

GEF: \$2,000,000 (Parallel)
Funding gap: 1,166,800

TOTAL:

Programme Assessment/Review/Mid-Term Eval.

Evaluation Completed

Yes No Date: *2.11 – 11.12.2014*

Evaluation Report - Attached

Yes No Date: *January 2015*

Report Submitted By

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LIST OF ACRONYMS

BBG: Basic Block Grant
CADEM: Capacity Development and Modernization Fund
CPD: Country Programme Document
DAIP: District Annual Investment Plans
DDF: District Development Fund
DDSC: District Development Support Committee
DDST: District Development Support Team
D-SDMS: District Service Delivery Monitoring System
FY: Fiscal Year
GEF: Global Environment Facility
GIDP: Governance for Inclusive Development Programme
GPAR: Governance and Public Administration Reform
JP: Joint Programme
LDCF: Least Developed Country Fund
MDG: Millennium Development Goals
MOF: Ministry of Finance
MOHA: Ministry of Home Affairs
MONRE: Ministry of Natural Resources and Environment
NACOs: National Assembly Constituency Offices
NGPAR: National Governance and Public Administration Reform
ODSC: One Door Service Centre
OEGB: Operational Expenditure Block Grant
PACSA: Public Administration and Civil Service Authority
PFM: Public Financial Management
PPA: People's Provincial Assembly
PST: Provincial Support Team
ROK: Republic of Korea
SCSD: Strengthening Capacities and Service Delivery of local administrations
SLIFEPA: Strengthening Legal and Institutional Framework for Effective Public Administration
SUFS: Service User Feedback Survey
UNDAF: United Nations Development Assistance Framework
UNDP: United Nations Development Programme
UNCDF: United Nations

EXECUTIVE SUMMARY

Overall the GPAR SCSD Project has been very successful in achieving its objective to help increase the 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. It sought to attain its objective through the achievement of two main outcomes that relate to improved policies and frameworks, and improved ability of local administration to fulfil service delivery mandates. Advances in both areas – policy, and local service delivery mandates and capacities, - have taken place with supports from the Project.

Wider policy and governance reforms, which contribute to more effective local administration and service delivery, include new policy approaches, updated legislative and administrative frameworks and the establishment of new People’s Provincial Assemblies (PPAs). SCSD has directly helped to streamline the state administrative framework and mandates, in line with Government policies, including consultations on the amendments to the Law on Government, Law on Local Administration and draft Law on City and Municipality. The newly elected PPAs have a mandate to oversee local plans / budget approval, local administrative performance and accountability, including appointment and removal of provincial governor/vice-governor and to generally represent local citizens’ voice.

The capacities of district administrations have been strengthened and they have demonstrated their ability to finance service infrastructure and implement local service delivery across 53 districts of 7 provinces (36% of the country). The District Development Fund (DDF) supported by the Project proved the district officials can be relied upon to manage local service priorities, with measurable improvements in access to public services and increases in human development levels, including key indicators related to women and children. The DDF has also successfully introduced and effectively applied cross-sector decisions and actions at sub-national level, where most of the service interventions are planned, implemented and reported.

SCSD has supported the Government’s “devolution initiative Sam Sang” policy since 2012, which has now been scaled up nationwide from 2016, albeit incrementally, reflecting the realities of local capacity and availability of resources. Sam Sang extended investment authorization of district administrations to c. \$650,000. Provinces remain the budget holder, under the amended National Budget Law approved in 2015, with ‘budget norms’ informing their assignment of funds to the districts.

I. Purpose

The Project was implemented as part of the Government of Lao PDR’s National Governance and Public Reform programme (National GPAR). The objective of the GPAR SCSD Project was to help strengthen the role and capacity of the local administration, leading to better delivery of services to improve the lives of the poor, especially in rural areas of Lao PDR. It sought to attain its objective through the achievement of two main 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 project contributed to the UNDP Lao PDR 2012-2015 CPD / UNDAF Outcome 2: “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”; and and UNDP Strategic Plan 2014-2017 Outcome 3: “Countries have strengthened institutions to progressively deliver universal access to basic

services”. The main immediate beneficiaries were to be local administration, which through improved systems, capacity and financing, could better serve the ultimate beneficiaries identified as rural citizens, especially women and girls living in the selected districts.

II. Assessment of Programme Results

i) Narrative reporting on results:

- **Outcomes:** The SCSD Project has been successful when measured against its objective to help increase the 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. Overall, the strategy of support to local administration to enable them to deliver better and more responsive local services and MDG investments has been notably successful, both in implementation and in impact on people’s lives.

