has provided a schedule of activities in response.

The next mission to be led by Ms. Maryam will take place in December 2005 to participate in the Mid-term Review.



Baci ceremony organised by the local authority near the PRF financed market to farewell World Bank Mission and PRF team.



Maryam, Task Manager of PRF and her team visiting PRF office in Huameuang District

*World Bank team
visiting sub-project
(Bridge) in Huamuang
District, Huaphanh
Province*



11. STAFFING ISSUE

11.1. Capacity building - Reporting workshop organized for national staff

A workshop on reporting was organised by PRF Senior Advisor held on 18 May 2005. The workshop aimed to assist the national office professional staff to prepare reports; to think more systematically and deeply about their work, and ensure the most important facts and ideas are well disseminated. It is expected that by the next quarterly report all professional staff will be contributing individual reports that will be assembled, edited and integrated by the Reporting Officer.

It might be possible that such workshops will be held later for provincial teams in order to help them to produce strong reports of their work.

11.2. Senior Technical Advisor Changes

Lionel Laurens, Senior Technical Advisor finished his contract with PRF on February 2005, having worked with PRF since October 2002. During his stay with PRF he was a very helpful advisor and good coach for all PRF staff. He contributed his extensive practical knowledge and ideas to PRF which has resulted in many improved practices and outcomes in the field. PRF hired a new senior advisor, Dr. Michael Tuckson in March 2005.

11.3. Recruitment of new staff for new provinces

All preparation is completed for expansion into new provinces, including recruitment of new staff to fill 34 positions at district and provincial levels. As was the aim, most new staff come from their own provinces, which tends to maximize their commitment. PRF now has 135 staff based at national, provincial and district offices.

12. FINANCIAL REPORT

12.1. Annual Audit 2004 – for year ended 30 September 2004

The second financial audit for PRF began in January 2005. The contracted company, Price Waterhouse Coopers (Lao) Ltd finalized its report at the end of March 2005. The summary of the main findings of the audit stated that the accompanying financial statements gave a true and fair view of the financial position. The audit report found PRF's financial processes to be acceptable. They saw no major accountability or internal control issues.

12.2. Project Expenditure

From 01/01/2005 to 31/05/2005, the project spent USD 2,770,454.70 from the IDA credit and 183,876,495 Kip (USD 17,684.19) from local contributions. Because GOL was unable to offer its contribution directly, most came from the withholding of income tax normally paid on staff salaries. Details concerning PRF expenditure are given in Tables 4 and 5.

Table 4. Expenditure and Sources of Funds

Reporting period 01/01/2005		
Sources / Currency	Local Kip	(IDA) US\$
Opening Balance	78,667,600	657,094.07
Credits to PRF A/C	¹³ 451,237,310	¹⁴ 2,951,514.13
Expenditure	183,876,495	2,770,454.70
Advances	3,880,385	25,234.26
Closing Balance	234,537,774	1,038,298.38
Total Cash received by /on hand to the Project - Start to 31/05/2005	1,646,107,869	6,125,313.98

Table 5. Categories of Expenditure

Table 5. A. Expenditure in the Reporting period – 01/01/2005 - 31/05/2005

Expenditure in the Reporting period – 01/01/2005 - 31/05/2005					
Category No.	Category Name	Local Kip	Local \$US	IDA US\$	TOTAL US\$
1	Sub-project grant ¹⁵	0	0	2,429,234.93	2,429,234.93
2	Consultants & Salaries	133,699,074	12,850.64	189,712.32	202,562.96
3	Goods & Equipment (Asset)	2,893,100	280.49	13,234.02	13,514.51
4	Civil Works ¹⁶	1,427,484	137.46	1,237.15	1,374.61
5	Incremental Operating Cost	45,856,837	4,415.60	121,059.07	125,474.67
6	Training	0	0	15,977.21	15,977.21
TOTAL for Reporting Period		183,876,495	17,684.19	2,770,454.70	2,788,138.89

Table 5. B. Project Expenditure to date - From Start of PRF to 31/05/2005

Project Expenditure to date – From Start of PRF to 31/05/2005					
Category No.	Category Name	Local Kip	Local \$US	IDA US\$	TOTAL US\$
1	Sub-project grant	0	0	3,255,947.77	3,255,947.77
2	Consultants & Salaries	1,279,985,830	122,180.25	1,040,481.89	1,162,662.14
3	Goods & Equipment	28,596,153	2,721.89	307,541.72	310,263.61
4	Civil Works	67,763,463	6,438.55	57,592.91	64,031.46
5	Incremental Operating Cost	310,337,125	29,126.08	481,852.27	510,978.35

