



**STRENGTHENING CAPACITY AND SERVICE DELIVERY OF LOCAL ADMINISTRATIONS
(GPAR SCSD)**

**MPTF OFFICE GENERIC ANNUAL PROGRAMME¹ NARRATIVE PROGRESS REPORT
REPORTING PERIOD: 1 JANUARY – 31 DECEMBER 2014**

<p align="center">Programme Title & Project Number</p> <ul style="list-style-type: none"> Programme Title: Strengthening Capacity and Service Delivery of Local Administrations Programme Number: UNDP/00081322 MPTF Office Project Reference Number:³ 00083210 	<p align="center">Country, Locality(s), Priority Area(s) / Strategic Results²</p> <p>Lao PDR: Vientiane Capital and other 5 provinces</p> <hr/> <p><i>Priority area/ strategic results</i></p> <p>By 2015, the poor and vulnerable benefit from the improved delivery of public services, an effective protection of their rights and greater participation in transparent decision making</p>
<p align="center">Participating Organization(s)</p> <ul style="list-style-type: none"> Organizations that have received direct funding from the MPTF Office under this programme <p align="center"><i>UNCDF</i></p>	<p align="center">Implementing Partners</p> <ul style="list-style-type: none"> Ministry of Home Affairs (MoHA)
<p align="center">Programme/Project Cost (US\$)</p> <p>Total approved budget as per project document: \$12,568,000 MPTF /JP Contribution⁴:</p> <ul style="list-style-type: none"> • SDC \$ 4,000,000 • Govt of Luxemburg \$1,000,000 <p>Agency Contribution</p> <ul style="list-style-type: none"> • UNDP \$400,000 • UNCDF: \$1,300,000 	<p align="center">Programme Duration</p> <p>Overall Duration (<i>months</i>)</p> <p>Start Date⁵: (18.06.2012)</p>

¹ The term “programme” is used for programmes, joint programmes and projects.
² Strategic Results, as formulated in the Strategic UN Planning Framework (e.g. UNDAF) or project document;
³ The MPTF Office Project Reference Number is the same number as the one on the Notification message. It is also referred to as “Project ID” on the project’s factsheet page the [MPTF Office GATEWAY](#)
⁴ The MPTF or JP Contribution, refers to the amount transferred to the Participating UN Organizations, which is available on the [MPTF Office GATEWAY](#)
⁵ The start date is the date of the first transfer of the funds from the MPTF Office as Administrative Agent. Transfer date is available on the [MPTF Office GATEWAY](#)

Government Contribution:
\$702,000 (in-Kind)
Other Contributions (donors):
Republic of Korea: \$2,000,000
GEF: \$2,000,000 (Parallel)
Funding gap: 1,166,800

Original End Date⁶: 31.12.2015

Current End date⁷: 31.12.2015

Programme Assessment/Review/Mid-Term Eval.

Assessment/Review - if applicable *please attach*

Yes No Date: *dd.mm.yyyy*

Mid-Term Evaluation Report (*please find attached*)

X Yes No Date: Nov-Dec 2014

Report Submitted By

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- Participating Organization (Lead): UNDP
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⁶ As per approval of the original project document by the relevant decision-making body/Steering Committee.

⁷ If there has been an extension, then the revised, approved end date should be reflected here. If there has been no extension approved, then the current end date is the same as the original end date. The end date is the same as the operational closure date which is when all activities for which a Participating Organization is responsible under an approved MPTF / JP have been completed. As per the MOU, agencies are to notify the MPTF Office when a programme completes its operational activities.

NARRATIVE REPORT FORMAT

EXECUTIVE SUMMARY

The overall approach and design of the GPAR SCSD project is to strengthen the Government's own capacity to deliver better local services and therefore to help achieve the MDGs in a sustainable manner. During 2014 the capacity of local administration to deliver services that directly improve the lives of rural people was provided to 803 local officials (159 women) to plan, manage and provide local DDF service investments. The outcome of developing the capacity of local administrations in this manner is to accelerate the achievement of MDGs at the local level through investments and increased services provided in community and mother and child health, access to clean water, access to primary education, access to markets and public services through public works (road, bridges, community markets) and greater food security through support to agriculture services including crop irrigation.

