



Lao People's Democratic Republic
Prime Minister Office (NLBRDPA)

Poverty Reduction Fund

Annual Report
January – December 2009



Program Management Team

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List of Abbreviations

BD	Bidding Document
BoQ	Bill of Quantity
CB	Capacity Building
CD	Community Development
CDD	Community Driven Development
CFA	Community Force Account
DDM	District Decision Meeting
DPM	District Prioritization Meeting
FA	Financial and Administration
FMR	Financial Monitoring Report
FY	Fiscal Year (01/10 of the former year to 30/09 of the quoted year)
GoL	Government of the Lao PDR
IDA	International Development Association (World Bank)
IEC	Information, Education and Communication
KB	Koumban Pathana (Sub-district unit comprising neighboring villages – Former Khet)
KSPPO	Koumban Subproject Proposal Outline
LECS	Lao Expenditure and Consumption Survey
LWU	Lao Women’s Union
MBO	Mass Base Organization
M&E	Monitoring and Evaluation unit
MIS	Management Information System
MPI	Ministry for Planning and Investment
NOL	No-Objection Letter
NGPES	National for Growth and Poverty Eradication Strategy
NLBRDPA	National Leading Board for Rural Development and Poverty Alleviation
NLCRDPE	National Leading Committee for the Rural Development and Poverty Eradication
PACSA	Public Administration and Civil Service Authority
PDO	Project Development Objective
PG	Poverty Grading
PMT	PRF Project Management Team
PRF	Poverty Reduction Fund
PWT	Public Work and Transportation
RFQ	Request for Quotation
SDC	Swiss Agency for Development and Cooperation
SoE	Statement of Expenditure
SA	Senior Advisor
SW	Small Work contract
TA	Technical Assessment
ToR	Terms of Reference
UCD	Unit Cost Database
USD	Dollar of the United States of America
VNPA	Village Needs and Priority Assessment
VP	Village Profile
WB	World Bank
SDR	Special Drawing Rights (Currency used by the International Monetary Fund and the World Bank)

Executive Summary

The annual report 2009 is a summary of the implementation of the PRF activities from January to December 2009 (additional phase 2009-2011) including the remaining subprojects implementation of Cycle V, the implementation of Cycle VI and the preparation of Cycle VII and Cycle VIII.

The aim of the annual report is to give a short overview on the progress of the PRF's activities and performances. Throughout the year, the PRF team has actively carried out its activities especially in Cycle VII where an additional targeted province (Sekong province) has been added as the 7th province for the PRF coverage.

Few remaining activities of the Cycle V had been brought up to the additional phase and all planned subprojects have been completed by the end of June 2009.

For the Cycle VI, 351 out of 355 subprojects have been completed (99%). 3 subprojects have a completion rate above 50% and one subproject has been cancelled.

In Cycle VII, 463 subprojects have been selected for implementation in 7 provinces and 21 districts. These subprojects will benefit to 214 koumban, 1,567 villages in which 1,194 has been classified as the poorest villages (total population of 660,540 persons). By the end of December 2009, the implementation of 64 subprojects (14%) has started.

The planning of Cycle VIII activities started in November 2009. The Village Profile data has been collected since and the District Prioritization Meeting is expected to be completed by January-February 2010. [These steps were implemented earlier than the previous cycle in order to integrate the PRF plan within the Ministry of Planning and Investment District plan and to be approved by the National Assembly before the end of September.](#)

During the reporting period, two supervision missions of the PRF's donors have been conducted. [The former has revised the targeting mechanism as to ensure that the poorest villages are the first priority for the PRF's subprojects implementation.](#) The latter reviewed the Aide Memoire during the field visit to Huamueng District, Houaphanh province. As a positive result of the decision made to fix a minimum percentage of subproject and subsequent budget allocated in the poorest villages (Grading 0-2), the number of subprojects implemented in the poorest villages (Grading 0-2) reach 85% for the Cycle VII compare to 47% of the total number of the subprojects implemented in the poorest village for the cycle VI.

The PRF National team has cooperated with the NLBRDPA in the organization of a meeting to discuss the future of the rural development and poverty alleviation strategy in Lao PDR and the role of the Poverty Reduction Fund in this strategy. [It was also agreed to work towards the upgrade of the PRF as a National Rural Development and Poverty Alleviation Program.](#)

The creation of the task force for the harmonization of the local participatory planning was approved by the decree No.082/NLBRDPA dated 22 July 2009. The objective of the task force work plan is to draft a single manual on participatory planning at local levels to be endorsed by all stakeholders, based on best practices and experiences shared by the members of the taskforce. Moreover, a two-day workshop was held on 9-10 September 2009 to discuss the work plan for the completion of the harmonization process.

In September 2009, households from five southern provinces of the country have been severely impacted by the Cyclone Ketsana. The Post-Disaster Needs Assessment has recorded some 28,000 hectares of rice crops as well as critical infrastructure in more than 150 villages has been destroyed. The cyclone has also brought the more deep seated problem of structural food insecurity faced by many households living in these remote upland communities as well as the lack of proper natural risk disaster assessment in the process of the improvement of the access of the public infrastructures for these communities. The cyclone Ketsana has directly damaged partially or entirely sixteen of the infrastructures funded by the PRF in Saravanh Province for an estimated value of US\$ 500,000.

In order to support the households impacted by the Cyclone Ketsana, the IDA and the EU funded EFF has decided combine their resources to set up the Lao Uplands Food Security Improvement Project (LUFSIP). The objective of the project is to ensure the immediate food security and recovery needs for rural households affected by Ketsana cyclone and to improve the food security and livelihood of rural households in selected poor villages in upland areas. The project will be executed by the Ministry of Agriculture and Forestry (MAF) and coordinated by the Department of Planning (DoP) of MAF. Actual implementation of the project activities will be carried out by relevant MAF agencies, as well as by the Poverty Reduction Fund.

1. Aims of PRF and Methods of Action

The Poverty Reduction Fund Project was legally established by Decree from the Prime Minister of Lao PDR (No. 073/PM) on 31 May 2002, initially supported by the World Bank in the form of a low-interest credit, repayable over a forty-year term. The consented credit amounts approximately 19.5 million US\$. The Prime Ministerial Decree allows the PRF to also receive and use funds from other sources.

After the Party Congress and the election of a new National Assembly, the GoL composition changed as well as many positions within provincial and district administrations. The PRF, established by a Prime Minister's Decree in 2002 (073/PM), was amended in September 2006 (222/PM), as an autonomous organization, overseen by an Administrative Board were sat Government and province representatives, chaired by the Deputy Prime Minister, Standing Member of the Government, Chair of the National Committee for Rural Development and Poverty Alleviation. The PRF Administrative Board accepted the new PRF board members for each vacant position.

The objectives of the PRF Project are to support the Lao PDR Government in its efforts to reduce poverty by expanding community opportunities to identify local development needs and manage small scale development projects through financing sub-projects for the rehabilitation and reconstruction of social and economic infrastructure, and other socially productive activities, including creating income generating opportunities through training and other support. Key emphases of the PRF include participation of the communities, transparency and sustainability of the sub-project outputs.

Specifically the PRF objectives are to:

- (i) Assist villagers to develop community public infrastructure and gain improved access to services;
- (ii) Build capacity and empower villages in poor districts to manage their own public investment planning and subproject implementation in a decentralized and transparent manner; and
- (iii) Strengthen local institutions to support participatory decision-making and conflict resolution processes at the village, koumban and district levels, involving a broad range of villagers, including women and the poor.

A network of volunteers (village and koumban representatives) was set up. Through their elected representatives, villagers decide on how resources are allocated, manage funds, and implement subprojects. Extensive facilitation and training is provided to ensure that poor villagers, including women and people from smaller ethnic groups, participate in the decision-making

process and benefit from Program inputs. The Program builds community capacity by providing technical support for villagers.

The Program aims to create stronger links between the local government and the aspirations of villagers with staff at district, province and national level coordinating and building linkages. A forum was created at district level where villagers and district authorities meet regularly to discuss priorities and plans and reach a compromise that will satisfy each party.

During the first 5-year phase of the project (cycles I to V), with a loan from the World Bank, the PRF supported more than 2,000 subprojects in 21 districts located in 6 provinces (Luang Namtha, Houaphanh, Xieng Khouang, Champasak, Savannakhet and Saravanhe) including 161 Koumban, more than 1,900 villages and a total population of 744,140 persons. The total budget for the first phase reached more than US\$ 20,000,000. A budget of US\$ 16,616,000 (83% of the total budget) was directly invested in the subprojects implemented at the village level.

The Lao government and the PRF donors decided to extend the PRF program with a 3-year additional phase started in October 2008 with grants from the World Bank (US\$ 15 million) and from the Swiss Agency for Development and Cooperation (US\$ 5 million). In Cycle VI (2008-2009), PRF has worked in 19 first priority districts located in 6 provinces and supported 355 subprojects corresponding to a total direct investment of US\$ 4.4 million. In Cycle VII (2009-2010), the PRF is working in 7 provinces and in 21 districts (Sekong was added to the list of the provinces) and is supporting 463 subprojects with a total direct investment of US\$ 5.24 million.

During the 13th Administrative Board Meeting of PRF (1-3 July 2009), the Government of Laos agreed in principle to use the PRF as a key component to build a National project to reach the Lao PDR objectives related to Rural Development and Poverty Alleviation. In the future, the PRF will not only work in the 47 or 72 first priority districts but in all poor villages and koumbans of rural areas of Lao PDR, following both PRF principles and the development plans and policies of the Government of Lao PDR. This task would be under the coordination of the NLBRDPA.

2. Main Activities in 2009

2.1. Summary of PRF Activities in 2009

The Annual Report 2009 presents the PRF major activities for the first cycle of the additional phase (2008-2011). This report includes the implementation of PRF activities in Cycle VI and Cycle VII as well as the preparation for Cycle VIII (last cycle). However, there were few incomplete activities in Cycle V that need to be completed and monitored at the beginning of the first quarter of the year 2009. The main activities of each quarter are detailed below:

Quarter one (January – March 2009)

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- Followed up the subprojects implementation of Cycle VI and some incomplete subprojects of the previous cycles;¹
- A total budget of 34,797,389.324 kip was transferred to Koumban bank accounts to support the subproject implementation;
- External consultant (Price Waterhouse Cooper) carried out the financial audit of the PRF for the fiscal year 2008 (1/10/2007-30/09/2008). The consultants confirmed the solidity of the PRF financial management;
- Cycle VII planning preparation has started with the revision of PRF Village Profile form and the organization of training sessions to all field staff on how to collect these village profiles;
- A new decree was signed by the Prime Minister to review the PRF National Administrative Board membership. From now on, all line ministries involved in rural development and poverty alleviation will be represented on the PRF Board;
- Discussion with donors about the possible development of a new livelihood component which included the extension of the PRF activities in the agriculture sector, the development of a pilot projects in 5 districts of two provinces in order to improve the communities' livelihood and on the future participation of the PRF in a regional initiative aiming at assessing the impact of Community Driver Development projects on women empowerment.

Quarter two (April – June 2009)

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- Followed up the implementation of the remaining activities of Cycle V and Cycle VI;
- Organized a final inspection for a sample of sub-projects in some target districts before hand-over to the communities;
- Prepared the planning of Cycle VII with the update of different Village Profiles and the organization of new training sessions to all field staff on how to collect the data of Village Profiles;
- The PRF team was involved in the discussion aiming at harmonizing the local participatory planning process;
- Discussion among the different stakeholders involved in rural development and poverty reduction activities at village and koumban levels about the development of a national program;

¹ There were 5 incomplete subprojects (2%), four are located in Saravanh and one in Champasack Province

- Discussion with donors about the extension of PRF activities in the agriculture sector and the development of a pilot project in 5 districts;
- Organization of a joint World Bank – Swiss Agency Development and Cooperation (SDC) mission to review and identify the targeting mechanism;
- A World Bank regional M&E initiative aiming at measuring the impact of CDD project on women’s empowerment was organized. The donors agreed upon the need to consolidate the village profile collection process and that 60% of the selected subprojects will have to be implemented in poor villages (Poverty Grading 0-2);
- Participation to a meeting organized by the NLCRDPE to discuss the future of the rural development and poverty alleviation strategy and the role of the PRF related to this strategy;
- Establishment of a task force to explore ways to harmonize participatory planning at village and koumban level.

Quarter three (July – September 2009)

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- Followed up the end of the implementation of Cycle V, the implementation of the Cycle VI and the launch of the Cycle VII;
- Implementation of a joint mission of Technical Advisors and staff from the concerned ministries to visit implemented subprojects in the six target provinces;
- Held District Prioritization Meeting of Cycle VII in the six targeted provinces (excluded Sekong);
- Conducted the subproject feasibility survey for Cycle VII;
- Held the 13th PRF National Administrative Board Meeting. The Board approved the extension of the PRF in two new districts in Sekong and the upgrade of the PRF into a National project;
- Expansion of the PRF activities to two new districts (Kaleum and Dakcheung) in Sekong province;
- Support the survey design of the different subprojects to be approved for cycle VII;
- Organized the 6th annual review meeting to improve the capacity of PRF staff in each level to contribute to the poverty alleviation process;
- Initiation of a process to harmonize participatory planning processes at local level;
- Discussion with the donors on the development of small-scale agriculture infrastructures;
- Development of a proposal from the Japanese Social Development Fund with the support from the World Bank to create a new component that will support the improvement of community livelihood and nutrition.

Quarter four (October – December 2009)

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- Monitoring of the implementation of the remaining activities of Cycle VI;
- Organized the Final District Decision Meeting of Cycle VII in all target provinces and the district prioritization and District Decision Meeting for Sekong province;
- Monitored the implementation of Cycle VII subprojects and the preparation of the activities for Cycle VIII;
- A joint supervision visit of the World Bank and SDC to review the project's operations;
- Organized a discussion with the Ministry of Public Works and Transportation to encourage further interaction;
- Organization of a PRF subprojects field visit with the representatives from concerned ministries in provinces;
- Implementation of an internal review of the status of the infrastructures supported by the PRF during Cycle I and Cycle II in four districts (Houaphanh, Savannakhet, and Champasack province);

2.2. Implementation of Cycle VI

2.2.1. District Allocation for Cycle VI

Principles

The district allocation is computed according to three factors:

- The basic allocation;
- the past Championship of the poor, based on the share of the former cycle district allocation allocated to the poorest villages;
- The past Spending capacity of the PRF investment, based on the capacity of each district to manage efficiently the allocation for the former cycle, at the time of computation.

Championship-of-the-Poor factor

The Championship-of-the-poor factor aims at appraising the commitment of stakeholders involved in PRF investment planning to channel funds in priority towards poor villages. It will be computed as follow, based on former cycle:

- If more than 75 % of the district allocation has been allocated to subprojects benefiting to levels 2 to 4 villages, the Championship-of-the-Poor factor will be 1.1 for the next cycle;

- If between 50% to 75% (exclusive) of the district allocation has been allocated to subprojects benefiting to levels 2 to 4 villages, the Championship-of-the-Poor factor will be 1.0 for the next cycle;
- If less than 50% (exclusive) of the district allocation has been allocated to subprojects benefiting to levels 2 to 4 villages, the Championship-of-the-Poor factor will be 0.9 for the next cycle;

When PRF expands to a new district, the factor is 1 for the first cycle, and then will evolve according to the priority given to poor villages during the selection of the subprojects.

Spending Capacity factor

The Spending capacity aims at appraising the efficiency of budget allocation management at district level. If a district (i.e. village communities, koumban teams, PRF district team and local authorities) failed in implementing quick and efficient cycle of activities, the next cycle allocation will be reduced.

The Spending capacity factor is based on the share of subproject budget transferred to koumban accounts in June (end of the former cycle), which depends on the physical progress (budget released by block, according to implementation progress) and efficient financial management at local level.

If less than 60% of the district allocation budget of the former cycle has been transferred to koumban accounts in June, the Spending capacity factor for the district will be 0.8 for the next cycle. If the ratio is higher than 60%, the Spending capacity factor will be 1.

When the PRF cover new district, the factor is 1 for the first cycle, and then will evolve according to the spending capacity factor.

District Allocation

The total budget district allocation is computed as follows:

- (1) Basic District Allocation

X (multiplied by)

- (2) Championship-of-the-Poor factor
Pro-poor channeling of PRF fund towards the most vulnerable communities

X (multiplied by)

(3) Spending Capacity factor

Proved capacity of district stakeholders to manage efficiently the PRF budget flows

Adjustments to the per capita basic allocation can be made to match total district allocation to overall sub-grants budget.