¹³ This amount is made up of:

- i) 208,617,670 Kip, being the GOL contributions for FY 2004-2005;
- ii) 242,619,640 Kip from residual staff salary tax payments and other income such as the sale of bidding documents and other documents made by PRF;

¹⁴ Credited from IDA Replenishment Application No. 00008 to Application No. 00016 with the total amount of 2,951,514.13 USD.

¹⁵ Sub-project grant includes a). Infrastructure sub-projects, b). Equipment of sub-projects and c). Services of sub-projects.

¹⁶ Civil works includes office renovation at national, provincial and district levels.

6	Training	0	0	49,468.69	49,468.69
TOTAL Project Expenditure to date		¹⁷ 1,686,682,571	160,466.77	5,192,885.25	5,353,352.02

12.3. Government Contributions

The direct GOL funds of 208,617,670 Kip for Fiscal Year (FY) 2004-2005 were received in March 2005. This year PRF proposed a total budget of 834,110,048 Kip to the Committee for Cooperation and Investment (CPI). The Government approved 410,000,000 Kip. However this was reduced by the amount of tax paid on staff salaries i.e. 201,382,330 Kip. The PRF has now received a total cash contribution of 208,617,670 Kip from GOL for the year 2004 - 2005.

12.4. Procurement report

Several items of equipment have been procured for the use of the project staff to support the implementation of PRF projects. All equipment is expected to be received by the end of July 2005. A procurement report is available.

13. WORK PLAN FOR JULY – SEPTEMBER 2005

The work plan for July – September 2005 is in annex 2

¹⁷ Of this amount, 640,617,670 Kip has been received as direct GOL cash contributions. The balance of 1,478,064,901Kip 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 other documents made by PRF.

Summary Disbursement and Completion Progress of sub-projects, Cycle II (2004-2005) for Huaphanh

ANNEX 1

Type (and target numbers) of sub-Projects / activities	Unit	Quantity		No. of villages benefiting		No. of sub-projects		% of work progress as of end of June 2005	No. Sub-projects completed	% completion	PRF Total planned expenditure (USD)	PRF Total planned expenditure (KIP)	PRF Fund transferred to date (USD)	PRF Fund transferred to date (KIP) from VTE-Prov.	as %	PRF Fund transferred to date (KIP) from Prov.-Khet	as %
		Plan	Actual	Plan	Actual	Plan	Actual										

HUAPHANH

Sobbaoc: 70 villages

Spring gravity fed system	site	11		0		11		100%	11		221,808	2,328,980,850	85,088	2,000,903,917	86%	2,000,903,917	86%
Rural road upgrade	km	26 km		11		3		1sub: 100%, 1sub: 90%, 1sub: 80%	1								
concrete-steel-bridge construction	meter	12 m		1		1		100%	1								
Primary school construction	unit	3		3		3		2sub: 88%, 1sub: 60%	0								
Learning-teaching material	set	28		23		6		95%	0								
Kindergarten construction	unit	1		1		1		96%	0								
Dispensary	unit	1		10		1		100%	1								
Medical equipment (attach to Dispensary)	set	1		-		1		0%	0								
Irrigation rehabilitation	site	2		2		2		100%	2								
Wier	site	1		1		1		100%	1								
Income generation activities						1		0%	0								
Cropping & animal raising Training						1		0%	0								
Total:				52		32			17	53%							

Add: 78 villages

Spring gravity fed system	site	7		7		7		100%	7		196,442	2,072,637,310	76,008	1,435,039,858	69%	1,435,039,858	69%
Spring gravity fed system upgrade	site	1		1		1		100%	1								
Rural road upgrade	km	61.81		38		10		85%	6								
sub merged bridge	meters	35		7		1		100%	1								
School renovation	unit	1		4		1		100%	1								
Learning material	set	37		23		5		100%	5								
Dispensary	unit	1		3		1		100%	1								
Village medicine box	set	5		5		2		100%	2								
Irrigation rehabilitation	site	2		4		2		100%	2								
Wier	site	1		1		1		100%	1								
Income generation activities						1		0%	0								
Cropping and animal raising Training						1		0%	0								
Total:				93		33			27	82%							