SUMMARY BENEFICIARIES OF BETTER LOCAL SERVICE DELIVERY

Province /District	# district	Beneficiaries						
		Village	House Hold (HH)	People	Women	Poor HH	Poor people	Poor Women
Saravane	8	362	45,711	253,097	128,843	4,993	30,023	15,086
Sekong	4	165	16,148	77,403	43,374	2,328	13,545	6,750
Xiengkhouang	7	371	24,976	132,725	65,295	848	3,550	1,751
Houaphan	10	544	35,120	213,562	105,398	8,023	49,787	24,670
Oudomxai	7	304	36,659	183,662	91,936	7,975	46,381	22,904
Luangnamtha	5	211	25,675	121,560	60,037	2,174	9,582	4,835
Luangprabang	12	445	41,564	237,684	117,345	2,727	14,790	7,336
Total	53	2,402	225,853	1,219,693	612,228	29,068	167,658	83,332

- **Outputs:**

Output 1: Support to develop policies & regulatory framework for more effective local administration at province and district level

Overall there has been significant changes in the governance environment in Lao PDR during the life of the Project, and a clear and substantive move towards stronger sub-national administration, service delivery and peoples’ engagement and representation.

The Government’s national devolution initiative, Sam Sang (“3 Builds”) was introduced during 2012 on a 2 year pilot basis. Sam Sang policy seeks to develop a strengthened local administration by providing more responsibility and authority to local authorities, promoting more responsive services and self-reliant local development. GPAR SCSD has supported the implementation of Sam Sang policy in a number of ways: by direct support for local introduction; by support to the process of making necessary updates to local administration laws, mandates and regulations; and through the operation of the District Development Fund (DDF) and the GPAR Capacity Development and Modernization fund (CADEM).

GPAR SCSD supported the Ministry of Home Affairs (MoHA) and concerned agencies to continue to streamline the state administrative framework, in line with Government policies, including consultations on the amendments to the Law on Government, Law on Local Administration and on a draft Law on City and Municipality. The two amended laws, ratified by the National Assembly in December 2015 and promulgated in 2016, are designed to address ambiguities and clarify the roles and responsibilities between the offices of the Prime Minister, Deputy Prime Minister, Ministers and Heads of Ministry-equivalent organization (in the Law on Government); and clarify further the mandates, roles and functions between levels of government and administration (Law on Local Administration). The amended Law on Local Administration is also aimed to promote a better relationship between provincial authorities and the National Assembly Constituency Offices. Stronger collaboration with mass organizations and civil society to share experiences and participate in the public sector development activities are also suggested in the revised law.

The amended National Budget Law 2015/16 provides for formula assignments to local administrations, gender budgeting, but provinces remain the sub-national budget holder, and districts do not directly receive budget funds, but rather an entitlement to budget funds via the Province. While this may be seen by some observers as stopping short on fiscal decentralization, it is compatible with the strengthened mandate of the Province as strategic planner/oversight and the planning/budgeting mandate of the new PPAs.

The target for Output 1 (i.e.: New policies enable local administrations to implement service delivery in line with local priorities.) has been achieved.

Output 2: Improved capacity of local administration to fulfill its service delivery mandates

The DDF has successfully used the Government's own systems and staff to provide untied block grants together with practical learning to 53 district administrations, enabling them to meaningfully engage with local communities to identify and provide services related to their priority MDGs. By developing the capacity of local administrations and providing them with untied budget, the DDF both strengthened MDG service provision and the ability of the local administration machinery to lead and manage local services delivery for a more responsive and sustainable approach.

DDF has directly improved the capacity of 2,645 local officials, including 455 women, in planning, procurement, financial management and reporting across 53 district administrations in Lao PDR. As a result of the local officials receiving capacity development trainings, all of the 53 districts of 7 target provinces successfully implemented the District Annual Investment Plans (DAIPs) on time, within budget and according to priorities identified through participatory planning process. This clearly demonstrates the strengthened capacity and ability of district administrations to respond to local priorities service delivery, when given the opportunity of financial and backstopping support. It also demonstrates the feasibility and cost-effectiveness of using Government systems and staff to manage and implement local service investments, and consequent poverty reduction interventions.