Table 1: District Budget Allocation

Provinces / Districts	District Budget Allocation					Adjusted District Budget Allocation			
	Champion-ship of the poor (B)	Spending Capacity (C)	(A) x (B) x (C)	Rounded to the nearest \$100	% of national allocation	Adjustments		Final Budget Allocations	% of national budget allocation
Luang Namtha			847,784	847,700	19.2%	300	0%	848,000	19.2%
Viengphoukha	1	1	\$239,623	\$239,600	5.4%	400	0%	\$240,000	5.4%
Long	1	1	\$344,040	\$344,000	7.8%			\$344,000	7.8%
Nalae	1	1	\$264,121	\$264,100	6.0%	-100	0%	\$264,000	6.0%
Houaphanh			923,192	923,300	20.9%	171,700	19%	1,095,000	24.8%
Xieng Khor	1	1	\$185,374	\$185,400	4.2%	-29,400	-16%	\$156,000	3.5%
Viengthong	0.9	1	\$96,330	\$96,300	2.2%	103,700	108%	\$200,000	4.5%
Viengxay	1.1	1	\$104,763	\$104,800	2.4%	25,200	24%	\$130,000	2.9%
Huameuang	1	1	\$151,172	\$151,200	3.4%	37,800	25%	\$189,000	4.3%
Xamtay	1.1	1	\$385,553	\$385,600	8.7%	34,400	9%	\$420,000	9.5%
Xiengkouang			649,549	649,500	14.7%	-34,500	-5%	615,000	13.9%
Nong Het	1.1	1	\$329,687	\$329,700	7.5%	-74,700	-23%	\$255,000	5.8%
Khoun	1.1	1	\$218,230	\$218,200	4.9%	-23,200	-11%	\$195,000	4.4%
Thathom	1	1	\$101,632	\$101,600	2.3%	63,400	62%	\$165,000	3.7%
Savannakhet			1,223,254	1,223,300	27.7%	228,300	19%	995,000	22.5%
Phin	0.9	1	\$395,685	\$395,700	8.9%	-160,700	-41%	\$235,000	5.3%
Sepon	1.1	1	\$336,883	\$336,900	7.6%	-71,900	-21%	\$265,000	6.0%
Nong	1.1	1	\$212,279	\$212,300	4.8%	72,700	34%	\$285,000	6.4%
Vilaboury	1	1	\$278,407	\$278,400	6.3%	-68,400	-25%	\$210,000	4.7%
Saravanh			328,786	328,800	7.4%	151,200	46%	480,000	10.9%
Ta Oy	1.1	1	\$207,427	\$207,400	4.7%	47,600	23%	\$255,000	5.8%
Sa Moy	1.1	1	\$121,359	\$121,400	2.7%	103,600	85%	\$225,000	5.1%
Champasack			449,892	449,900	10.2%	-59,900	13%	390,000	8.8%
Bachiang	1	1	\$268,686	\$268,700	6.1%	-59,700	-22%	\$209,000	4.7%
Sukuma	0.9	1	\$181,206	\$181,200	4.1%	-200	0%	\$181,000	4.1%
TOTAL			4,422,456	4,422,500	100.0%			4,423,000	100.0%

Source: Monitoring and Evaluation Unit

Table 2: Comparison of budget by province from plan to implementation

Sector	PRF Budget Planned (KIP)	PRF actual budget (KIP)	Changes	Variance
Luang Namtha	9,307,500,000	8,091,156,639	(883,156,639)	(9%)
Houaphanh	7,208,000,000	10,438,746,508	(1,131,246,508)	(16%)
Xiengkhouang	5,227,500,000	5,694,478,240	(466,978,240)	(9%)
Savannakhet	8,457,500,000	9,188,430,831	(730,930,831)	(9%)
Saravanh	4,080,000,000	4,216,501,230	(136,501,230)	(3%)
Champasack	3,315,000,000	3,200,016,377	(114,983,622)	(3%)
Total	37,595,500,000	40,829,329,827	(3,233,829,827)	(9%)

Source: Monitoring and Evaluation Unit

2.2.2. Election of the Subproject in Cycle VI

The demand of the community is beyond what PRF can provide due to budget limitation. Therefore, only subprojects identified as the top priority and able to provide proven benefits to the all community are selected. For instance, in Cycle VI, there is only 5% of Village Needs and Priority Assessment (VNPA) been selected for the implementation (355 subprojects out of 7,086). To compare with other cycles, it is slightly less than the former cycles and due to the increased number of villagers participated in the VNPA process.

Table 3: Village Needs and Priority Assessment (Cycle I-VI)

Cycle	Expressed priorities (VNPA)	Selected Subprojects	%
Cycle I:	2,721	248	9%
Cycle II:	4,230	431	10%
Cycle III:	5,592	533	10%
Cycle IV:	5,602	548	10%
Cycle V:	3,341	305	9%
Cycle VI:	7,086	355	5%

Source: Monitoring and Evaluation Unit

Table 4: the Subproject Section by province (Cycle VI)

Province	VNPA	KSPPO	DPM	DDM	%
Luang Namtha	923	238	96	65	7%
Houaphanh	2334	546	353	91	4%
Xiengkhouang	1098	215	134	44	4%

Savannakhet	1700	425	212	71	4%
Saravanh	533	92	62	36	7%
Champasack	498	88	65	48	10%
Total	7086	7604	922	355	5%

Source: Data Update at Monitoring and Evaluation Unit, February 2009

The number of subprojects selected for the implementation was considered under the criteria of budget availability, construction possibility, community contribution capacity and the suitability of the subproject regards to the specificity of the area of implementation. Although Houaphanh, Savannakhet and Xiengkhouang were the three provinces with the highest VNPA were identified, the number of subprojects selected after the District Decision Meeting represented only 4% for each of these Provinces. Whilst Champasack has the smallest number of VNPA identified, 10% of subprojects were selected for implementation.

2.2.3. Subproject Implementation Progress in Cycle VI

In the first quarter (January-March 2009), there were few incomplete subprojects from Cycle VI (on 307 subprojects, 99% have been completed). The implementation of one subproject (Weir construction) in Sukuma district (Champasack) was canceled **because the budget to carry out the subproject was far too high than what was originally allocated**. The delay of implementation was due to lateness of the community contribution as well as contractors commitment. However, the problem was solved by the local authorities and all subprojects were completed at the end of June 2009.

During the first quarter, 312 subprojects related to the implementation of Cycle VI were active which contributed to approximately 88% of all subprojects. Out of the implemented subprojects, 80 subprojects (26%) were completed while 168 subprojects (54%) has a completion rate over 50% and 64 subprojects (20%) has a completion rate less than 50%. 6.04 billion kip or 15% of the total budget has been transferred to Koumban Bank Account for subproject implementation.

During the second quarter (April-June 2009), good progress was made, allowing to complete 298 subprojects (84%). However, there were still 2 inactive subprojects after passed the second half of the cycle. 25.59 billion kip or 66% of the total budget has been transferred to koumban bank Account for subproject implementation.

The third quarter (July-September 2009), in phase with the end of the cycle period, saw the completion of 329 subprojects (93%) out of the 354 active subprojects. During this quarter, 33.52 billion kip (86%) of the total budget had been transferred to Koumban Bank Account for the subprojects implementation.

At the end of the last quarter (October-December 2009), 351 subprojects were completed, 3 subprojects had a completion rate of more than 50%, and one subproject (spring gravity fed water system) in TaOy district (Saravanh province) has been cancelled because of the low

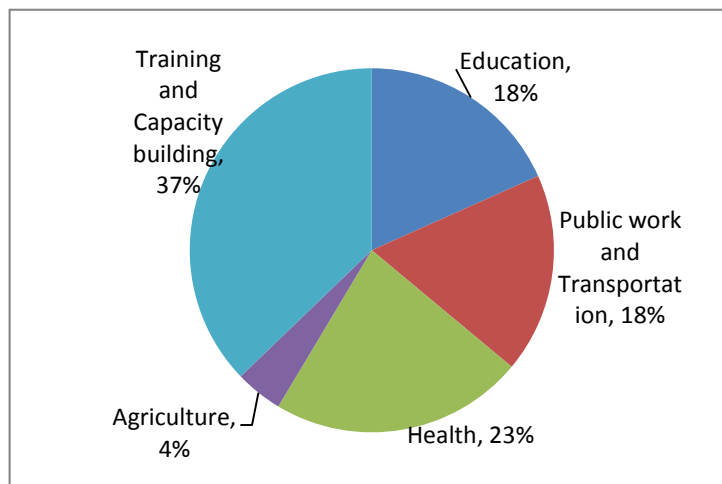
quality of the water. By the end of December 2009, 35.63 billion kip has been transferred to koumban to support the subprojects implementation. The subprojects not completed at the end of the cycle period, will continue to be implemented during the Cycle VII period.

The coordination from all line ministries into the PRF activities is of significance especially in the feasibility study. Adding to that, they have been invited to join and monitor the meetings held by the PRF such as District Prioritization Meeting and District Decision Meeting. These will ensure the alignment of all activities to the concerned ministries' conditions and encourage cooperation.

2.3. Overall Achievement of Cycle VI

Looking at the Cycle VI selected subprojects, the Training and Capacity Building activities reached the highest percentage (37%), increasing by 21% compared to the previous cycle. The community requests related to the Health sector had slightly decreased from 25% in previous cycle to 23%; followed by Education and Public Works and Transportation (18% each). The Agriculture sector represents only (4%) of the total of the subprojects. It was less requested by the community as the GoL has already provided some basic infrastructure for the agriculture sector.

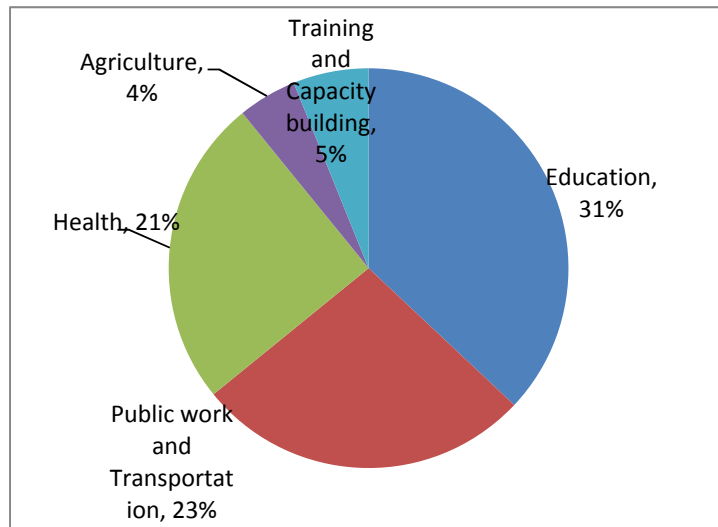
Figure 1: Proportion of selected subproject by sector (Cycle VI)



Source: Monitoring and Evaluation Unit

Looking at the budget allocated to each different subproject types, the training and capacity building activities represents only 5% of the total budget allocated. It is due to the less amount of budget required for this kind of activity. The Education covered almost one third (31%) of the overall budget, followed by the Public Works and Transportation sector (23%), Health (21%) and Agriculture (4%).

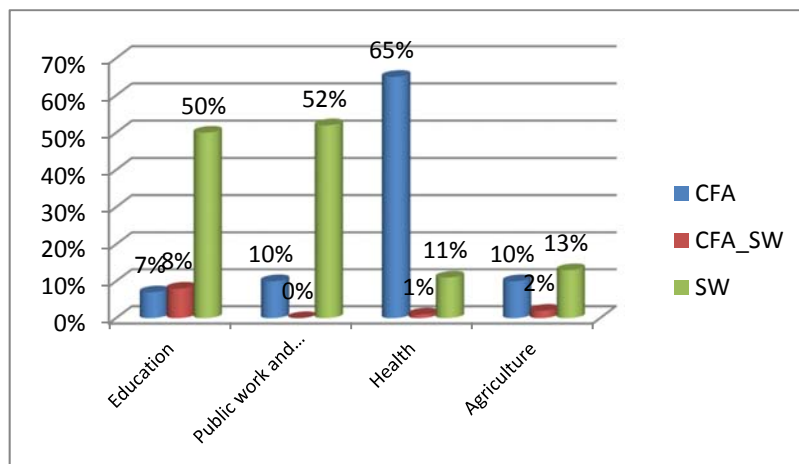
Figure 2: Percentage of budget allocation into each subproject type



Source: Monitoring and Evaluation Unit

The implementation of the Infrastructure subprojects are performed under 3 different types of contract. The implementation through the Community Force Account (CFA) represents the highest percentage for the Health sector (65%) while the lowest is for the Agriculture sector (1%). The joint contract between the Community Force Account and the Small Work contract represents 11% for the four sectors. The Small Work contract alone was mainly in charge of the Education and Public Works and Transportation sectors, (50% and 52% respectively) where more technicality and expertise were required as to ensure the quality of the construction. However, this condition did not apply for all cycles.

Figure 3: Share of subproject implementation types for Cycle VI



Source: Monitoring and Evaluation Unit

The main part of the budget for the subprojects implementation was provided by the PRF. In Cycle VI, the community’s contribution in form of workforces and materials represents 15% of the total budget. There is a decreased of 5% compared to the previous cycle since the ability of the community to contribute is different from cycle to cycle. Nevertheless, it is an important and meaningful contribution as it shown community’s cooperation and ownership and illustrates the “Community Driven Development” approach promoted by the PRF.

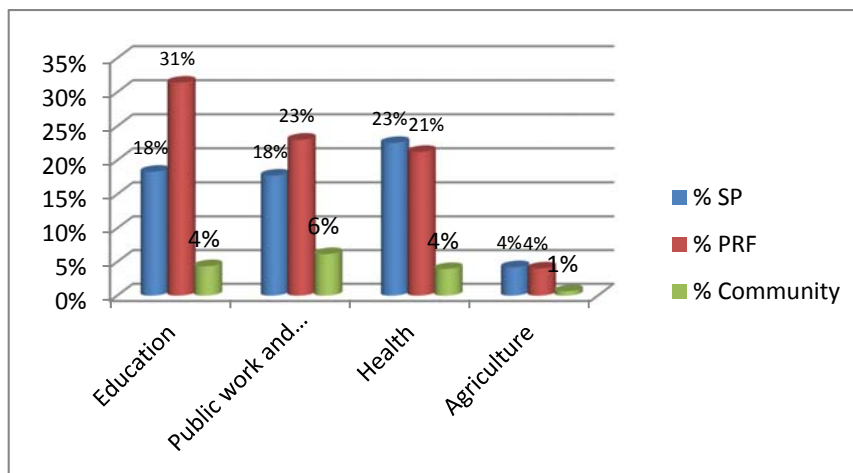
Table 5: Percentage of PRF and Community’s contribution (Cycle I-VI)

Source of Budget	Cycle I	Cycle II	Cycle III	Cycle IV	Cycle V	Cycle VI
Percentage of PRF budget	83%	82%	83%	85%	80%	85%
Percentage of community contribution	17%	18%	17%	15%	20%	15%

Source: Monitoring and Evaluation Unit March 2010.

In Cycle VI, sorting by sector, the PRF budget contribution was mainly used to support the Education sector (31%), the Public Works and Transportation sector (23%), the Health sector (21%), the Training and Capacity Building area (5%) and the Agriculture sector (4%).

Figure 4. PRF Budget and Community Contribution (Cycle VI)



Source: Monitoring and Evaluation Unit

2.3.1. Overview of outputs since the beginning of the Cycle VI

The output of the subprojects must always be related with the benefit they provide to the community. During cycle VI, the 355 subprojects have benefited to 1,734 villages (direct and indirect beneficiaries) in which 1,103 were poor villages. This output is in line with the goal of the PRF to give priority to the poor villages as the target for support. Thus, 64% of all villages benefiting was ranked as poor villages.

Table 6: Beneficiaries of the projects (Cycle VI)

Provinces	# of subprojects	Direct/Indirect Beneficiaries	% poor village benefiting	Total planned of PRF expenditure	% expenses
Luang Namtha	65	223	48%	9,307,500,000	25%
Houaphanh	91	513	63%	7,208,000,000	19%
Xiengkhouang	44	200	84%	5,227,500,000	14%
Savannakhet	71	379	76%	8,457,500,000	22%
Saravanh	36	221	66%	4,080,000,000	11%
Champasack	48	186	38%	3,315,000,000	9%
Total	355	1734	64%	37,595,500,000	100%

Note: The table above represents both direct and indirect villages' benefits

Source: Monitoring and Evaluation Unit

2.3.2. Education Sector

On the 355 subprojects selected for the implementation in Cycle VI, 65 were implemented in the Education sector in which schools were the main output, followed by community halls, educational equipments and teacher's dormitory. It represents a budget of 11.88 billion kip.

Table 7: Number of Infrastructure (schools built) cycle VI

Provinces	Schools built			
	No. of SP	Qty	Unit	Investment
Luang Namtha	6	24	classes	1,895,021,285
Houaphanh	11	31	classes	2,275,718,041
Xiengkhouang	7	25	classes	2,131,237,357
Savannakhet	15	32	classes	3,255,492,553
Saravanh	3	8	classes	681,423,550
Champasack	7	23	classes	1,647,194,406
Total	49	143	classes	11,886,087,191

Source: Monitoring and Evaluation Unit

2.3.3. Public Works and Transportation

The subprojects related to the Public Works and Transportation sector mainly consist of bridge construction, rural road upgrade / renovation, pipe culvert and electric line extension. Road upgrading / renovation alone covered over 50% of all the Public Works and Transportation subprojects implemented (62 subprojects) with a total investment of 9.7 billion kip. Within the same cycle, 10 subprojects in Bridge construction were funded in four provinces with a total budget of 2.9 billion kip.

Table 8: Number of roads built (Cycle VI)

Provinces	Roads built			
	No. of SP	Qty	Unit	Investment
Luang Namtha	9	101	km	2,858,581,754
Houaphanh	17	91	km	3,045,978,392
Xiengkhouang	2	14	km	625,847,921
Savannakhet	12	36	km	1,838,635,067
Saravanh	4	30	km	981,872,512
Champasack	2	6	km	349,782,723
Total	46	278	km	9,700,698,368

Source: Monitoring and Evaluation Unit

Table 9: Number of bridges built (Cycle VI)

Provinces	Bridges built			
	No. of SP	Qty	Unit	Investment
Luang Namtha	2	100	meters	329,621,799
Houaphanh	3	134	meters	1,458,756,845
Xiengkhouang	2	69	meters	247,196,765
Savannakhet	3	100	meters	910,178,389
Saravanh	-	-	-	-
Champasack	-	-	-	-
Total	10	403	meters	2,945,753,798

Source: Monitoring and Evaluation Unit

2.3.4. Health Sector

The improvement of the Health services provided to the communities has been identified by the GoL has one of the priority to alleviate poverty. Therefore, the Health subprojects have always counted as one of the main sector the PRF has supported for all cycles. For the cycle VI, 80 subprojects were supported, in the Health sector, representing 22% of the total of the subprojects selected. Dispensaries construction in particular, was implemented in three provinces with an investment of approximately 1 billion kip. The majority of the budget was invested in the construction of spring fed gravity systems (63 subprojects out of the 80 Health subprojects). These subprojects will ensure that clean water is accessible for the whole community as the basic foundation of a healthier lifestyle. Other main subprojects concerned medical equipment support and nurse stipend.

Table 10: Number of dispensaries built (Cycle VI)

Provinces	Dispensaries built			
	No. of SP	Qty	Unit	Investment
Luang Namtha	2	8	classes	338,810,782
Houaphanh	-	-	-	-

Xiengkhouang	1	-	-	348,431,410
Savannakhet	1	1	building	412,309,606
Saravanh	-	-	-	-
Champasack	-	-	-	-
Total	4			1,099,551,798

Source: Monitoring and Evaluation Unit

Table 11: Number of Spring Fed Gravity Systems built (Cycle VI)

Provinces	Spring Gravity Fed Systems built			
	No. of SP	Qty	Unit	Investment
Luang Namtha	11	17,400	m(s)	1,144,919,222
Houaphanh	30	94,163	m(s)	3,830,740,680
Xiengkhouang	11	38,000	m(s)	3,006,943,316
Savannakhet	6	16,000	m(s)	1,317,627,684
Saravanh	4	17,000	m(s)	777,161,657
Champasack	1	3,000	m(s)	217,635,990
Total	63	185,563	m(s)	9,295,028,549

Source: Monitoring and Evaluation Unit

2.3.5. Agriculture Infrastructures

The agriculture Infrastructure subprojects represents only a small portion of the PRF activities with only 16 subprojects selected (4% out of the total subprojects). Despite this sector remains the basic source of the community's and the main activities conducted by the households living in rural areas, priorities have been selected in other sectors. Agriculture outputs included irrigation system (5 subprojects), Irrigation Survey (2 subprojects), Weir (5 subprojects), Community Market (2 subprojects), Reservoir (1 subproject) and Vaccine (1 subproject).