The provision of MDG service through the GPAR SCSD project was in accordance with the annual planning and budget. The total value of these MDG service improvements is \$998,000 in FY 2013/14 and directly impact the lives of 140,088 households i.e. - 758,067 local citizens of whom 48% are female. Using existing district administration staff and DDF district block grants, 22 small scale district infrastructures (Capital expenditure) and 208 other service interventions ("OEBCG " - Non- Capital expenditure) were provided in 52 districts of Lao PDR. These were in locally-prioritised areas of Health, Education, Agriculture and Public Works and Transport (PWT).

I. Purpose

The overall objective of this project is increased capacity in the local administration, leading to better delivery of services which improve the lives of the poor, especially in rural areas of Lao PDR. This will be realized through two specific outcomes:

- Improved policies and capacities of local administrations to initiate, and monitor, locally prioritized MDG service delivery interventions, and
- Improved capacities of district administrations to finance and implement service infrastructure and delivery that lead to improved access to public services.

The strategy is to build around a series of interrelated outputs that take forward proven results and innovations to realize the overall outcome.

II. Results

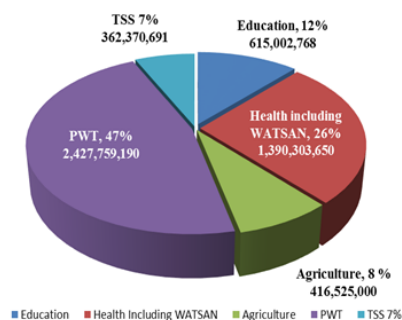
i) Narrative reporting on results:

From January to December 2014, respond to the guiding questions indicated below to provide a narrative summary of the results achieved. The aim here is to tell the **story of change** that your Programme has achieved in 2014. Make reference to the implementation mechanism utilized and key partnerships.

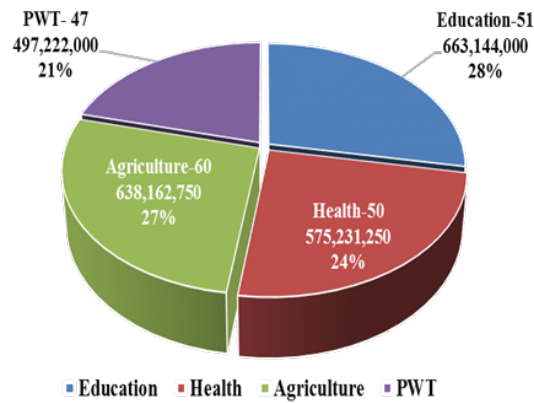
- **Outcomes:** By 2015, the poor and vulnerable benefit from the improved delivery of public services, an effective protection of their rights and greater participation in transparent decision making
- **Output 1: Support to develop policies & regulatory framework for more effective local administration at province and district level.**

- DDF-Sam Sang alignment review - National consultancy undertaken with object to compare and investigate how DDF modality might operationally align more closely with Sam Sang national pilot, including opportunities/options for co-funding of some district development infrastructure and service enhancements. The preliminary findings point to areas for potential closer integration of systems and procedures in budget allocation, financial management rules, procurement rules and project appraisal.
- On district budgeting, the review refers to the desire to enable 3 Sang districts to become a budget unit of province able to plan and implement budget in their own right and suggests that the DDF budget-allocation formula could use DDF model applied by the joint programme, pending the application of a national standard/budget norms. For project monitoring and appraisal, it is suggested that DDF could adopt some of existing government procedures such as PCAP3 planning procedures (e.g. Progression Report, Project Completion Report), while the DDF district performance assessment (PAM) criteria/standard of project appraisal verification could be usefully piloted in 3 builds district.
- **Output 2: Improved capacity of local administration to fulfill its service delivery mandates.**
 - Capacity of local administration was improved so as to deliver services to directly improve the lives of rural people, through technical support to 803 local officials (159 women) to plan, manage and provide local DDF service investments. Using existing district administration and staff, 22 small scale district infrastructures and 208 other service interventions were provided in 52 districts. These were in locally prioritised areas of Health, Education, Agriculture and Public Works.
- **Output 3: Improved MDG focused service delivery provided through formula base and equity focused block grants to the districts.**
 - Using existing district administration staff that received capacity development under Output 2, and coupled with DDF district block grants made available under Output 3, 22 small scale district infrastructures (Capital) and 208 other service interventions (“OEBG – non Capital) were provided in 52 districts. The total value of these MDG service improvements is \$998,000 in FY 2013/14 and directly impact the lives of 140,088 households i.e. - 758,067 local citizens of whom 48% are female. The % assignment of these MDG service funds by sector is shown below.