Xiengkhor: 63 villages

Spring gravity fed system	site	11		11		11		100%	11		110,850	2,148,983,360	80,333	1,891,009,192	88%	1,844,297,781	86%
Spring gravity fed system upgrade	site	2		3		2		100%	2								
Latrine	unit	220		4		2		100%	2								
Rural road upgrade	km	54.4		36		8		90%	7								
Learning-teaching material	set	21		10		4		100%	4								
Village health volunteer Training	person	3		10		2		70%	0								
Irrigation survey	site	2		6		2		100%	2								
Irrigation rehabilitation	site	2		2		2		100%	2								
Cropping & animal raising Training						1		0%	0								
Weaving fund	person	5		1		1		100%	1								
Income generation activities						1		0%	0								
Total:				83		36			31	86%							

Type (and target numbers) of sub-Projects / activities	Unit	Quantity		No. of villages benefiting		No. of sub-projects		% of work progress as of end of June 2005	No. Sub-projects completed	% completion	PRF Total planned expenditure (USD)	PRF Total planned expenditure (KIP)	PRF Fund transferred to date (USD)	PRF Fund transferred to date (KIP) from VTE-Prov.	as %	PRF Fund transferred to date (KIP) from Prov.-Khet	as %
		Plan	Actual	Plan	Actual	Plan	Actual										
Vienxay: 130 villages																	
Spring gravity fed system	site	13		13		13		100%	13		\$ 221,216	2,389,890,860	87,793	2,072,663,745	87%	2,072,663,745	87%
Latrine	uni	21		1		1		90%	0								
Rural road upgrade	km	41.33		24		6		100%	6								
Concrete-steel-bridge	meter	35		7		1		100%	1								
Sub merged bridge	meter	18.6		1		1		100%	1								
Primary school construction	unit	1		1		1		100%	1								
Secondary school construction	unit	2		14		2		100%	2								
Learning - teaching material	set	54		6		6		100%	6								
Village medicine box	set	2		2		2		60%	0								
Irrigation pipehold	site	1		1		1		100%	1								
Irrigation rehabilitation	site	1		1		2	3	100%	3								
Irrigation system	site	1		1		1	0	40%	0								
Wier	site	1		1		1		100%	1								
Dam	site	1		1		1		90%	0								
Barbed wire fence	meter	9000		1		1		100%	1								
Cropping and animal raising						1		0%	0								
Income generation activities						1		0%	0								
Total:				75		42			36	86%							
Huameaung: 85 villages																	
Spring gravity fed system	site	3		3		3		100%	3		231,587	2,431,657,550	91,977	2,151,757,416	88%	2,151,757,416	88%
Spring gravity fed system upgrade	site	1		1		1		100%	1								
Rural road upgrade	km	57.84		48		6		2 sub is 100%, other are 98%	2								
Sub merged bridge	m	73.7		17		2		100%	2								
Primary school construction	unit	2		7		2		100%	2								
Learning material	set	48		62		8		100%	8								
Village health volunteer Training	pers.	2		1		1		100%	1								
Irrigation rehabilitation	site	1		1		1		100%	1								
Weir	site	2		2		2		100% (1sub 90%)	1								
Cropping and animal raising						1		0%	0								
Community hall	unit	1		10		1		90%	0								
Income generation activities						1		0%	0								
Total:				152		29			21	72%							
Xamtay: 172 villages																	
Gravity fed water systems	site	25		25		25		19 sub 100%, 5 sub 95%, 1sub 30%	19		485,857	5,097,305,979	189,518	4,164,430,492	82%	4,164,430,492	82%
Rural road upgrade	km	129.8		70		14		7 sub 100%, 6 sub 90%, 1 sub 60%	7								
suspension bridge	meter	107		7		1		30%	0								
Primary school construction	unit	9		10		9		7sub are 100%. 2sub are 95%	7								
School renovation	unit	1		1		1		100%	1								
Learning - teaching material	set			7		6		100%	6								
Irrigation pipe/hose	site	1		1		1		90%	0								
Irrigation rehabilitation	site	2		2		2		100%	2								
Cropping & animal raising	person					1		0%	0								
Income generation activities						1		0%	0								
Total:				123		61			42	69%							
Total HUAPHANH:				578		233			174	75%	1,467,760	16,469,455,909	610,717	13,715,804,620	83%	13,669,093,209	83%