Table 12: Number of Irrigation systems built (Cycle VI)

Provinces	Irrigation systems build			
	No. of SP	Qty	Unit	Investment
Luang Namtha	1	1	km	92,555,627
Houaphanh	1	1	km	194,627,054
Xiengkhouang	-	-	-	-
Savannakhet	-	-	-	-
Saravanh	3	9	km	816,530,887
Champasack	-	-	-	-
Total	5	11	km	1,103,713,568

Source: Monitoring and Evaluation Unit

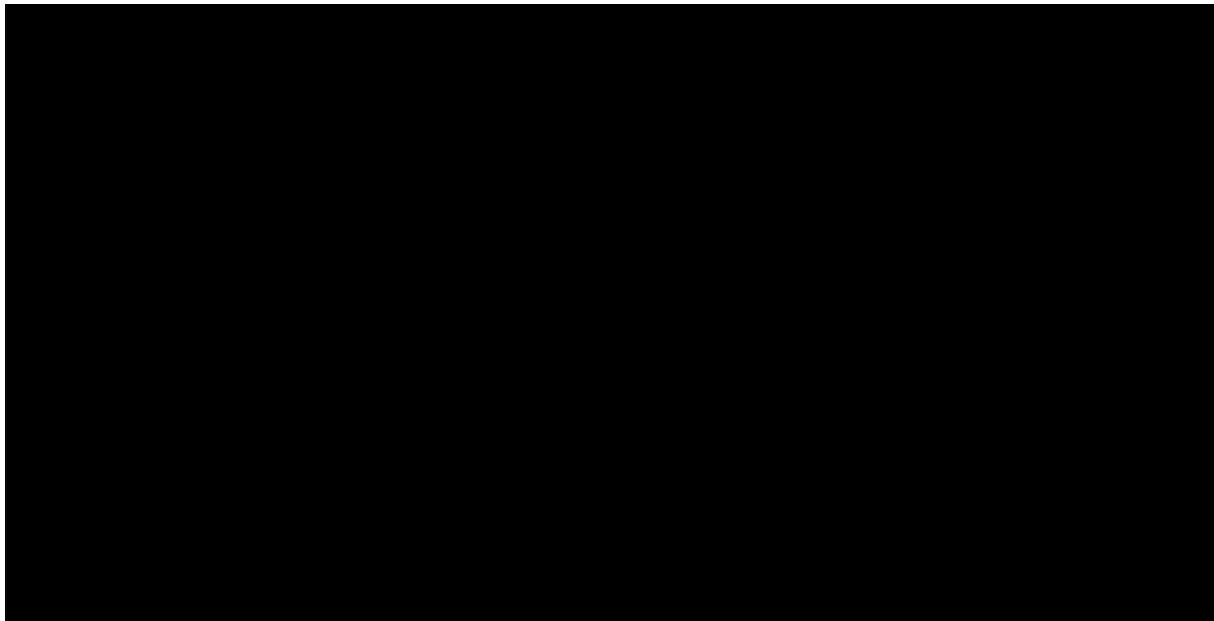
2.3.6. Training and Capacity Building

As part of the activities of the Cycle VI, 134 training and capacity building subprojects were implemented with the PRF support in 6 provinces with a total investment of 2.78 billion kip.

The capacity building trainings aiming at developing the community sense of ownership towards the rural infrastructures implemented. As a result, the community will be able to properly maintain the subprojects implemented on their own instead of having to rely on external support.

The PRF also supported technical training in order to improve the community living conditions and food security such as cattle raising training, fish raising training, weaving training, mushroom growing training, etc.

Table 13: Training Subprojects in 6 targeted provinces Cycle VI



Source: Community Development Unit, February 2010

2.4. Mission and PRF Board Meeting

2.4.1. World Bank and SDC Mission

The first supervision mission was held during April 2009. The donors has emphasized on the targeting mechanism where they found the necessity for reviewing, as it came out that several subprojects were selected in better off villages. As to correct this finding, the donors agreed upon the need to consolidate the village profile collection process and ensure that at least 60% of the selected subprojects will be implemented in the poorest villages (Poverty Grading ranking from 0-2).

A second supervision mission of the PRF donors took place during November 9-18 2009. The supervision mission team had reviewed the Aide Memoire from the last visit and confirmed the findings of the mission. The significant improvement in the pro-poor targeting of PRF

investment was emphasized, as for the Cycle VII, 84% of the subprojects was implemented in the poorest villages (Grading 0-2) compared to 47% of the total number of the subprojects implemented in the poorest villages for the Cycle VI.

The field visit related to a World Bank regional M&E initiative aiming at measuring the Impact of Community-Driven Development Projects on Women's Empowerment was organized in June 2009 in 2 districts (Sukuma district in Champasack Province and Huameuang district in Houaphanh Province). An informal debriefing with the consultants who conducted the work in Lao PDR was extremely positive on PRF contribution to women's empowerment. The team welcomed the establishment of a task force led jointly by the NLBRDPA and the Ministry of Planning and Investment. The purpose of this task force is to review and share the experiences made in the area of local participatory planning involving the community and the local authorities. The team looks forward to receive details on the schedule and deadline for completion and the outcomes of this platform. Both World Bank and SDC expressed an interest in supporting this process and commenting on the outcomes.

2.4.2. PRF Administrative Board Meeting

During the 12th PRF National Administrative Board meeting which took place in December 2008 in Savannakhet province, it was decided to increase the membership of the board to include representatives from the different line ministries involved in rural development. On the 5th of February 2009, a new decree (No. 031/PM – see the full text of the decree in annex 33) was issued to modify the original decree setting up the Poverty reduction Fund.

This new decree appoints additional members to the National Administrative Board:

- Deputy Minister of Agriculture and Forestry;
- Deputy Minister of Public Work and Transportation;
- Deputy Minister of Education;
- Deputy Minister of Public Health;
- Deputy Minister of Energy and Mining;
- Deputy Minister of Commerce and Industry.

The 13th PFR Administrative Board Meeting was held on 1-3 July 2009 in the province of Luang Namtha. The following major agreements were made during the meeting:

- Extend PRF's activities in Kaluem and Dakcheung districts in Sekong province and recruit 16 new PRF staff to support the activities in this province;
- Use the remaining budget (US\$20,000) from fundraising activities by National Leading Board for Rural Development and Poverty Alleviation to complement the funds provided by SDC for PRF activities in Sekong province;

- Upgrade the PRF to become a National Program after the completion of the additional phase in 2011 and prepare the appointment of a Task Force to work on this matter.

Besides the above agreements, some recommendations were proposed for further improvement:

- Monitor the sustainability of the subprojects supported by the PRF for all cycles;
- Enhance the cooperation between the PRF and other line ministries.

2.5. Cooperation with donors and partnerships

2.5.1.Lao Upland Food Security Improvement Project

In September 2009, the Cyclone Ketsana destroyed some 28,000 hectares of rice crops as well as critical infrastructure in more than 150 villages located in the five southern (Sekong, Saravanh, Savannakhet, Attapeu and Champasack). The cyclone Ketsana has directly damaged partially or entirely sixteen of the infrastructures funded by the PRF in Saravanh Province for an estimated value of US\$ 500,000.

The cyclone has also brought the more deep seated problem of structural food insecurity faced by many households living in these remote upland communities as well as the lack of proper natural risk disaster assessment in the process of the improvement of the access of the public infrastructures for these communities. Majority of the population living in the Provinces impacted by Ketsana are living at or below the poverty level regularly suffers from severe food insecurity for six months or more every year. They are very vulnerable and prone to falling deeper into poverty as a result of any external shocks.

In order to support the households impacted by the Cyclone Ketsana, the IDA and the EU funded EFF has decided combine their resources to set up the Lao Uplands Food Security Improvement Project (LUFSIP).

The proposed Project Development Objective (PDO) would be to improve food security and livelihoods of the poor rural households in the upland regions, particularly the Northern upland provinces of Lao PDR. This would be achieved by increasing productivity and levels of incomes of the small farmers, arising from a more diversified production and the adoption of more efficient production technologies, and by improving basic rural infrastructure at the village level to solve some of the more critical constraints faced by the rural population in these uplands regions.

More specifically, the objectives would be achieved through: (a) improvements in the capacity of the public sector (NAFRI's research centers and seed multiplication stations) to produce larger quantities of high quality crop and forage seed (breeder, foundation and registered seed) of

varieties selected in collaboration with the farmers; (b) demonstration of the benefits of using improved inputs and cropping systems, followed by establishment of village scale seed production and multiplication units undertaken by the villages' farmers; (c) improvements to soil fertility and productivity through rotational cropping systems integrating tropical legumes, which would allow for increasing productivity of livestock and higher rice yields; (d) strengthening of farmers' organizations at village and Koumban level and the provision of sub-grants and technical assistance for improving community small infrastructure directly geared towards the improvement of agricultural livelihoods and food security (to be delivered through established community-driven development (CDD) participatory process under the ongoing PRF Project) ensuring gender and ethnic group inclusion.

The project will be executed by the Ministry of Agriculture and Forestry (MAF) and coordinated by the Department of Planning (DoP) of MAF. Actual implementation of the project activities will be carried out by relevant MAF agencies, as well as by the Poverty Reduction Fund.

2.5.2. Japanese Social Fund

The World Bank and PRF continued working on the design of a new Livelihood component to be piloted in two provinces next year (Huaphanh and Savannakhet). The proposal, which was submitted to the Japanese Social Fund by the World Bank (new Livelihood component to be piloted in two provinces), was positively appraised but PRF and the World Bank were requested to conduct additional community consultation in order to clarify communities' actual needs in terms of livelihood supports and to further design the nutrition component. Consultants were recruited by the World Bank to that effect and the consultation in the field started at the end of September. The new proposal has been submitted to the JSDF and the PRF is waiting for the approval.

2.5.3. SDC Contribution

An in-principle agreement was reached between SDC, the Lao Government and the PRF management team regarding SDC contribution to PRF activities for the additional period (2009-2011) and SDC agreed to increase its contribution compared to what was originally discussed in 2008.

2.5.4. Cooperation with other line Ministries

During the reporting period, the PRF National team met with the staff of the Ministry of Public Works and Transportation to discuss possible interaction and cooperation to ensure an integration of PRF supported subprojects in the planning activities of this Ministry in the area of Koumban development.

2.6. NLBRDPA and Scale-up to a National Project.

Refer to the decree of the Prime Minister on the appointment of the National Leading Board for Rural Development and Poverty Alleviation (NLBRDPA) No.60/PM dated 24 January 2007, the overall role of the NLBRDPA is to serve the Government and the Prime Minister in the rural development and poverty alleviation mission in almost every dimension. One of its main roles is to act as a focal point for the cooperation between all the stakeholders involved in rural development and poverty alleviation, increase the capacity and support both central and local concerned organizations to be able to implement the effective rural development and poverty alleviation activities.

First Quarter

6 additional members of the National Administrative Board involved in rural development and poverty alleviation were appointed (Decree No.031/PM dated 05 February 2009) to be member of the NLBRDPA. (See 2.4.2. PRF Administrative Board Meeting)

Second Quarter

The PRF National team has cooperated with the NLBRDPA in the organization of a meeting to discuss the future of rural development and poverty alleviation strategy in the country and the role of the Poverty Reduction Fund in this strategy. During this meeting, it was agreed to work towards the upgrade of PRF as a National Rural Development and Poverty Alleviation Program. The participants also agreed upon the need to create a task force to explore ways to harmonize participatory planning at village and koumban level.

Third Quarter

The creation of the task force for the harmonization of the local participatory planning was approved by the decree No.082/NLBRDPA dated 22 July 2009 and was followed by the first meeting of the task force on the 14th August 2009. The objective of the task force work plan is to draft a single manual on participatory planning at local levels to be endorsed by all stakeholders, based on best practices and experiences shared by the members of the taskforce. Moreover, a two-day workshop was held on 9-10 September 2009 to discuss the work plan for the completion of the harmonization process.

Fourth Quarter

Based on the objective of promoting the PRF to become a National Program, both the World Bank and SDC expressed their interest in supporting and /or commenting on the work of the task force if requested. Additionally, the PRF is required to provide its donors with the roadmap of the mission which clearly defined the work plan to be able to provide such assistance. The task

force committee is expected to be appointed and endorsed before the 14th Administrative Board Meeting in January 2010.

3. Specific Activities in Each Unit

2.3. Community Development Unit

- This reporting period confirmed that the existing Feedback and Conflict Resolution mechanism is not functioning as not a single case was reported during the period. An assessment of the situation was made by the Head of the CD Unit with the implementation of two field visits in Savannakhet (May) and Xieng Khouang (July). The findings showed that most district committees have not started to meet. It was also raised to the team that a lot of ethnic people would rather be able to provide feedbacks orally. The recommendation of the CD team is to redesign totally the feedback and conflict resolution mechanism and to rely much more on information collected during informal discussions and focus groups rather than using written notes. Support from the donors to benefit from experience gained in other countries will be requested during the next supervision visit so that a new system can be proposed during the first half of 2010.
- A district coordination meeting on rural development and poverty alleviation was held to improve the coordination between the different actors on the field and to promote a harmonized approach to rural development;
- Two workshops were organized in Luang Namtha from 6-10 January 2009 and in Saravanh from 17-20 February 2009 to develop strategies to raise awareness at village and koumban level on the “contribution of education to alleviate poverty”;
- A meeting between PRF and the Department of Local Administration of PACSA (Public Administration and Civil Service Authority) were organized on 26 January 2009 and March 2009. The purpose of the meetings was to discuss the potential involvement of PRF in the design of a new training curriculum for village and koumban authorities. Once the new curriculum development is completed, the training will take place at koumban level in the middle of Cycle VII;
- Based on the suggestion and agreement between the World Bank, SDC and the PRF about the work plan of IEC activities, the concerned team has finalized and implemented a 4-month work plan (May-September 2009);
- A provincial meeting was organized to improve the coordination of rural development in targeted districts of four provinces (Luang Namtha, Houaphanh, Xiengkhouang and Champasack).
- A training of trainers took place in Taoy and Samoy districts (Saravanh province). The purpose of the training was to improve the literacy rate of koumban committee members and village headman.

- A coordination meeting was organized in Saravanh and Champasack between 11 and 24 September 2009 to exchange experiences on the training of subprojects implementation.

2.4. Monitoring and Evaluation Unit

- The human resource and financial database were designed and created including template and reporting system, report viewer and system testing to ensure data accuracy;
- Koumban representatives and koumban team reporting template were created which allowed the PRF to keep a track of the number of koumban teams;
- The PRF Management Information System (MIS) was fully upgraded and implemented in 7 provinces;
- Design and implementation of an internal review of subprojects' sustainability in three targeted provinces. 70 subprojects (supported in Cycle I and Cycle II) were evaluated. The findings are quite positive regarding the sustainability of the infrastructures implemented through the PRF as 86% of the infrastructure visited is considered to be very well maintained and still in good condition. The maintenance has been conducted by an operation and maintenance committee that look after those subprojects. Moreover, this assessment shows that the villages which have a high community participation in subproject maintenance leads to a good condition of subprojects supported by the PRF during cycle I and cycle II;
- From 24-26 November 2009, training on the use of new updated database was held in Vientiane. The new updated database consists of three main functions: MIS, Human Resource Database, and Financial Administrative Database. All M&E team at national and provincial offices attended this training and are now able to use the database;
- Development of regular reports of the PRF activities for the GoL, donors, and other concerned organizations.

2.5. Technical Assistance Unit

- The PRF Technical Advisors and staff from the concerned ministries at provincial and district levels jointly conducted the quality control and monitoring visits of the all subprojects implemented in six provinces as to ensure high quality of the subprojects implemented before handover to villagers. The team found that most subprojects complied with PRF standard design and the standard of the line ministries;
- All sectors at district level were invited to participate in the survey and design of all PRF subprojects in their respective ministries;
- PRF invited the Ministry of Energy and Mines, the Department of Electricity Rural Electrification Division and the Off-Grid Project Management Unit (PMU) to assist the PRF team in the survey and design of the subprojects in Sekong province.

2.6. Financial and Administration Unit

3.4.1. Finance

- A supervision missions in 5 provincial offices for the Internal Audit period April-September 2008 were conducted;
- Financial Audit Report from PriceWaterHouse Coopers had been submitted to the World Bank;
- SDC staff joined an internal supervision visit at provincial level and received a full briefing on how subproject financial disbursement were processed by PRF;
- The FA organized a mission in Luang Namtha province for the Internal Audit period of October 2008 to March 2009;
- The Ministry of Finance has conducted the procurement process related to the PRF financial unit for the fiscal year 2008/2009.

Table 14: PRF's Expenditure by category (IDA budget)

	Category	01/01/2009 to 31/12/2009	From cycle I to 31/12/2009
1	Sub-Grant	4,410,697.61	21,197,092.10
2	Consultant's Service	1,022,962.88	4,304,459.60
3	Goods	470,365.07	985,220.69
4	Work	48,643.37	113,540.25
5	Incremental Operation Costs	822,425.43	2,618,925.12
7	Training	102,765.06	370,935.17
	Total	6,877,859.42	29,590,172.93

Source: Finance and Administration Unit

Table 15: PRF's Expenditure by category (IDA + GoL budget)

	Category	01/01/2009 to 31/12/2009	From cycle I to 31/12/2009
1	Sub-Grant	4,410,697.61	21,214,716.05
2	Consultant's Service	1,022,962.88	4,419,188.90
3	Goods	470,365.07	987,502.89
4	Work	48,643.37	119,951.94
5	Incremental Operation Costs	822,425.43	2,663,009.07
7	Training	102,765.06	373,835.17
	Total	6,877,859.42	29,778,204.02

Source: Finance and Administration Unit

During the reporting period (January- December 2009), the PRF expended approximately US\$7 million to support its activities.

3.4.2. Procurement

- An updated of the Procurement Plan (including Sekong) and the recruitment of consultants were sent to the World Bank;
- Two training sessions on the use of ‘GRASP and GEAR’ Engineering Software and on Computer Assisted Design took place in Vientiane from 23 February-01 March and 02-08 March 2009. The former training was attended by the technical staff from Luang Namtha, Xiengkhouang and Savannakhet; the latter one involved the technical staff from Houaphanh, Saravanh and Champasack.