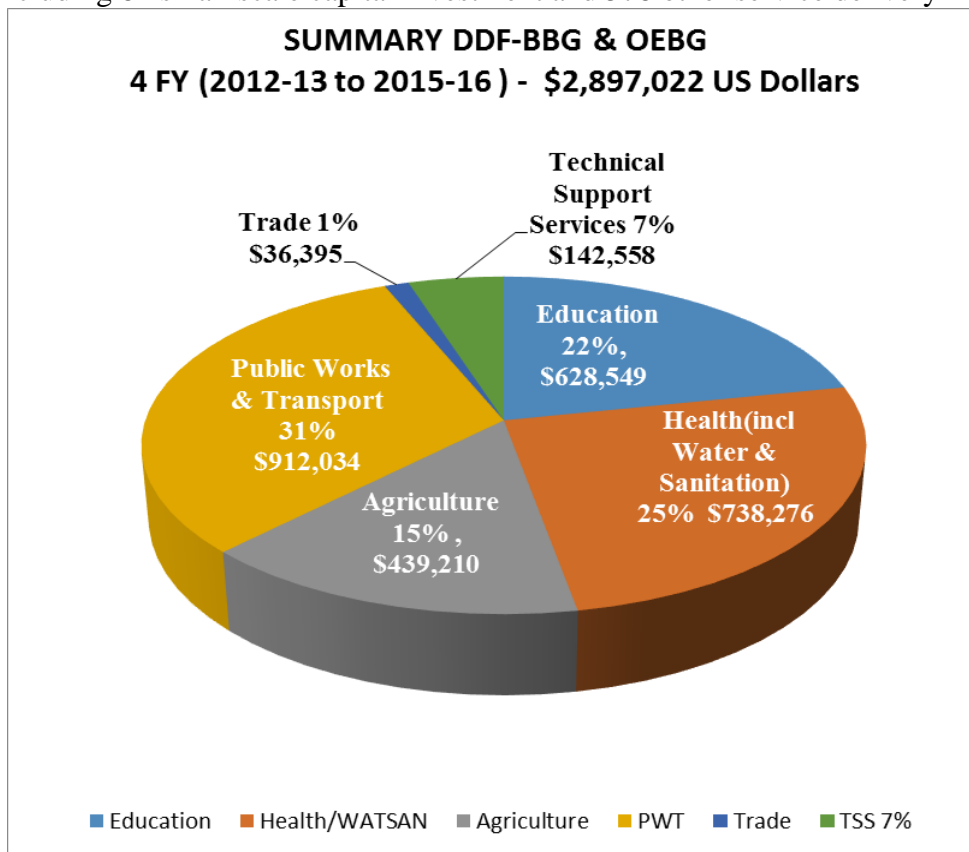
The comparative performance system for 12 district administrations was designed and applied, using 21 indicators covering planning (10 indicators), financial management & procurement (3 indicators), execution & service delivery (5 indicators) and accountability & transparency (3 indicators). The scores achieved affected the next fiscal assignments (DDF block grants) to each district, as a way of incentivizing better performance of each district administration. The scores also help identify the capacity gaps of some districts for the Project to further provide capacity support.

The original target of staff capacity to plan MDG service priorities in 66 Districts was reduced by the Programme Board to 53 Districts, in line with budget availability. The revised target was fully achieved (all 53 districts of 7 target provinces successfully implemented their agreed DDF district).

Output 3: Improved MDG focused service delivery provided through formula based and equity focused block grants to the districts.

The DDF is the core component of the GPAR-SCSD that enables local administration to better deliver MDG related services to rural people. DDF has been channeled directly to the 53 district administrations of 7 provinces (36% of the country) including 21 districts of 2 provinces coinciding with the Sam-Sang pilot districts. As a Government mechanism to finance and improve Public Financial Management (PFM) capacities at the local level, the DDF built on the existing inter-governmental fiscal transfer system and related policies and procedures. Under the DDF, the local administrations demonstrated and gained competences in decentralized and participatory planning, financing and local public service delivery and small scale capital investment project management in such sectors of health, education, agriculture, public works and transportation, industry and commerce and environment. The DDF comprised two types of grants, namely the Basic Block Grant (DDF-BBG) for capital investment projects and the Operational Expenditure Block Grant (DDF-OEBG) for other service delivery interventions.

The types of small scale investment projects delivered under the DDF-BBG included investments such as construction and rehabilitation of primary schools, kindergarten, small irrigation scheme, water supply system, health center, amongst others. The types of service delivery interventions carried out under the DDF-OEBG included health promotion campaigns and trainings on road maintenance, agriculture production, school management and primary teachers. A total of 662 small scale capital investment projects and service delivery interventions were carried out, amounted USD 2,897,023, including 84 small scale capital investment and 578 other service delivery interventions.