CAPITAL INVESTMENT BY SECTOR FY2013-14 ((LAK)



SUMARRY DDF-OEBG FY2013-14 BY SECTOR (LAK)



- An independent review found that infrastructure development and renovations sub-projects under the DDF-BBG were highly appreciated by local communities. They acknowledged that the DDF-BBG had contributed to their community's socio-economic development. As a result they have better access to markets, clean water supply, better health care, and higher agricultural output. This is demonstrated further by the fact that host communities also made their own contribution to their specific DDF-BBG sub-projects, usually in-kind contributions such as their labour and locally available resources such as wood/sand & gravel. The total community contribution to all DDF-BBG sub-projects was estimated at almost 11% of their total value.
- **Output 4: Improving Access to citizen Services through One Door Service improved citizens access to services.**
 - Following exchange of experiences and suggested improvements in Champasak learning workshops, Khong District of Champasak has now establish a new One Door Service Centre (ODSC) during 2014 to offer better local service delivery. In general, following dissemination and training workshops, government officials now have a better understanding of the principles of the modality, and clearer understanding of their roles and implementation preparations required, e.g. appointment of staff, fees, service procedure design.
- **Output 5: GPAR Capacity Development and Modernization Fund (CADEM) supports strategic innovations in Public Administration reforms.**
 - The CADEM fund enables a wide range of government offices to innovate or replicate a variety of good governance practices and service delivery improvements. 15 awards were made in 2014, with 6 gender related. For example, the Party Central Committee of Organisation and Personnel provided training on gender mainstreaming in personnel development planning to Party member and civil servants. Monitoring and assessment report by MoHA/GPAR of a sample of 4 CADEM Fund projects in Champasak province, Luang Prabang Province, Vientiane Capital and Borikhamsay province revealed very good implementation against work plans by the local authorities. (Output 5).
- **Output 6: Citizen Feedback and district mechanisms for responsive and accountable service delivery.**
 - A new District Service Delivery Monitoring System (D-SDMS) and Service User Feedback System (SUFS) progressed from initial design through to reality, with management and other implementation arrangements agreed at national, provincial and district levels. Field trials

will begin in 2 districts (Houn District, Oudomxay & Saravan District, Saravan) in early 2015. These innovations in responsive service delivery are designed to provide district officials with key service data for local level analysis and planning, and to provide a mechanism to enhance people's engagement with government around key district services.

- **Describe any delays in implementation, challenges, lessons learned & best practices:**

Challenges are mostly around the implementation of One Door Service Centres, and in particular in regard to cross-sector collaboration therein. A review of the ODSC carried out during 2014 pinpointed the difficulties as variable and unclear procedures, lack of uniformity in the services offered and inconsistency in fees and charges. There is limited management support, and no mandatory standards for ODSC, among other difficulties. As a result, citizens get different services and of varying level of quality depending on the center.

These challenges that have crystalized during 2014 will be addressed during 2015 through a collaboration of efforts between this project and a related GPAR project (GPAR SLIFEPA). An ODSC assessment, service level benchmarking, process reengineering exercise and action plan for ODSC improvements are planned. Taken together with political leadership, agreed coordinating mechanism for better inter-ministry day-to-day collaboration on implementation, these represent appropriate counter measures to address the issues.

- **Qualitative assessment:** Provide a qualitative assessment of the level of overall achievement of the Programme. Highlight key partnerships and explain how such relationships impacted on the achievement of results. Explain cross-cutting issues pertinent to the results being reported on. For Joint Programmes, highlight how UN coordination has been affected in support of achievement of results.

The NGPAR programme has been successful in cultivating a good partnership with all development partners (ROK, SDC, Luxemburg, EU, France, ADB, WB, etc) active on Governance in Lao PDR. This includes regular dialogue and exchange through Governance Sector Working Group and its sub-sector working group meetings throughout the year. These meetings serve as an effective platform to discuss key issues around governance reform in the country. In addition to these technical discussions, the Annual Review Meeting as well as the Programme Board Meetings are avenues for more strategic dialogue on emerging policies and direction for GPAR and the joint programme, as a core component therein.