3.4.3. Human Resources

- A training on “Efficient Community Development” took place during 12-13 July 2009 for the provincial and district Community Development staff;
- A meeting related to the Capacity Building and Revision the implementation of Cycle VI was held in Vientiane on 14-16 July 2009. The objective of the meeting was to review the implementation of Cycle VI as to improve and address challenges faced to ensure better work efficiency for the next cycles. The attendees from every level used this opportunity to share experiences and lessons learned to improve subprojects implementation.
- A training on the procurement procedures was held from 8-9 October 2009 in Champasack and 12-13 October 2009 in Luang Namtha. The purpose of the training was to strengthen and enhance the knowledge of procurement procedures of the Provincial Coordinators, District Coordinators and Provincial Procurement Officers;
- A training on the operation and management of the PRF MIS was held in Vientiane on 24-26 November 2009. 13 PRF staffs (Monitoring and Evaluation unit) from central and provincial offices were attended;
- The training on subprojects financial management for koumban representatives was held in Luang Namtha and Sekong provinces to ensure their understanding about the financial processes before implementing the subproject payment.
- By the end of December 2009, the total number of PRF staff reached 184 people. This increase is related to the expanding activities of the PRF to Sekong province where 16 staff were recruited. Females represented 26% of the total staff. This percentage is almost consistent with the 2008 reporting period (27%).

Table 16: PRF staff at National, Provincial and District Levels (by the end of 2009)

Level	Men	Women	Total staff	% of women	% by level
National level	23	10	33	30%	18%
Provincial level	45	17	62	27%	34%
District level	69	20	89	22%	48%

Total	137	47	184		
Percentage by gender	74%	26%	100%		

Source: Finance and Administration Unit

- The PRF staff turnover rate has decreased by more than half compared to the same period in 2008 (2.17% in 2009 compared to 5%, 2008). In 2009, three PRF staff moved to the government sector while one national staff decided to work for another project where more competitive salary and benefits were offered.

4. Evaluation of Cycle VI Achievement

4.1. Difficulties faced

In 2009, the PRF faced some difficulties during subproject implementation. The main issue was related to the Ketsana typhoon (September and beginning of October 2009). Ketsana left huge damages to the subprojects that PRF had supported in the southern part of Laos. In order to rehabilitate the infrastructure, an additional budget would be required.

In some areas, relocation of villages occurred; this had distracted the progress of the subprojects implemented.

The staff turnover is somehow a burden for the continuous implementation of the project since it needs time for the new staff to feel comfortable with the PRF approach, process and procedures.

The majority of the PRF's activities are located in the remote area where transportation is a constraint, resulting in the over budget expending and time consuming.

Communities sometimes failed to carry out their commitment to implement the subprojects which caused delay in the completion of some subprojects.

4.2. Strong points

The guidance and direction from the PRF Administrative Board is a key factor for the success of the PRF.

The outcomes of the PRF's implementation can be achieved in a short period of time compared to its large scale coverage.

There is a strong support from the communities and the local authorities on the PRF's activities. Consequently the subprojects implementation progressed well. Therefore, it is always important to maintain continuous supporting of all activities performed under the PRF.

There is a positive perspective towards the PRF's activities since concrete advantages are experienced from the subprojects implemented. Consequently, communities have expressed their enthusiasm in providing support to the PRF's activities.

The cooperation from concerned organizations is another key factor that contributes to the success of the subprojects supported by the PRF. From the beginning of the activities, the PRF has received good cooperation from its partners involved in rural development and continues to focus on maintaining good relations with them.

4.3. Weaknesses

The subprojects implementation in Sekong province (new targeted province) was relatively slow compare to other provinces during the same cycle. While every province finished its District Decision Meeting at the beginning of November 2009, Sekong province completed his District decision Meeting in December 2009.

The quality of the construction is sometimes not at the level expected, partly because of the limited budget and short time for implementation.

There are sometimes only few females represented in the meetings. Our assumption is that they do not see the advantages to be part of the participation process. It could be also related to local behaviors in some areas where it is considered that it is not female's role or responsibility to participate in such meeting.

4.4. Challenges

There is an extensive demand from the community while the capacity to answer all the expectations is limited.

The high quality of the subproject implemented is one of the targets of the PRF. Therefore, the ability to maintain and increase their standing while the time and budget for the implementation are limited is one of the challenges for the PRF and its team.

4.5. Lesson Learnt

The findings of the assessment conducted for the Cycle I and Cycle II shows that the subprojects implemented in the area where there is a strong involvement and cooperation of the local community, the infrastructures are usually well maintained after subproject completion. Then, sustainability relies on the capacity of the local organizations to operate and maintain the rural infrastructures supported by the PRF.

In order to effectively reduce poverty and to reach the objectives of the PRF, the subprojects must cater to the specific needs and priorities identified by the beneficiaries. The successful

sustainability of many sub-projects depends on raising awareness, good design and implementation, and a high level of participation to develop a sense of ownership.

5. Launching of the Cycle VII

5.1. Main changes to the PRF operations for the Cycle VII

Revision of village poverty classification

The PRF met some targeting issues in the new province of Luang Namtha during the Cycle VI that lead to the implementation of several subprojects in better-off villages which should not have been eligible for infrastructures subprojects. The Data used by PRF to target the benefiting villages in this province could not be collected by PRF (Village profiles) because the staff was only recruited at the end of the planning process. Therefore, PRF had to rely on data provided by provincial authorities to define villages' poverty grading which underestimated the level of existing infrastructures. To strengthen PRF pro-poor targeting process, the donors and PRF has adopted a new system to ensure that a minimum of 66% of the infrastructure subprojects (and of 50% of the budget) are allocated to the poorest villages (Poverty Grading 0-2). This system has been implemented from Cycle VII onwards. As a positive result, for the cycle VII, the total number subprojects implemented in the poorest villages (Grading 0-2) reach 86% compare to 47% of the total of the subprojects implemented in the poorest village in the cycle VI.

District budget allocation threshold

During the preparation of Cycle VII District Budget Allocation, an agreement was reached between PRF management and donors that the District Budget Allocations should be adjusted to ensure that they reach a minimum of US\$ 200,000 per year in order to fund a minimum of 10 infrastructures per district and that PRF human and physical resources deployed in the district are use efficiently. The additional budget needed to increase the budget allocations of these districts should be deducted from all other districts proportionally to their original District Budget Allocation so as to take into account the district population, its villages' poverty level as well as the budget balance of the last Cycle.

Integration of PRF planning process into MPI planning

In order to ensure that priorities selected by villagers during the PRF planning process can be integrated within MPI District plans and approved by the National Assembly before the beginning of subprojects' implementation, PRF has adapted its project cycle timeframe.

From Cycle VIII, the planning will take place between October (VP collection and VNPA) and April (District Decision Meeting). PRF priorities will be integrated into MPI District Plans and validated by the National Assembly before the end of September. Implementation will then start in October (beginning of the Lao fiscal year).

5.2. PRF Coverage and Allocation in Cycle VII

For the cycle VII, 463 subprojects have been selected for implementation. 277 subprojects (60%) concerned rural infrastructures while 186 (40%) belong to Training and Capacity Building activities. The subprojects located in poor villages (PG 0-2) reach 85% of the total of the subprojects selected and 86% of the budget allocation.

58.13 billion kip have been allocated for the subprojects implementation. 51.92 billion kip (88.92%) was from the PRF's budget and the rest 6.44 billion kip (11.08%) came from the community contribution.

The community contribution is diverse from province to province depending on the availability and accessibility of resources in each area; moreover, it also depends on the technical knowledge of the community where the rural infrastructures are implemented.

Table 17: Number of Subprojects and Budget Allocation Cycle VII

Province	# of subproject		Total SP	Budget Allocation		Community Contribution	Total Budget
	INFRA	Training		Infrastructure	Training		
Luang Namtha	40	35	75	5,296,742,712	581,257,203	960,492,684	6,838,492,599
Houaphanh	86	51	137	12,972,823,143	1,119,582,700	1,646,268,183	15,738,674,026
Xiengkhouang	34	19	53	6,882,975,203	357,807,000	1,170,028,650	8,410,810,853
Savannakhet	53	20	73	9,756,240,255	413,521,843	659,184,684	10,828,946,782
Saravanh	18	18	36	3,684,451,925	374,969,480	323,880,881	4,383,302,286
Champasack	23	21	44	5,633,289,525	574,961,141	756,267,362	6,964,518,028
Sekong	23	22	45	3,731,759,646	312,420,002	922,952,014	4,967,131,662
Total	277	186	463	47,958,282,409	3,734,519,369	6,439,074,458	58,131,876,236

Source: Monitoring and Evaluation Unit

5.3. Subprojects Implementation, Cycle VII

As of December 2009, 64 subprojects have started to be implemented. 3 subprojects have a completion above 50% and the rest are under 50% of completion. All inactive subprojects are under preparation and will be implemented in 2010. All progress will be detailed in the next reports.

6. Planning for Cycle VIII

The planning of Cycle VIII activities started in November 2009 with the collection of Village Profiles, the facilitation of Village Needs Priority Assessment (VNPA) and of Koumban Prioritization meetings.

To align the work plan of the PRF with the Government's plan; the PRF has adjust and set its activities schedule to be implemented earlier than previous cycles. As a consequence, the PRF

will also be able to properly allocate its budget to be aligned with the government's socio-economic development plan as to avoid the redundant work plan and budget allocation. The gap between the preparation and implementation stage will be allocated to trainings in order to strengthen the capacity of the local authorities and the community.

ANNEXES

Annex 1: Poverty situation in Lao PDR

Based on the current situation of the socio-economic development of Lao PDR, the country is one of the Least Developed Countries and is considered by the international community to be one of the poorest country in the world. Although, there are signs those poverty levels are falling, poverty remains widespread throughout the country, which cause many households unable to meet daily food requirements and satisfy basic needs of human. Poverty particular widespread in rural areas, especially among ethnic groups inhabiting remote areas, the uneducated and female household members thus the proportion of people moves from rural areas to city is strongly increasing.

Poverty can have different meanings and can be understood in different ways. As reference for sectors and local authorities, the Government has adapted an initial definition and indicators of poverty (to be applied until further changes). Such indicators are average indicators to be used as reference in each province, district and village in surveying and assessing poverty at the household, village and district levels, for purpose of planning gradual poverty eradication in their areas of responsibility.

NGPES which is one of the government organizations to deal with the poverty situation, it is a result of the preparation of the poverty eradication strategy that started in 1996 when the 6th Party Congress defined the long-term development objective as freeing the country from the status of least-developed country (LDC) by 2020.

According to the NGPES report, Rural Development is central to the Government's poverty eradication efforts as rural poverty is of prime concern and a community-based approach to its eradication is essential. To ensure that economic growth and modernization benefits poor, 47 districts have been selected for priority investments over the period to 2005.

In the Lao PDR, rural poverty is directly linked to access to resources and to the availability of social services. Resource access includes availability and tenure of land, forest and non-forest timber resources, livestock security, and access to agricultural inputs (credit and irrigation services) and markets. Needed social services include education and health services, clean water with the sanitation service.

Based on the poverty analysis, the Government's rural development strategy addresses essential development constraints, including:

- Inadequate infrastructure.
- Limited and poorly developed human resources.
- Poor health conditions.
- Inadequate potable water and facilities.
- Poor agricultural support and delivery services.

- Limited access to inputs and markets.
- Lack of medium and short term credit.

In addressing these constraints, the Government is encouraging and facilitating a strong community-based approach. Planning therefore involves a highly participatory process. As indicated by the poverty analysis, the Government's main task is to enhance the conditions that enable people to take charge of their destinies. The Government's rural development strategy has thus two major components: **improving access to essential factors of development**, and a **comprehensive, poverty-focused planning process** at the district level to ensure that all initiatives are mutually self-supporting and complementary.

Improving access essentially means improving people's access to:

- Production inputs and sustainable natural resource management technologies ('supply-side').
- National and regional markets through physical (roads and trade facilitation) and institutional linkages ('demand-side').
- Human resource and community institutional development.
- Social services development.
- Rural finance mobilization.

There are close interrelationships among these five factors or *pillars*. Human resource and community institutional development, social service development and the mobilisation of rural finance are preconditions, or catalysts, for successful initiatives on the supply and demand side. Furthermore, food insecurity must be addressed as a first priority, especially for the 47 poorest districts. Without food security for themselves, households have neither the time nor the inclination to engage in activities leading to longer-term improvement of their livelihoods. This concern will be addressed through the comprehensive district development planning system, which, together with improved accessibility, is at the core of the Government's rural development strategy.

The district focus for rural development presents a challenge of great complexity. Most importantly, real resources will be transferred to the districts², to give meaning to empowerment. In addition to improved rural credit services, the Government strongly endorses the establishment of funds for community development. The establishment of the Poverty Reduction Fund (PRF-Decree PM/073) in May 2002 is designed to effectively and efficiently deliver resources to poor villages. The PRF is expected to enable poor communities to assess their own needs and priorities and to determine how best to use resources to maximise social and economic development on a sustainable basis.

² For FY 2003-2004, 40 billion kip will be channeled directly to the 47 districts through local funds.

One new approach for social economic development is the development through the community participation as the Community Driven Development (CDD), being one of the government strategies as to achieve the national development goal as well as the poverty eradication program. The meaning of Community Driven Approach Development is broadly defined - is an approach that gives control over planning decisions and investment resources to community groups and local governments. The operation system of CDD programs bases on the principles of local empowerment, participatory governance, demand-responsiveness, administrative autonomy, greater downward accountability, and enhanced local capacity this is the key of the social development at grassroots level and rural development. Based the experience has shown that given clear rules of the game, access to information and appropriate capacity and financial support, poor men and women also the ethnic minority can effectively organize in order to identify community priorities and address local problems, by working in partnership with local governments and other supportive institutions. The purpose of CDD approaches are to:

- improve the understanding of community driven development approaches and their role in poverty reduction;
- improve the overall quality of lending programs using community driven techniques;
- Find ways to effectively scale-up community driven activities in the client countries.

For Lao PDR, Community Driven Development (CDD) is a new and promising way of improving welfare and service delivery in traditionally underserved rural. Community driven development projects seek to reduce poverty by empowering communities to assess and provide for their own needs through community participation and decentralized decision-making. To achieve this goal, CDD projects support local infrastructure, service, and livelihood programs. In addition to being one of the most cost effective ways to respond to communities' infrastructure needs, community-driven approaches have proven, among others, to increase school enrollment, access to clean water, and the use of latrine; improve health outcomes; and reinforce social capital(World Bank, 2008).

One more organization of government is the National Leading Committee for the Rural Development and Poverty Eradication (NLCRDPE) which is established in January 2007 as the degree No.60/PM. The role and functions of this program are to:

- Assist the government in coordinating with line ministries and provinces and supervising on the rural development and poverty eradication issues in national wide;
- Formulate RDPE policy guidance, strategic action plans and development projects, and then submitting to Ministry of Planning and Investment (MPI) for consideration and integration in the National Plan;
- Facilitate, monitor, and evaluate of the RDPE projects in national wide;

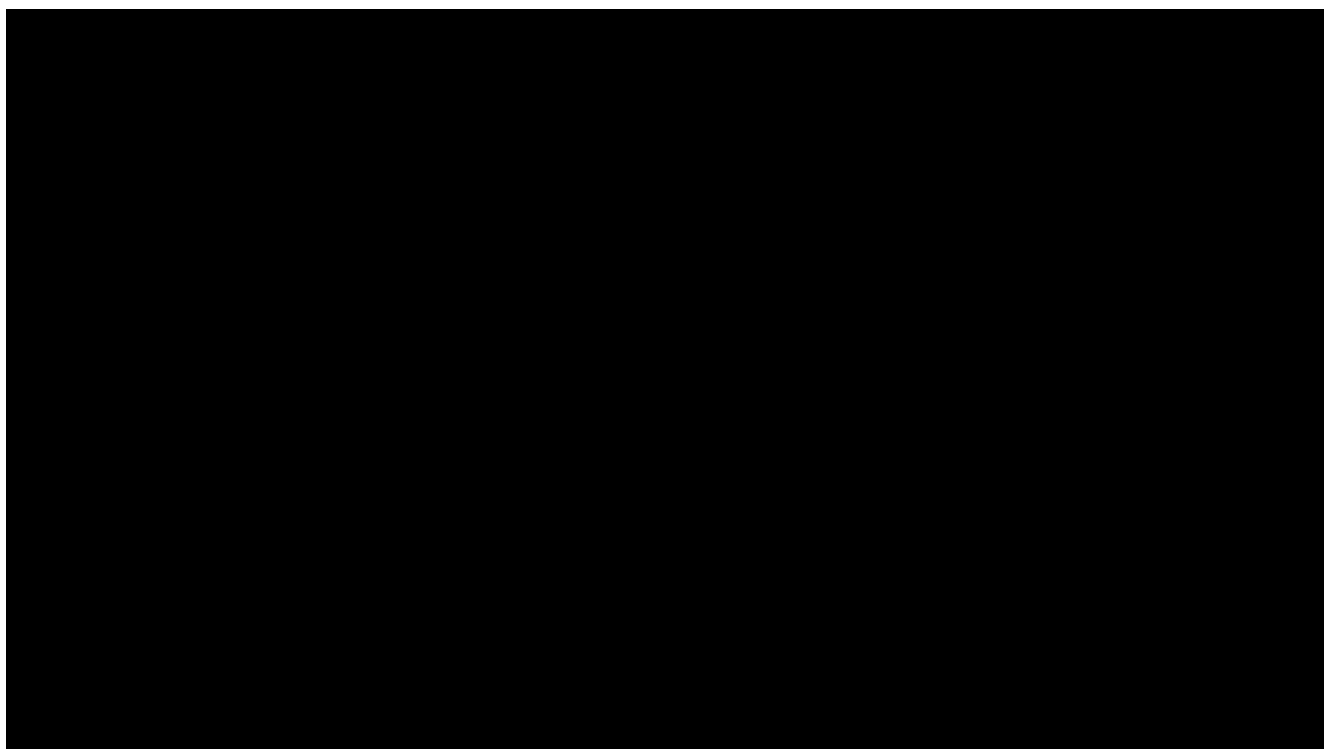
- Coordinate with international organizations, financial institutions and NGOs to monitor the mobilization of finance support and technical assistances for the rural development and poverty reduction projects and activities in rural areas;
- Draft possible incentive policies for attracting the foreign and domestic investment funds supporting the RDPE program and projects in poor rural areas;
- Monitor the rural development projects for instance stop shifting cultivation projects, the poverty reduction fund, the village development fund and others;
- Provide training for rural development officers in nationwide in order to enhance their capacity on the RDPE issues;
- Report periodically to the Prime Minister the progress of RDPE program and projects nationwide

Poverty Reduction Fund Project (PRF) is one of the organization to serve as the CDD projects and it is a part of NLCRDPE since this organization was established in 2007, PRF aims to assist villagers in developing community infrastructure and gaining improved access to service; built capacity and empower poor villages in poor districts to identify needs, and 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, kouban, and district levels.