Summary Disbursement and Completion Progress of sub-projects, Cycle II (2004-2005) for Savannakhet

ANNEX 1

Type (and target numbers) of sub-Projects / activities	Unit	Quantity		No. of villages benefiting		No. of sub-projects		% of work progress as of end of June 2005	No. Sub-projects completed	% complete tion	PRF Total planned expenditure (USD)	PRF Total planned expenditure (KIP)	PRF Fund transferred to date (USD)	PRF Fund transferred to date (KIP) from VTE-Prov.	as %	PRF Fund transferred to date (KIP) from Prov.-Khet	as %
		Plan	Actual	Plan	Actual	Plan	Actual										

SAVANNAKHET

Sepone: 159 villages

Hand dug well	unit	38		24		6	4	2sub100%, 2sub 85%,	2		379,436	3,906,569,999	136,568	3,010,595,608	77%	2,469,455,985	63%
Drilled well	unit	3		3		1	3	85%	0								
Spring gravity fed system	site	6		4		6	5	3 sub 100%, 1sub 85%, 1 sub 0%	3								
Rural road upgrade	km	30.5		6		3		2sub 100%, 1sub 95%	2								
Culvert repairing	point	3		2		1		100%	1								
Primary school construction	unit	10		10		10		6 sub100%, 3 sub 90, 1sub 80%	6								
Secondary school renovation	unit	1		1		1		100%	1								
Teacher's stipend	Person	7		7		6		4 sub 30%(2sub 0%)	0								
Dispensary (Elect net & medical equi attached	unit	1		1		1		75%	0								
Nurse's stipend	Person	1		1		1		0%	0								
Medical equipment+furniture	set	3		2		2		80%	0								
Wfer				2		1		100%	1								
Animal raising Training	course	1		1		1		100%	1								
Natural resource envi. protection Training	set					1		0%	0								
Total:				64		41			17	41%							

Nong: 79 villages

Hand dug well	unit	19		11		2	1	50%	0		198,902	2,040,032,878	125,740	1,604,514,589	79%	1,355,343,364	66%
Drilled well	unit	5				1	2	1sub 100%, 1 sub 15%	1								
Rural road upgrade	km	77.5		21		5		4sub 100%, 1 50%	4								
Rural road + Bridge	km	27		10		2		100%	2								
Primary school construction	unit	1		1		1		100%	1								
Natural resource envi. protention Training	set	1				1		0%	1								
Total:				43		12			9	75%							

Vilabury: 102 villages

Hand dug well construction	unit	6		6		2		100%	2		243,038	2,152,799,999	69,028	1,678,713,073	78%	1,652,534,963	77%
Rural road upgarde	km	57		27		9		8sub 100%, 1sub 60%	8								
Bridge survey (transfer from cycle I - new budget)	meter	80		4		1		0%	0								
Suspension bridge renovation	meter	65		5		1		0%	0								
Primary school construction	unit	5		7		5		100%	5								
Learning materials	set	78		3		2		100%	2								
Teacher's stipend	person	3		2		1		90%	0								
Community hall	unit	1		6		1		100%	1								
Natural resource envi. protection Training	set					1		10%									
Total:				60		23			18	78%							

Phin: 116 villages

Drilled well	unit	15		15		5		3 sub 100% , 1sub 95, sub 50	4		287,643	2,961,000,000	172,352	2,672,431,407	90%	2,517,490,656	85%
Handug well	unit	5		5		1		45%	0								
Rural road upgrade	km	47.3		8		8		7sub 100%, 1 sub 95%	7								
Primary school construction	unit	6		6		6		6sub100%, 3 sub 95%	6								
School renovation	unit	1		1		1		100%	1								
Kindergarten construction	unit	1		1		1		100%	1								
Teacher's stipend	prs.	3		3		2		0%	0								
Electricity network	unit	3		4		3		100%	3								
Natural and envi. protection Training	course	1				1		0%	0								
Total:				43		28			22	79%							

Total SAVANNAKHET:

210	0	104	0	66	63%	1,109,019	11,060,402,876	503,688	8,966,254,677	81%	7,994,824,968	72%
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Summary Disbursement and Completion Progress of sub-projects, Cycle II (2004-2005) for Champasack