At a senior level, Ambassadors and heads of UN agencies participate regularly in the Informal Development Partners Meeting chaired by the UNDP Resident Representative focusing on various emerging issues in the country relevant to achieving development goals.

There is strong partnership with national counterparts in GPAR SCSD project, as evidenced by mechanisms such as high level Leading Committee on Governance, National Programme Board and other management arrangements. GPAR SCSD is uniquely designed to be delivered by the existing government systems and staff, without the need for creation of a parallel system of support. While the challenges of having to develop sufficient capacity in local administrations as a prerequisite to service delivery is a formidable one, nevertheless the ultimate benefits far outweigh the investment required. The main benefits include a genuine working partnership with government counterparts and long term sustainability. This type of partnership has proved very profitable for the project, not only in a lower level of overheads within the project, but critically has proved to be an effective delivery modality that has visible and positive impacts on local beneficiaries.

The joint programme has developed an effective working partnership with the Ministry of Natural Resources and Environment (MONRE) and is in active collaboration through the LDCF2 project⁸. The joint programme support during 2014 has included the design of a performance based grant system – based on DDF system implemented by the joint programme - for local level Climate Resilient grants. The design work involved developing appropriate indicators & monitoring system, and aligned supporting documents, to ensure effective common implementation of the LDCF Climate Resilience grants and DDF grant funds. The DDF system is delivering \$152,052 of CR grants for 4 district projects that LDCF2 and MONRE have identified together with local District Development Support Teams. This partnership greatly adds value to the work of the joint programme as it facilitates important local climate change issues to be incorporated into the district planning discussions, and to the local development debates.

⁸ The Ministry of Natural Resources and Environment (MONRE), with the support of the GEF LDCF2 project, is collaborating with UNDP and UNCDF in a project entitled “Effective Governance for small-scale rural infrastructure and disaster preparedness in a changing climate”.

ii) Indicator Based Performance Assessment:

Using the **Programme Results Framework from the Project Document / AWP** - provide an update on the achievement of indicators at both the output and outcome level in the table below. Where it has not been possible to collect data on indicators, clear explanation should be given explaining why, as well as plans on how and when this data will be collected.

	<u>Achieved</u> Indicator Targets	Reasons for Variance with Planned Target (if any)	Source of Verification
<p>Outcome 1⁹ Improved policies and capacities that enable local administrations to initiate and monitor service delivery interventions against localized priorities which accelerate progress towards the MDGs</p> <p>Indicator 1: Regulations and instructions from relevant ministries strengthening the mandate of all 144 district administrations across Lao PDR, on financing and improving public service delivery</p> <p>Indicator 2. At least 810 staff from 66 district administrations and 378 Kumban representatives, equipped with skills to plan and monitor local investments in public services</p>			<p>JP Annual Progress Report 2014 and DDF training / financial records</p> <p>(* the JP annual Progress Report can be applied to all Outputs Source of Verification)</p>
<p>Output 1. Support to develop policies & regulatory framework for more effective local administration at province and district level.</p>			
<p>Annual target 1. Support the pilot of the PM 16/2012 (Sam Sang) in 52 target districts.</p>	<p>1. On Track</p>		

⁹ Note: Outcomes, outputs, indicators and targets should be **as outlined in the Project Document** so that you report on your **actual achievements against planned targets**. Add rows as required for Outcome 2, 3 etc.

<p>Annual target 2. Amendments on the Law on Local Administration is finalized.</p> <p>Annual target 3. Design, development and endorsement of the new District Service Delivery Monitoring System (Linked to Output 6)</p>	<p>2. Deferred pending SamSang review and MoHA inputs to drafting new Constitution.</p> <p>3. On Track</p>		
<p>Output 2. Improved capacity of local administration to fulfill its service delivery mandates</p> <p>Annual target 1. Additional 224 local officers from 16 new districts able to plan and monitor investments relating to local service priorities</p> <p>Annual target 2. An assessment report with recommendations for applying the civil servant performance assessment framework at district level prepared.</p>	<p>1. Achieved</p> <p>2. Civil Servant Performance Appraisal System still under development by MoHA.</p>		
	<u>Achieved</u> Indicator Targets	Reasons for Variance with Planned Target (if any)	Source of Verification
<p>Outcome 2. Improved capacities of district administrations to finance and implement service infrastructure and delivery that lead to improved access to public services and as well as improvements in human development levels, including key indicators related to women and children</p> <p>Indicator1: At least 540 MDG infrastructure and/or service delivery</p>			<p>JP Annual Progress Report 2014 and DDF training / financial records</p> <p>(* the JP annual Progress Report can be applied to all Outputs Source of Verification)</p>