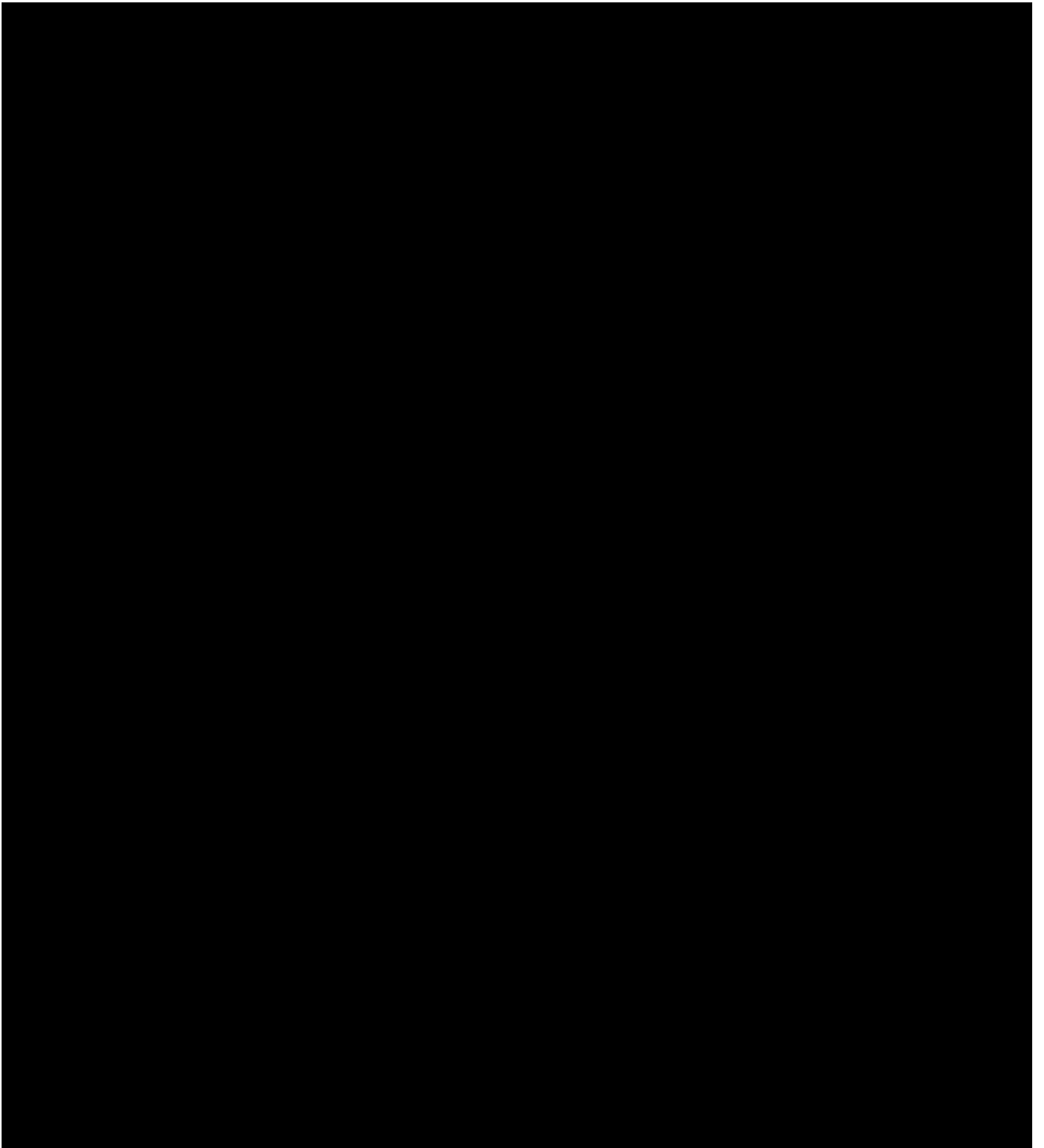
Annex 2: Overview of Project Coverage from Cycle I-VII (2003-2010)

	Cycle I	Cycle II	Cycle III	Cycle IV	Cycle V	Cycle VI	Cycle VII
	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Provinces	3	3	5	5	5	6	7
Districts	10	14	20	21	21	19	21
Khet/Koumban	121	188	239	252	161	195	214
Villages	913	1,412	1,913	1,880	1,268	1,458	1,567
Poor villages	666	1,089	1,464	1,499	985	994	1,194
% Poor villages	73%	77%	77%	80%	78%	68%	76%

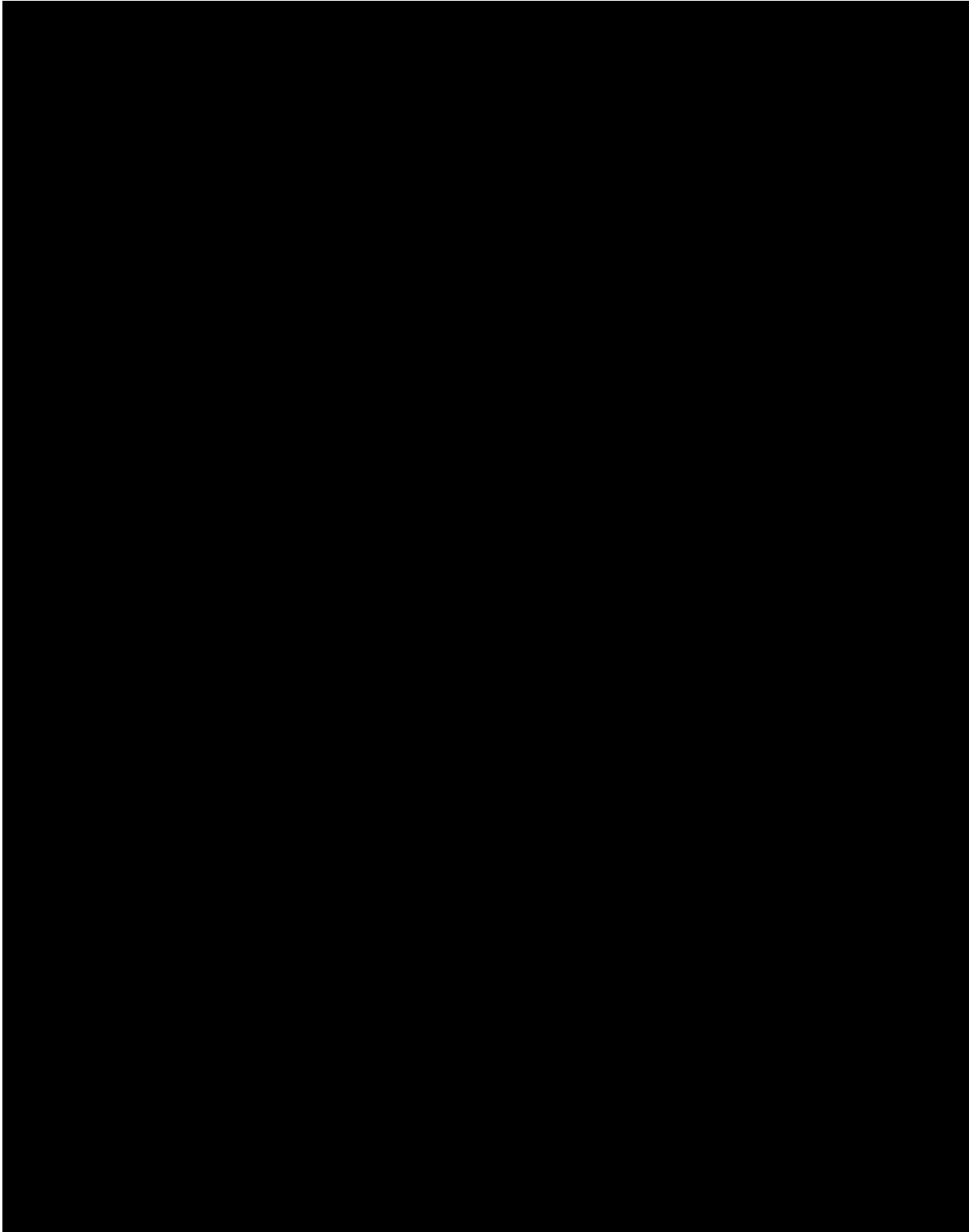
Annex 3: Number of villages per poverty grading by province and district Cycle VI



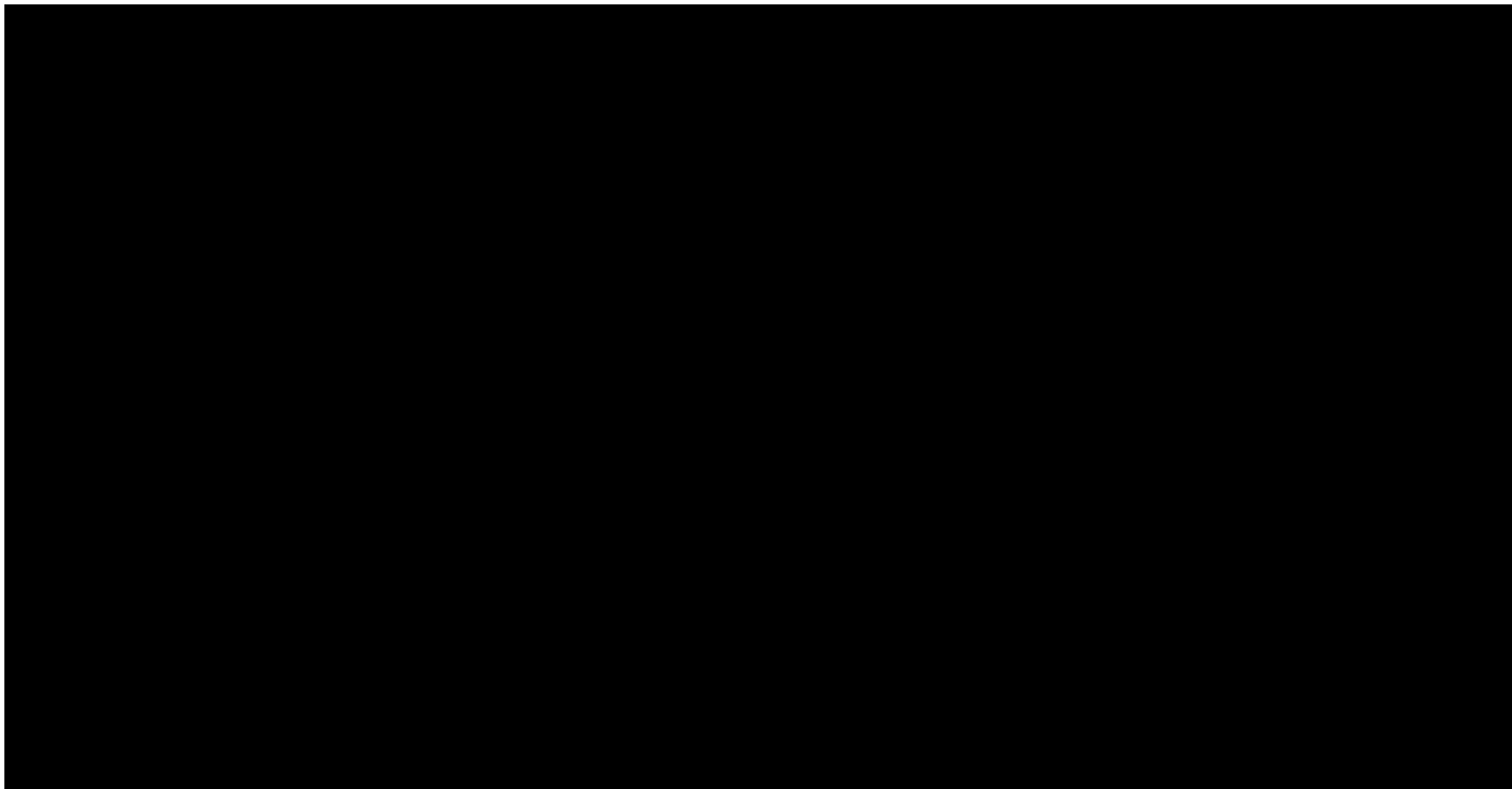
Annex 4: Number of Subproject Approved by Villages' Poverty Grading Cycle VI

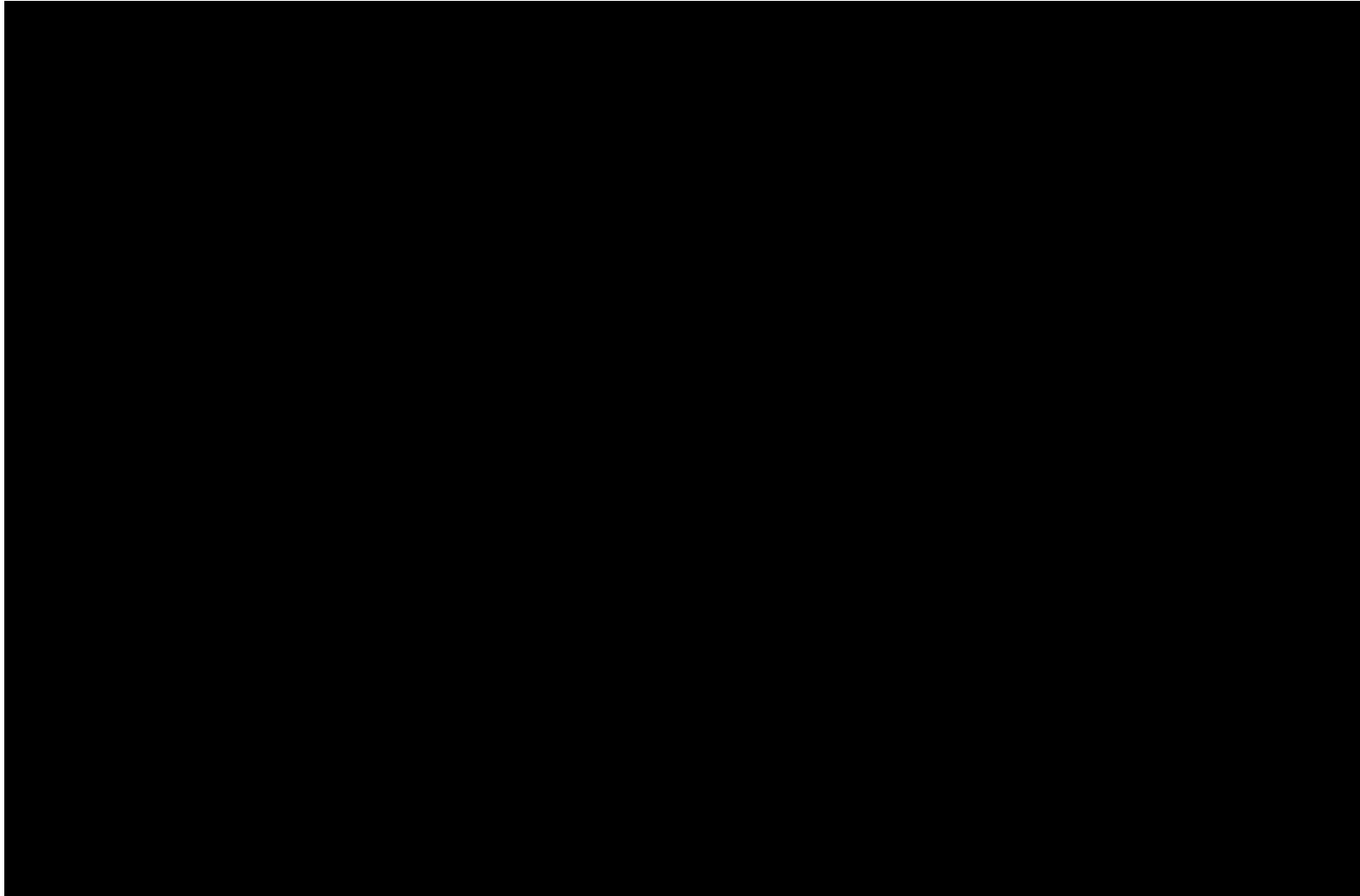


Annex 5: Number of Infrastructure subprojects per ethnicity Cycle VI



Annex 6: Village and People Beneficiaries. Project Year 2008-2009 Cycle VI_ All Provinces





Annex 7: Details of Village Relocations Cycle VI

Province	Total # of villages	Number of affected villages since previous cycle VP collection (Between Cycle V and Cycle VI)				
		Physical Relocation	Administrative Only	Temporary Migration	Total	%
Luang Namtha	187	5	4	0	9	5%
Houaphanh	484	20	1	0	21	4%
Xiengkhuang	226	3	0	0	3	1%
Savannakhet	347	9	47	0	56	16%
Saravanhe	113	0	0	0	0	0%
Champasack	101	0	21	3	24	24%
Total	1,458	37	73	3	113	8%

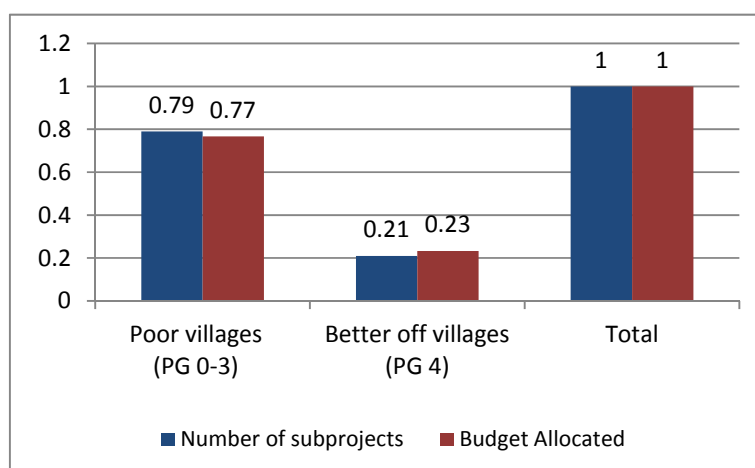
Province	Total # of Sub-projects	Number of Subprojects implemented (cycle VI) in relocated villages				
		Physical Relocation	Administrative Only	Temporary Migration	Total	%
Luang Namtha	38	1	2	0	3	8%
Houaphanh	71	1	0	0	1	1%
Xiengkhuang	27	0	0	0	0	0%
Savannakhet	45	3	7	0	10	22%
Saravanhe	20	0	0	0	0	0%
Champasack	22	0	1	0	1	5%
Total	223	5	10	0	15	7%

Province	Total # of villages	Number of villages planning to move in the coming 12 months (Between Cycle VI and VII)				
		Physical Relocation	Administrative Only	Temporary Migration	Total	%
Luang Namtha	187	0	0	0	0	0%
Houaphanh	484				0	0%
Xiengkhuang	226	2			2	1%
Savannakhet	347	4			4	1%
Saravanhe	113				0	0%
Champasack	101				0	0%
Total	1,458	6	0	0	6	0%