ANNEX 1

Type (and target numbers) of sub-Projects / activities	Unit	Quantity		No. of villages benefiting		No. of sub-projects		% of work progress as of end of June 2005	No. Sub-projects completed	% complete	PRF Total planned expenditure (USD)	PRF Total planned expenditure (KIP)	PRF Fund transferred to date (USD)	PRF Fund transferred to date (KIP) from VTE-Prov.	as %	PRF Fund transferred to date (KIP) from Prov.-Khet	as %
		Plan	Actual	Plan	Actual	Plan	Actual										

CHAMPASACK

Mounlapamok: 67 villages

Drilled well	unit	7	5	2				1 sub 45%, 1 sub 10%	0		169,593	1,780,724,999	132,624	1,377,554,731	77%	1,375,414,436	77%
Rural road upgrade	km	29	8	1				100%	1								
Primary school construction	unit	10	10	10				5sub 100%, 3sub 95%, 2sub 85%	5								
Secondary school construction	unit	4	14	4				3 sub 85%, 1sub 55%	0								
Secondary school renovation	unit	1	1	1				100%	1								
Class room extension	unit	2	2	2				1sub 60%, 1sub 58%	0								
Dispansery	unit	1	7	1				80%	0								
Medical equipment (attached Dispansery)	-	-	-	1				75%	0								
Village health volunteer Training	person	5	1	1				10%	0								
Cropping & animal raising Training	course	2	15	2				40%	0								
Natural resource envi. Training	course			1				0%	0								
Total:			63	26					7	0%							

Khong: 136 villages

Drilled well	unit	2	1	1				10%	0		85,839	901,306,147	62,698	651,594,572	72%	321,234,123	36%
Hand dug well	unit	3	1	1				95%	0								
Rural road upgrade	km	5	2	1				95%	0								
Culvert		1	1	1				80%	0								
Primary school construction	unit	8	7	8				1sub 100%, 3sub 95%, 3 sub 85%, 1sub 75%	1								
Secondary school construction	unit	6	39	4				2sub 95%, 2 sub 80	0								
Secondary school renovation				1				90%	0								
Kindergarten construction	unit	1	1	1				85%	0								
Dispansery	unit	1	5	1				65%	0								
Community Fund Management Training	unit	1	1	1				10%	0								
Cropping and animal raising Training	prs.	1	35	4				40%	0								
Natural resource envi. protection Training	course			1				0%	0								
Total:			93	25					1	0%							

Sukuma: 62 villages

Primary school constuction (6 transfer Cycle I- new budget)	unit	12	12	12				6sub 100%, 3sub 95, 3sub 85	6		90,874	701,432,377	55,551	562,699,195	80%	562,669,194	80%
Learning materials	set	5	5	1				60%									
Cattle raising Training	4	7	7	1				40%									
Natural resource protection Training	course			1				0%									
Total:			24	15					6	40%							

Pathoumphone: 93 villages

Drilled well	unit	29	10	5				1sub 100%, 3sub 50%, 1sub 5%	1		83,662	860,950,000	49,605	668,498,413	78%	668,498,410	78%
Hand dug well	unit	4	4	1				80%									
Rural road upgrade	km	2	1	1				100%	1								
Concrete steel wooden bridge	meter	4	8	1				95%									
Primary school construction	unit	1	4	1				90%									
Secondary school construction	unit	3	31	3				1sub 95%, 1sub 90%, 1 sub 55%									
Latrine	unit	4	7	1				100%	1								
Irrigation	km	1.14	7	2				100%	2								
Cropping and anial raising Training	prs.	30	7	1				40%									
Natural and envi. protection Training	course	1		1				0%									
Total:			79	17					5	29%							

Total CHAMPASACK:

259 **83**

19 **62%** **429,968** **4,244,413,523** **300,478** **3,260,346,911** **77%** **2,927,816,163** **69%**

Grand Total:

1047 **420**

259 **62%** **3,006,747** **31,774,272,308** **1,414,883** **25,942,406,208** **82%** **24,591,734,340** **77%**

Total sub-projects competed:	No	%
	259	62%
Total sub-projects > 50%	110	26%
Total sub-projects < 50%	51	12%
Grand Total:	420	100%

Note: Calculation of no. benefiting is sometimes counted a village duple because sometimes one village can benefit two sub-projects