<p>initiatives implemented by district administrations improve access to services for at least 40,000 households, of which 50% serve women and girl children</p> <p>Indicator 2: Tangible improvements in availability and usage of health and education services contributing to 10% improvement in attendance of girl students in primary schools, 10% improvement in access to safe drinking water and 10% increase in mothers accessing maternal and child health services</p>			
<p>Output 3 Improved MDG focused service delivery provided through formula base and equity focused block grants to the districts</p> <p>Annual target 1: Improved access to services through increased number of infrastructures & service delivery interventions by districts.</p>	On track		
<p>Output 4: Improving Access to citizen Services through One Door Service</p> <p>Annual target 1: Action Plan to address ODS implementation issues developed and approved</p> <p>Annual target 2: Officials in 17 provinces have understanding of ODS concept and new ODS Guidelines and be able to apply the guidelines.</p>	Off track Off track		

<p>Output 5: GPAR Capacity Development and Modernisation Fund (CADEM) supports strategic innovations in Public Administration reforms</p> <p>Annual target 1: 12 Government offices are using CADEM Grants to improve administration practices.</p> <p>Annual target 2: At least 4 Government offices are implementing gender focused interventions using CADEM Grants in 2014.</p>	<p>On track</p> <p>On track</p>		
<p>Output 6: Citizen Feedback and district mechanisms for responsive and accountable service delivery</p> <p>Annual target 1: The new District Service Delivery Monitoring System for selected services in at least 4 districts designed and endorsed.</p> <p>Annual target 2: The new citizen feedback mechanism for selected local service delivery at district level developed</p>	<p>1. Achieved</p> <p>2. Achieved</p>		

iii) A Specific Story



The life of Mrs. Soudsady Thammavongsa and her family life has been changed by the new Khangkhai community market, in Xiengkhouang province, Lao PDR. The market was prioritised by the community and

built by the District authorities using District Development Fund (DDF) under the GPAR SCSD project. She and the other trading ladies now feel independent and empowered. They now earn cash for her family's daily needs and has opened her first small savings account. The support from GPAR SCSD has helped thousands of such communities to generate income that improves their lives and helps to



achieve MDGs in poverty, gender, health and education.

Photos by: Andrew Hein UNDP

'I still cannot forget the moment I first help a mother to safely deliver her baby here', said a nurse in the community health centre in remote Ta Ouy district, Saravane province. GPAR SCSD is supporting the government's efforts to reduce the incidence of maternal deaths, which is a serious MDG challenge in Laos. "Thanks to (GPAR SCSD) support in providing and equipping this health centre, we are able to much better serve our community especially mothers and children. It's truly a matter of life or death for many" she added.

Photos by: Eeva Nyssonen UNDP



Problem / Challenge faced:

Traders in Khangkhai village, in Xiengkhouang province found it very difficult to sell their products as they had to travel (by feet) from one village to another. During rainy season, many of them had to stop selling as they could not out at all.

Programme Interventions:

After the Khangkhai community market was established, traders do not have to walk very long distance. Rainy season is not a problem as they can continue selling their products throughout the day.

Result (if applicable):

Many traders now earn cash on a daily basis. Moreover, some have opened their first small savings account. The support from GPAR SCSD has helped thousands of such communities to generate income that improves their lives and helps to achieve MDGs in poverty, gender, health and education.

III. Other Assessments or Evaluations

A combined mid-term evaluation of the projects (GPAR SCSD & NGPS Project) incorporating a DDF review, and a gender/ethnic assessment, and which has also identified preliminary design inputs to a GPAR concept for 2016-2020 Concept paper was undertaken in 2014, in collaboration with stakeholders and partners. Please find attached the assessment report.

IV. Programmatic Revisions

Similar to the year 2013, Annual indicators and targets for the Outputs level were adjusted to respond more effectively to the activities under each output. Indicate any major adjustments in strategies, targets or key outcomes and outputs that took place.