Annex 8: Budget and Number of Subprojects benefiting poor and Better-off villages (Cycle VI)

Provinces/districts	Budget to Poor villages (PG 0-3)	Budget to better off villages (PG 4)	Total
Luang Namtha	350,308	437,771	788,079
Long	136,818	190,439	327,257
Nalae	184,419	65,689	250,109
Viengphouka	29,071	181,643	210,714
Houaphanh	910,046	204,024	1,114,070
Huameaung	135,558	51,806	187,364
Viengthong	193,148	7,353	200,501
Viengxay	83,802	42,400	126,202
Xiengkhor	126,316	39,338	165,654
Xamtay	371,222	63,127	434,349
Xiengkhuang	495,765	100,994	596,760
Khoun	141,928	28,468	170,396
Nonghad	191,683	72,526	264,210
Thathome	162,154	0	162,154
Savannakhet	943,157	90,212	1,033,369
Sepone	210,427	90,212	300,639
Vilabury	224,818	0	224,818
Nong	255,790	0	255,790
Phin	252,123	0	252,123
Saravanh	354,473	102,023	456,496
Ta oiy	149,777	94,143	243,920
Samouy	204,695	7,880	212,576
Champasack	237,538	64,121	301,659
Bachieng	141,320	22,965	164,285
Sukuma	96,218	41,156	137,374
Total	3,291,287	999,145	4,290,432
Percentage	77%	23%	100%

	Poor villages (PG 0-3)	Better off villages (PG 4)	Total
Number of subprojects	79%	21%	100%
Budget Allocated	77%	23%	100%



Annex 9: The Number of communities attended in the O&M training Cycle VI

No.	Description	Participants	
		Total	Women
Houaphanh		6,684	2,647
1	Education Sector	1,298	471
2	Health Sector	3,233	1,363
3	Agriculture and Forestry Sector	285	105
4	Public Work and Transportation Sector	1,868	708
Xiengkhuang		1,844	612
1	Education Sector	376	145
2	Health Sector	1,036	269
3	Agriculture and Forestry Sector	76	37
4	Public Work and Transportation Sector	356	161
Luang Namtha		2,562	1,123
1	Education Sector	638	257
2	Health Sector	974	437
3	Agriculture and Forestry Sector	0	0
4	Public Work and Transportation Sector	950	429
Savannakhet		4,505	1,728
1	Education Sector	1,428	565
2	Health Sector	1,623	627
3	Agriculture and Forestry Sector	0	0
4	Public Work and Transportation Sector	1,454	536
Saravanh		251	101
1	Education Sector	87	31
2	Health Sector	53	25
3	Agriculture and Forestry Sector	0	0

4	Public Work and Transportation Sector	111	45
	Champassak	407	279
1	Education Sector	281	197
2	Health Sector	85	55
3	Agriculture and Forestry Sector	0	0
4	Public Work and Transportation Sector	41	27
	Total	16,253	6,490

Annex 10: Number of sub-project proposals submitted and approved by gender Cycle VI

Provinces/districts	Approved infrastructure subprojects	Approved infrastructure subprojects coming from women list (VNPA)	%	Approved Training subprojects	Approved Training subprojects coming from women list (VNPA)	%
Luang Namtha	38	35	92%	27	23	85%
Long	13	12	92%	9	8	89%
Nalae	14	13	93%	11	9	82%
Viengphoukha	11	10	91%	7	6	86%
Houaphanhh	71	66	93%	20	18	90%
Xiengkhor	12	10	83%	5	5	100%
Viengxay	11	11	100%	4	4	100%
Xamtay	24	24	100%	4	3	75%
Huameaung	12	11	92%	4	3	75%
Viengthong	12	10	83%	3	3	100%
Xiengkhuang	27	25	93%	17	15	88%
Khoun	11	11	100%	7	6	86%
Nonghed	10	8	80%	7	7	100%
Tha thome	6	6	100%	3	2	67%
Savannakhet	45	44	98%	26	17	65%
Sepone	14	13	93%	9	8	89%
Nong	7	7	100%	3	2	67%
Vilabury	11	11	100%	7	3	43%
Phin	13	13	100%	7	4	57%
Saravanhh	20	16	80%	16	13	81%
Ta oy	11	8	73%	8	5	63%
Samoy	9	8	89%	8	8	100%
Champasack	22	20	91%	26	20	77%
Bachieng	9	9	100%	14	11	79%
Sukuma	13	11	85%	12	9	75%
Total	223	206	92%	132	106	80%

Annex 11: Sub-projects matching priority needs expressed by communities during VNPA Cycle I-VII

Subproject coming from priorities expressed at:	Cycle I		Cycle II		Cycle III		Cycle IV		Cycle V		Cycle VI		Cycle VII		Total	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
Community Level	212	85%	307	71%	359	67%	340	62%	233	76%	308	87%	400	86%	2159	75%
Koumban Level	23	9%	85	20%	46	9%	30	5%	9	3%	41	12%	57	12%	291	10%
District Level	13	5%	39	9%	128	24%	178	32%	65	21%	6	2%	6	1%	435	15%
Total	248		431		533		548		307		355		463		2,885	

Note: All subprojects were selected from VNPA level; however, some subprojects priorities were changed during Koumban and district meetings (expressed in percentage in the table above). The main reasons behind this change are implementation issue, budget constraint, or other agencies support.

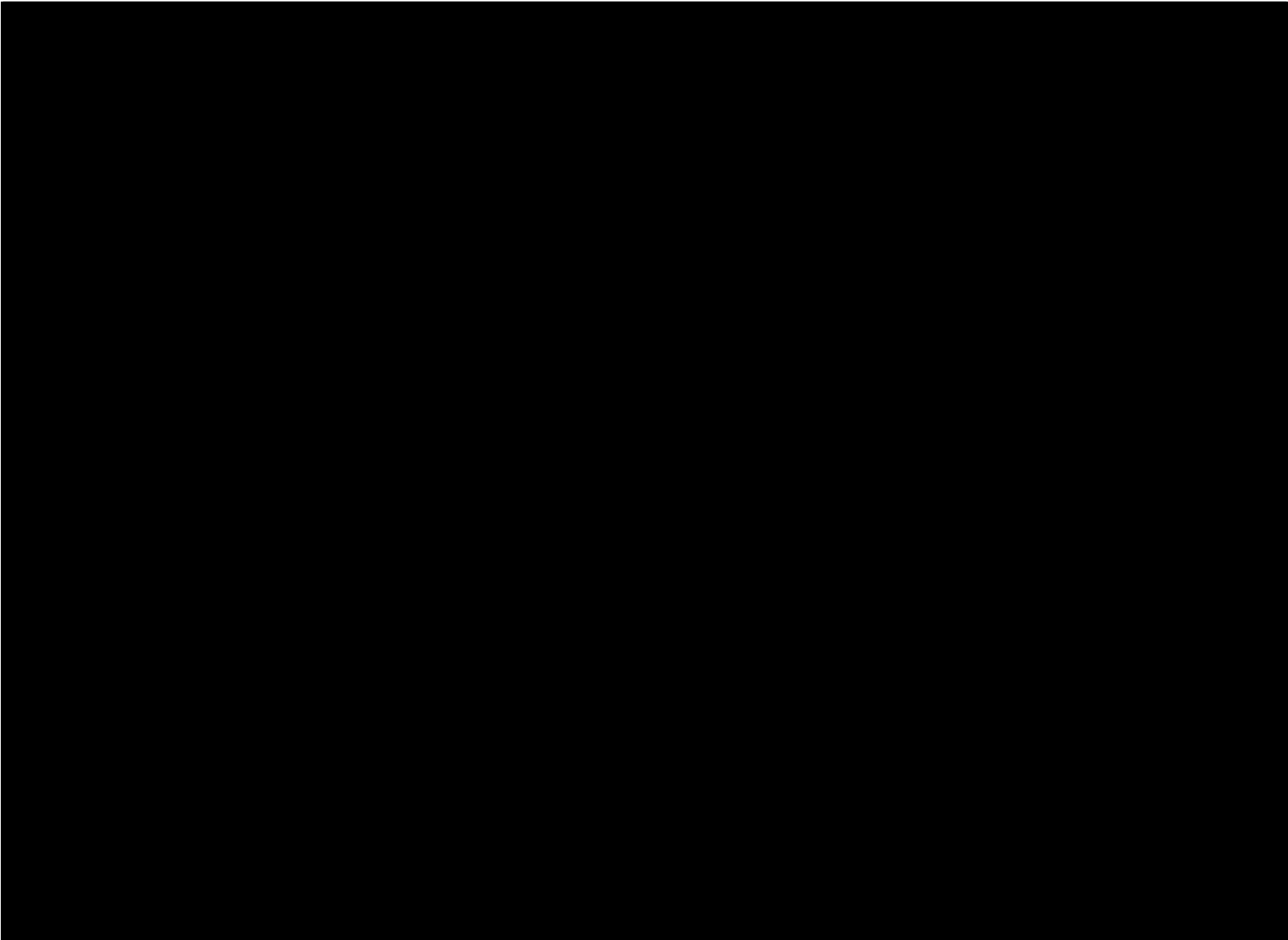
Annex 12: Subprojects approved at District Level (which do not match priorities selected during VNPAAs)

Provinces/districts	Type of Subproject	Koumban name	Village Name and Location	PRF Budget
Champasack				7,759
Bachiang	Irrigation Survey	II	Pha Lai	1,305
Sukuma	Education Equipment	II	Sam Lieng	6,455
Grand Total				7,759

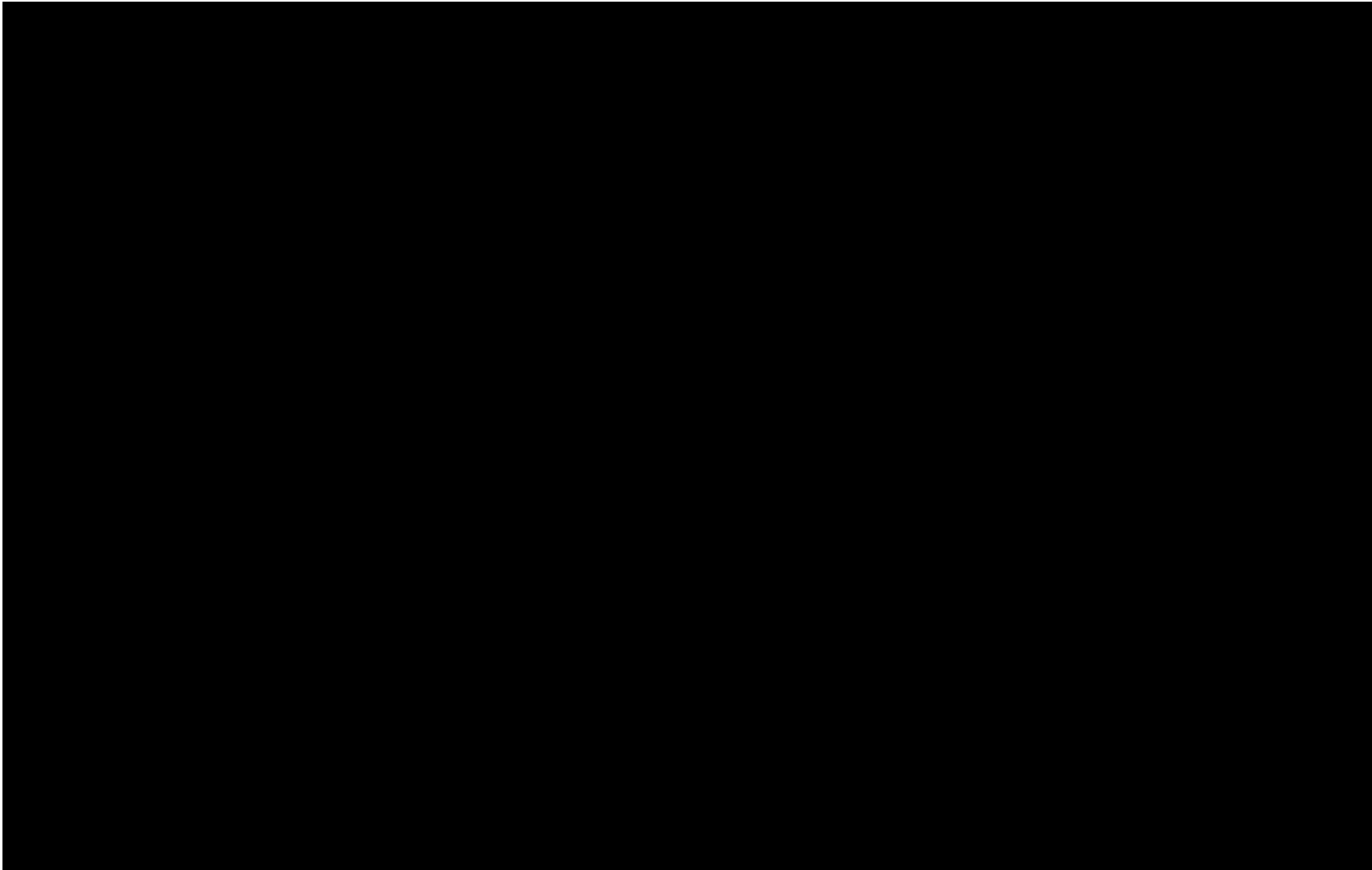
Subprojects approved at Koumban Level (which do not match priorities selected during VNPAAs)

Provinces/districts	Type of Subproject	Koumban name	Village Name and Location	PRF Budget
Champasack				29,132
Bachiang	Upper-Secondary School Construction	II	Nong Bok Nhai	16,325
Bachiang	Education Equipment	II	Sam Lieng	6,455
Sukuma	Drill well	II	Tha Luang	6,352
Grand Total				29,132

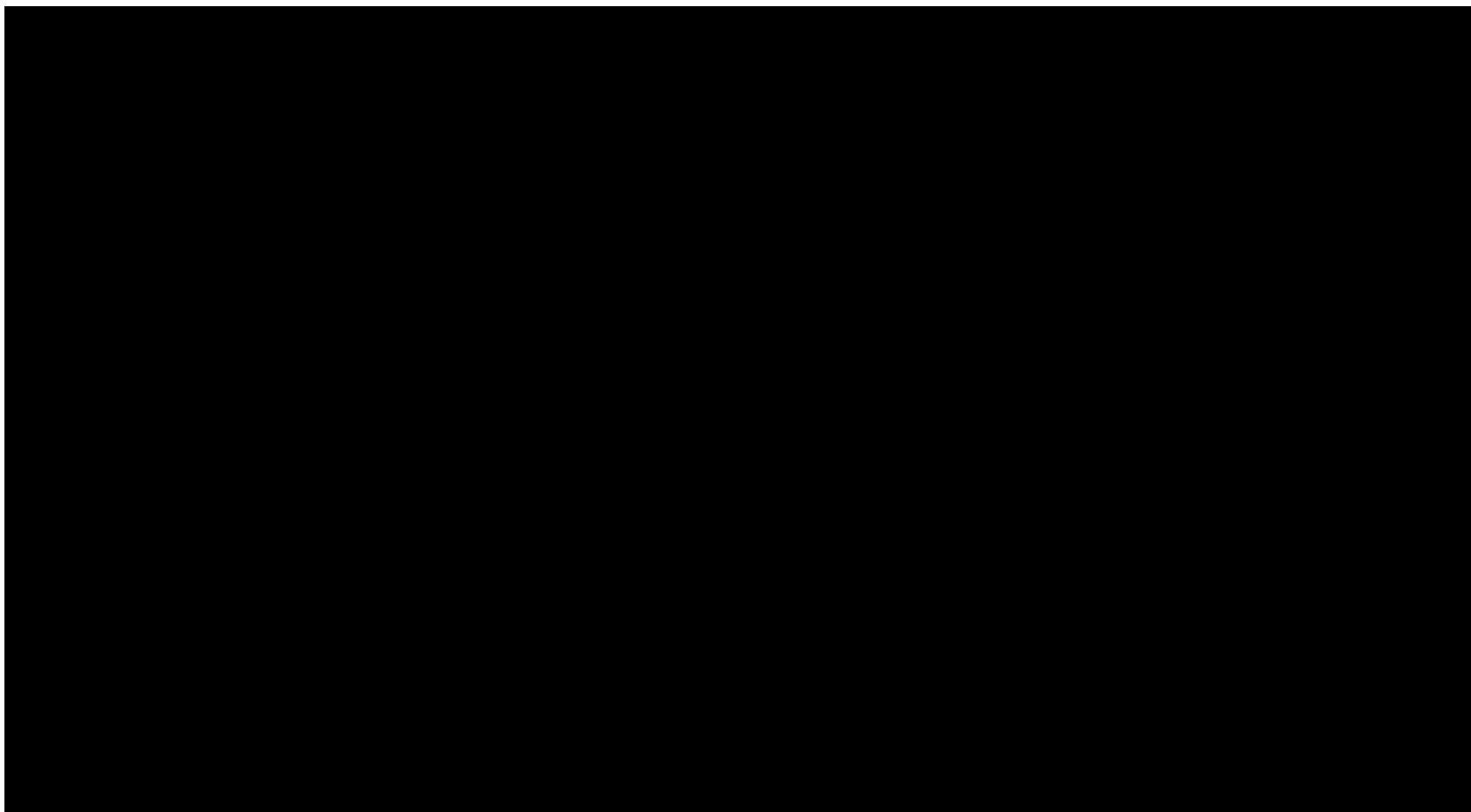
Annex 13: Number of subprojects and budget per sector and per province - Cycle I-VII (2003-2010)



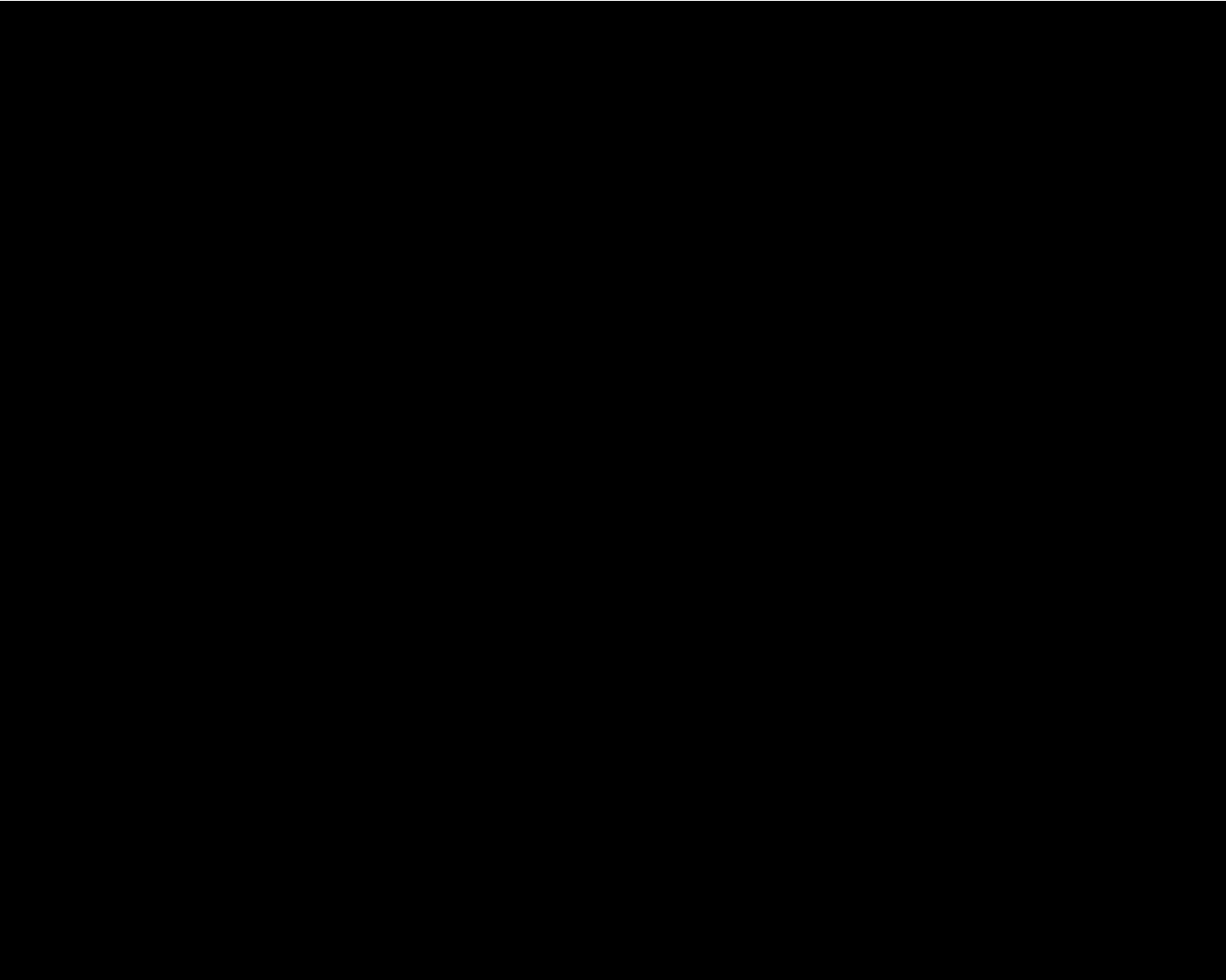
Annex 14: Community Contribution Budget by sector and by province - Cycle I-VII (2003-2010)



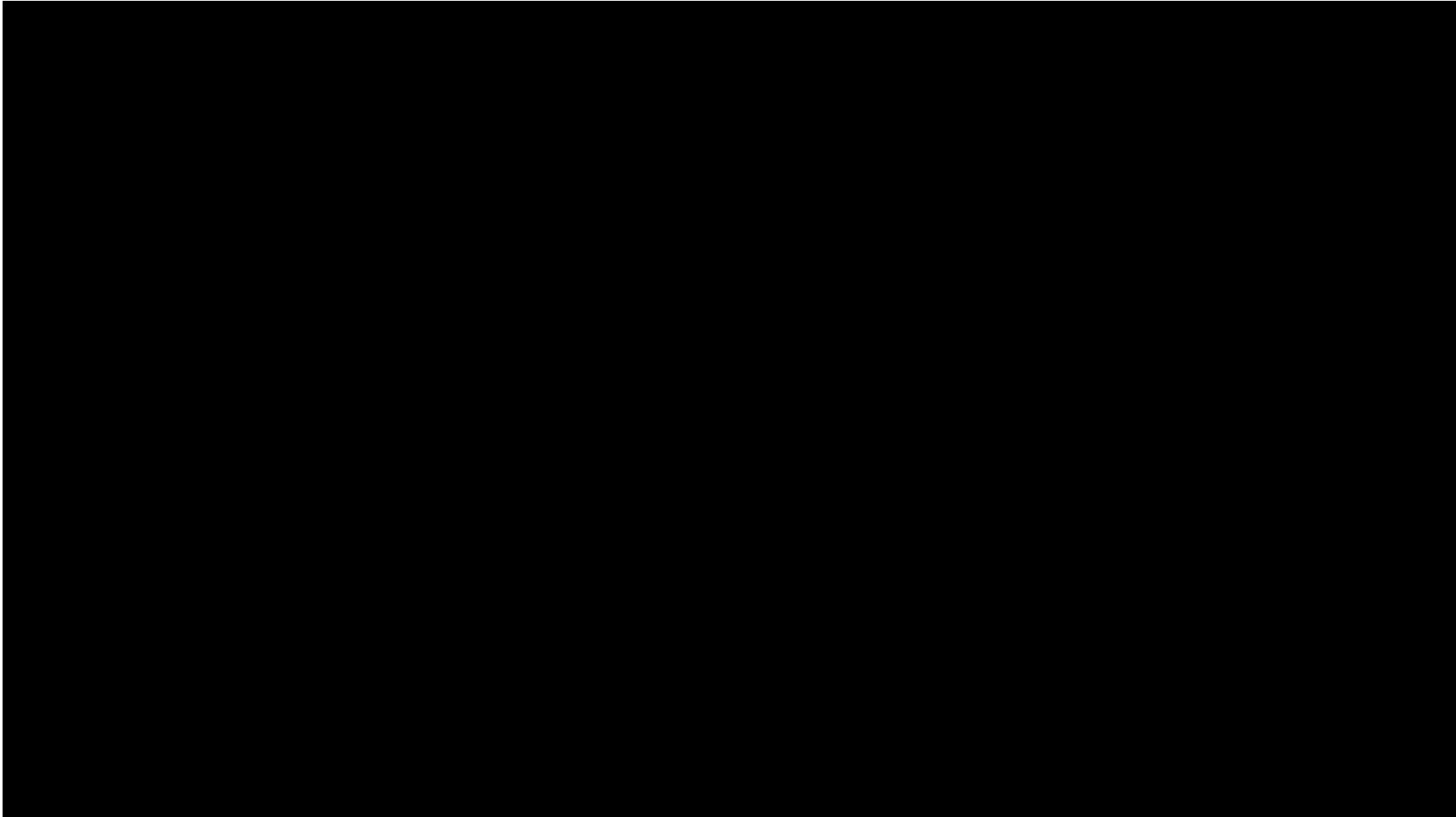
Annex 15: Subprojects implementation status as of 31 December 2009 Cycle I-VII



Annex 16: Output of the Implementation Cycle I – VII

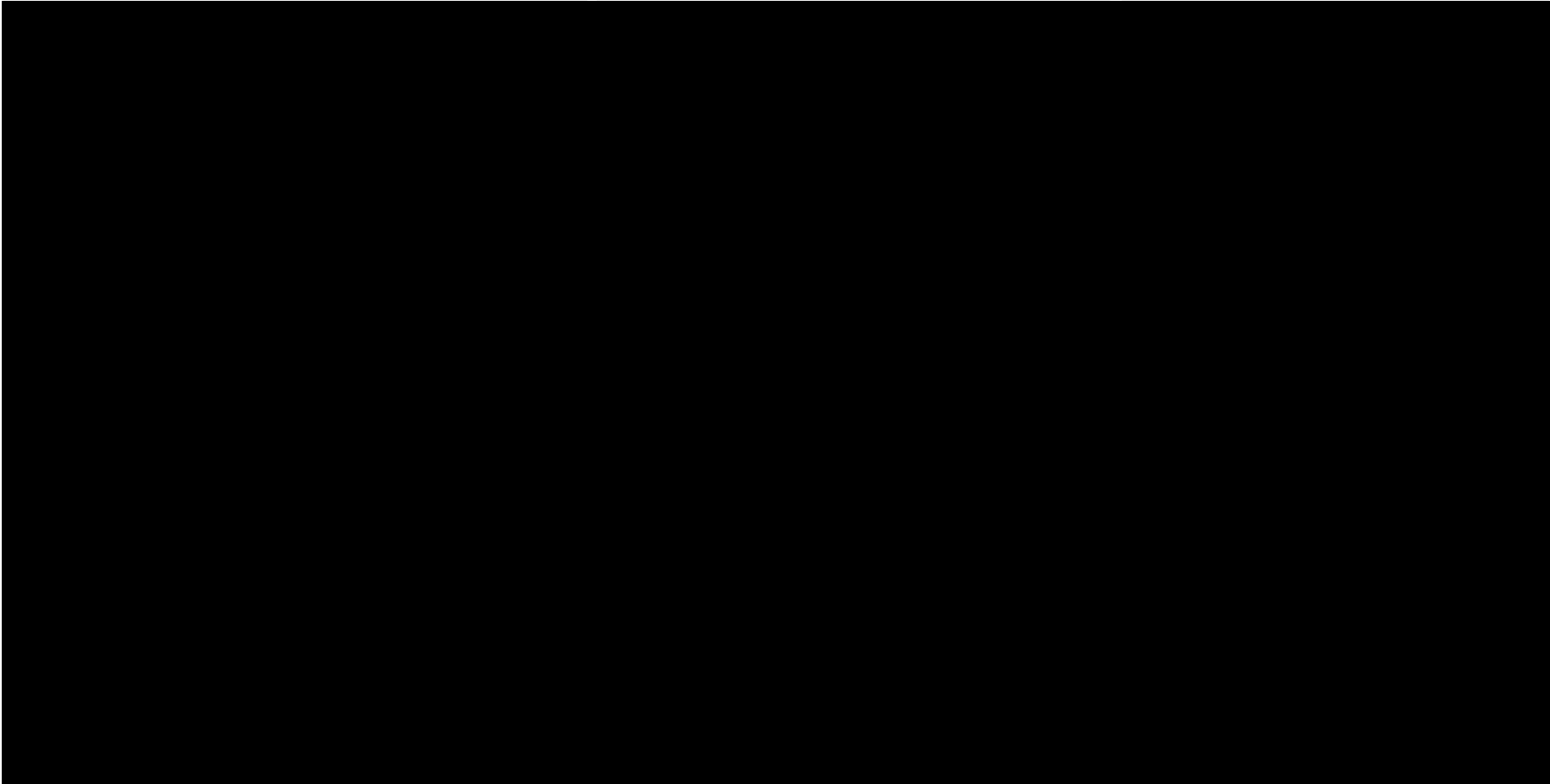


Annex 17: Attendance to Trainings organized by PRF

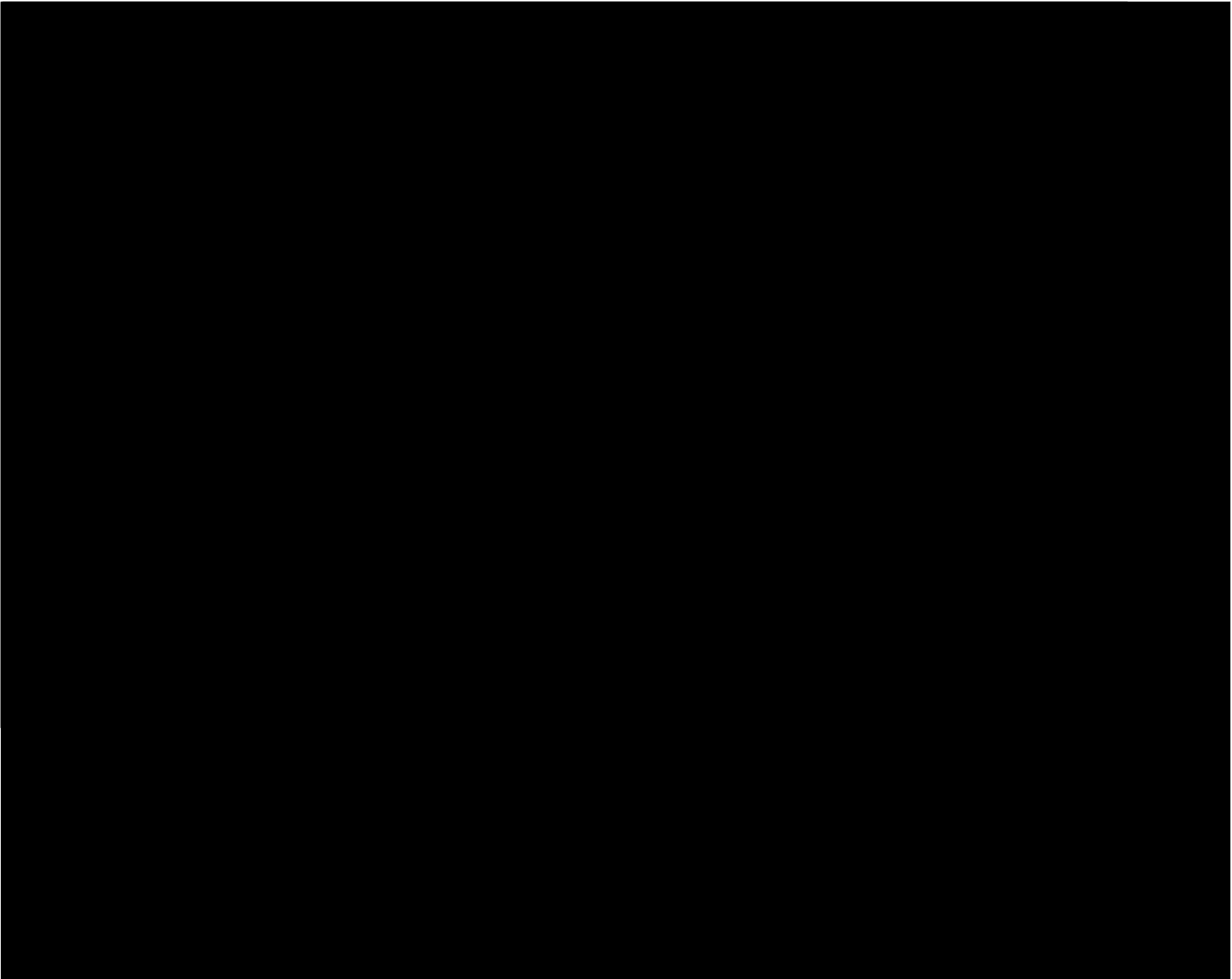


Provinces/districts	Training on new VP, VNPA, and KSPPO (Cycle VII)					
	PRF Staff	GoL Staff	Total	Female	% female	Non Lao-Tai
Luang Namtha						
Viengphoukah	4	2	6	1	17%	2
Long Nalae	20	13	33	5	15%	24
	5	1	6	1	17%	4
Houaphanh						
Xiengkhor	3	0	3	1	33%	1
Viengxay	5	7	12	2	17%	0
Huamueang	4	0	4	2	50%	0
Xamtay	5	0	5	1	20%	0
Viengthong	4	0	4	1	25%	0
Xiengkhuang						
Thathome	4	0	4	1	25%	1
Khoune	4	0	4	1	25%	0
Nong Haet	25	12	37	7	19%	16
Savannakhet						
Sepone	30	19	49	6	12%	0
Nong Vilabouly	30	19	49	6	12%	0
Phine	113	33	146	10	7%	0
	34	19	54	10	19%	0
Champasack						
Bachiang	10	6	16	3	19%	0
Sukumma	10	8	18	3	17%	0
Saravanh						
Ta Oey	4	0	4	1	25%	1
Samouay	11	18	26	3	12%	7
Sekong						
Kaluem	10	10	21	3	14%	11
Dakchung	10	13	23	3	13%	13
Grand Total	345	180	524	71	14%	80

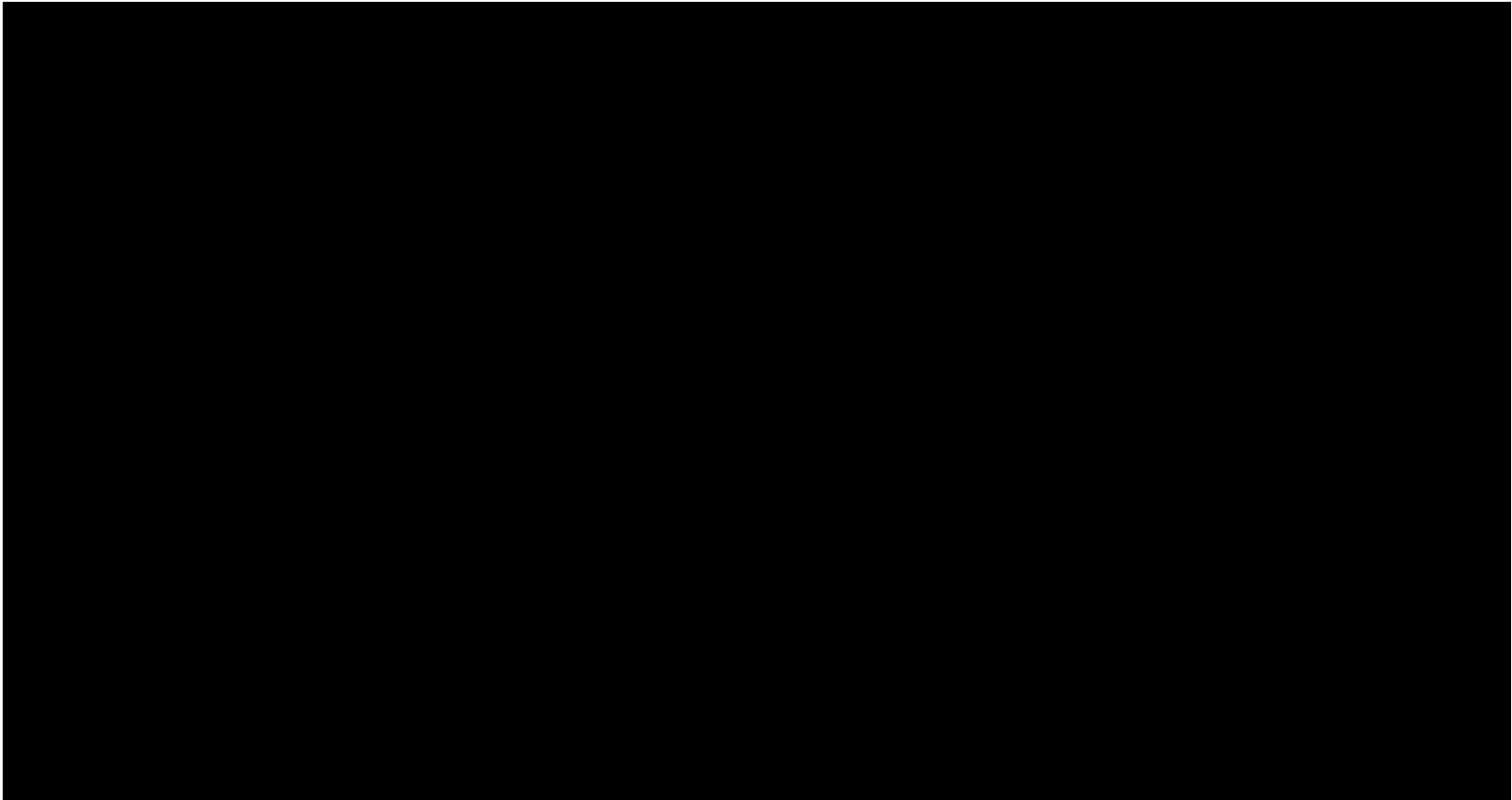
Annex 18: Attendance to Meetings organized by PRF



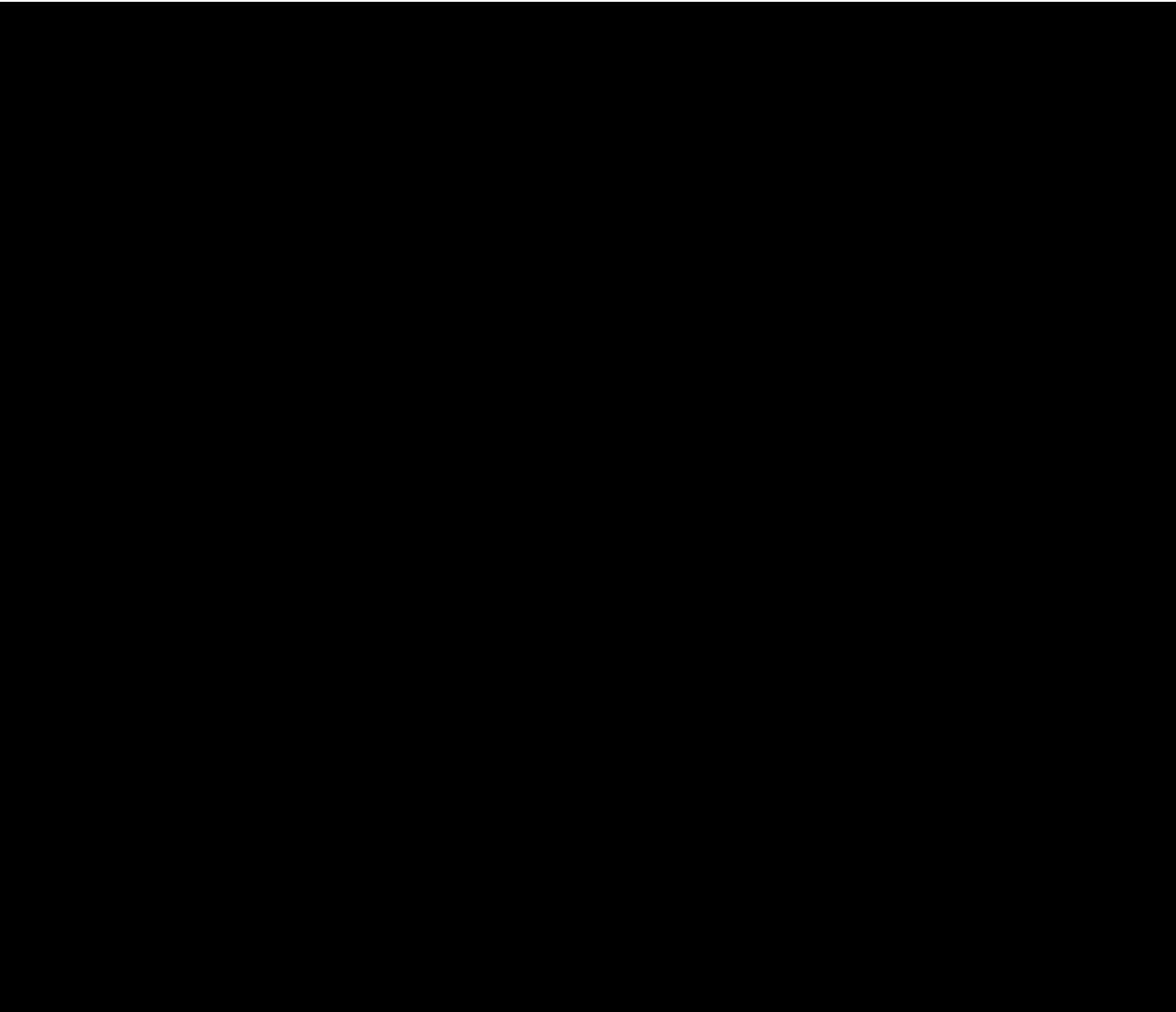
Annex 19: Budget transfers to PRF provincial bank accounts and to communities Koumban accounts (end of December 2009)



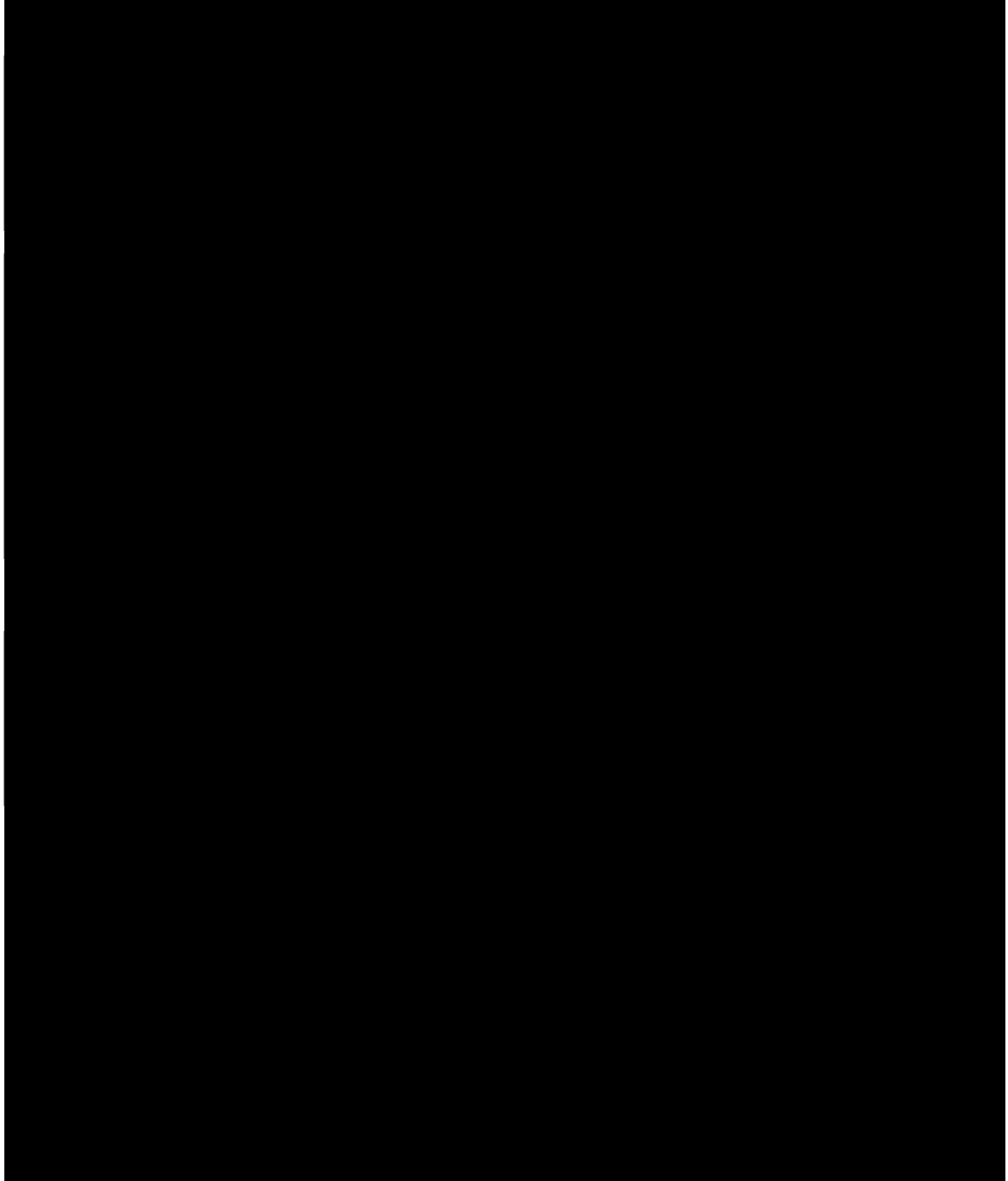
Annex 20: Local Institutions Capacity Building in 2009



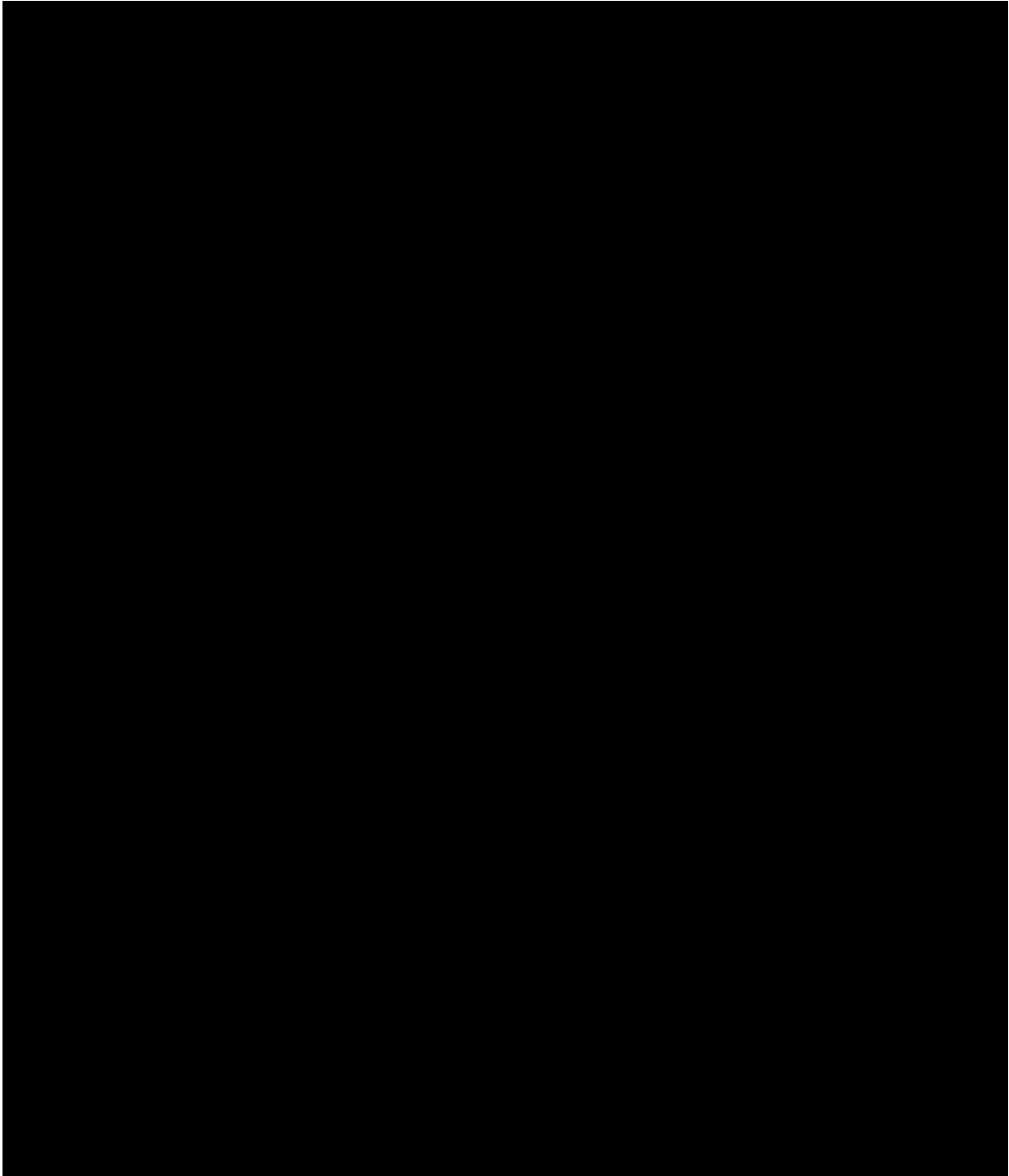
Annex 21: Koumban facilitators and Koumban Team Members Cycle VI - VII



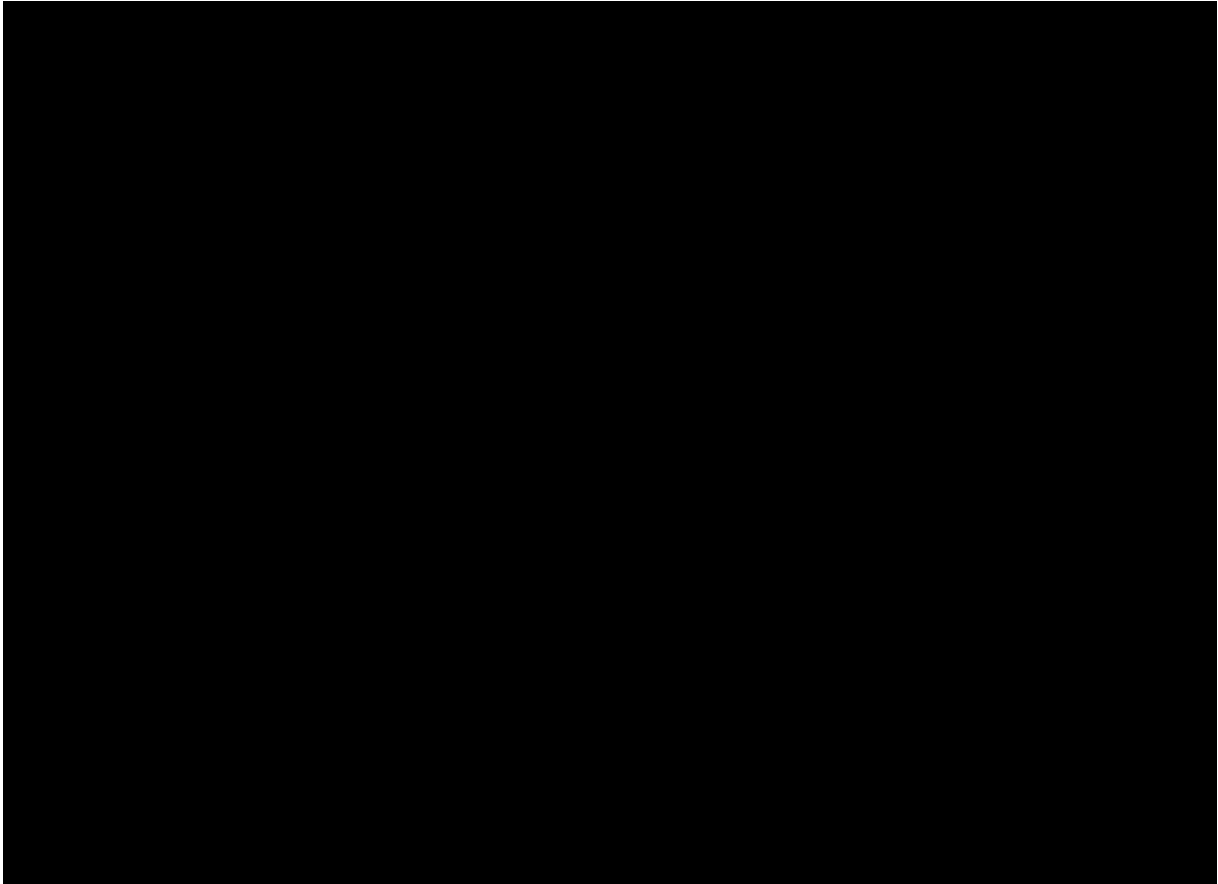
Annex 22: PRF staff at National, province, and district levels Cycle VI – VII



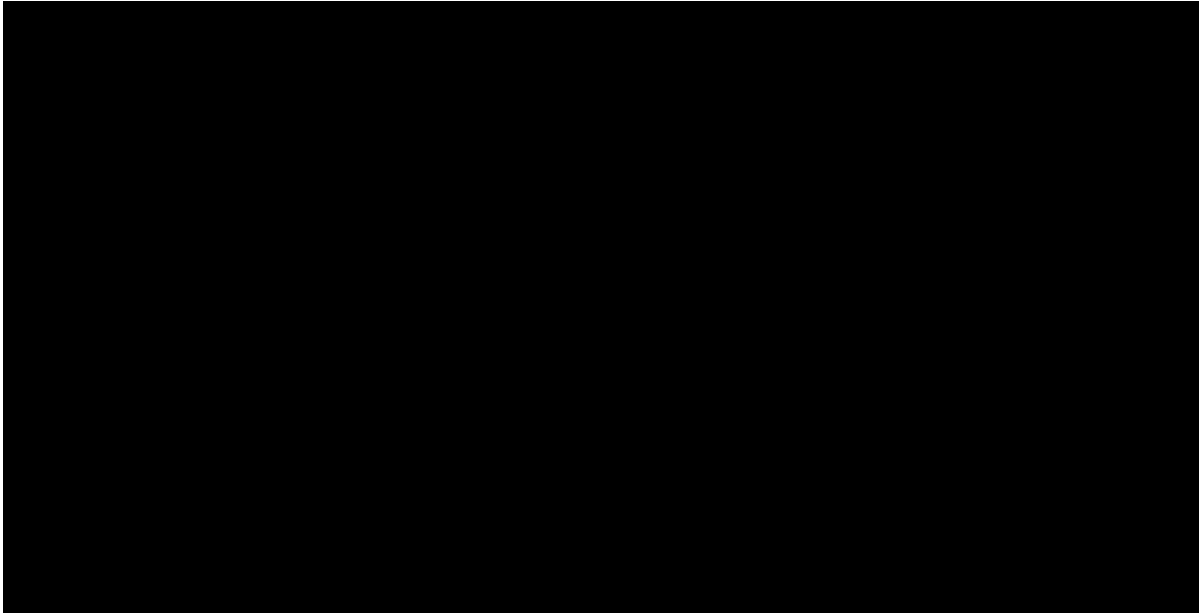
Annex 23: Numbers and percentage of PRF staff turnover during Jan-Dec 2009



Annex 24: PRF's Expenditures (US\$) 30/12/2009



Annex 25: Budget Plan per Category Cycle VI - Cycle VIII



Annex 26: Budget Forecasts 2008/2009 (US\$)