The total number of beneficiaries from small scale development projects and service delivery interventions under the DDF-BBG and OEBG during FY2012-2016 reached 1.2 million people, of whom 50.2% are women.

The target for Output 3 (i.e.: At least 540 infrastructure & service delivery interventions improve access to services for 40,000 households (50% serve women & girls) was fully achieved. 662 service interventions provided more access to services. This amount includes: 84 Infrastructure investments (BBG) + 578 service interventions activities (OEBG). 225,853 households; 1,219,693 people including 612,228 women (50.2%) benefited from the DDF. \$2,897,023 (USD) were invested in better services through DDF grants.

Output 4: Improving Access to citizen Services through One Door Service

The GPAR SCSD Project, through the Implementing Partner MoHA, offered technical and financial support to a number of interventions designed to provide increased access to better and more responsive local services, including the One Door Service Centre (ODSC) model. ODSCs' promise of more accessible, transparent and accountable service delivery to local citizens has proven a challenge, albeit current and ongoing Government policy. Overall, the main difficulties include national budget constraints, local staff capacity and difficulties in cross-sector collaboration, which result in the delay in meeting the set target of 70 ODSCs.

30 ODSC (2 ODSC at central level / 12 ODSC at provincial level and 16 ODSC at district level) operated and provided more customer-friendly local services using a more transparent revenue collection system. The target of this Output (i.e.; 70 One Door Service Centres providing 50% faster and more convenient services and information to citizens, leading to 25% increase in revenue collection) was therefore partially achieved.

GPAR SCSD support to the dissemination of the new ODSC guidelines and Prime Minister Ordinance 09/2013 and lesson learned on the implementation of ODSCs have fed into an independent ODSC assessment undertaken in June 2016. Follow-on design work on service level benchmarking later in 2016 has been supported by a partner NGPAP Project – GPAR SLIFEPA.

Output 5: GPAR Capacity Development and Modernization Fund (CADEM) supports strategic innovations in public administration reforms

GPAR CADEM Fund provided small grants for initiatives that build capacity, strengthen management or improve service delivery in public administration particularly at local level. The target our Output 5 (i.e.: 50 demand driven capacity development initiatives to improve service delivery implemented by Government offices, of which at least 50% are at the subnational level) was fully achieved: 76 small scale grants to public service agencies were awarded to promote a variety of improvements and innovations, with total value of approximately USD 552,000. Of these 76 grants, 43 were to support strengthen capacity of organizations, public service and tools development, legislation development; 18 were made for Sam Sang policy implementation; 13 supported gender promotion; and 2 were used for environment protection.

A total of 43,974 people (including 18,510 women) benefited from the DDF initiative. This total includes:

- 760 (including 246 women) beneficiaries at central level
- 1,110 (including 487 women) beneficiaries at provincial level
- 4007 (including 1517 women) beneficiaries at district level
- 38,097 (including 16,242 women) beneficiaries at village level.

Output 6: Citizen feedback and district mechanisms for responsive and accountable service delivery

The original target of this Output was: Feedback from citizens and service providers in 70 districts shows improved access to services and informs service delivery strategies. However, development and approval to conduct citizens' survey on Lao Government services proved to be a sensitive and slow process. Agreement was reached to conduct field trials in 2 districts. The target was revised (i.e.: design & pilot 2 new systems in 2 districts) and fully achieved as explained below:

To supplement the institutional performance assessment of districts, the GPAR SCSD Project designed and introduced two new interventions to encourage more participative and responsive local service delivery, i.e. the District Service Delivery Monitoring System (D-SDMS) and Service User Feedback Survey (SUFS). Field trials on these two tools began in 2 districts and the first surveys carried out in 2015. The SUFS is seen as a particularly significant innovation and offers a basis for future development of a more comprehensive mechanism for citizens' engagement in more responsive local public administration / service performance. This will be taken forward within the framework of the new phase of support to NGPARG under the 2017-2021 Governance for Inclusive Development Programme (GIDP), which takes forward the lessons and successes of GPAR SCSD.

Output 7: Programme support (oversight, management, coordination, results based monitoring)

The target for Output 7 (i.e.: well-functioning and effectively coordinated programme) was achieved. Annual Work Plans, Quarterly Progress Reports and Annual Report and Reviews were prepared on a regular basis. Project monitoring meetings (Annual Review Meetings, Quarterly Meetings, Programme Board meetings, monthly meetings) were regularly conducted. Partner field monitoring visits were conducted. Overheads and Audit – including a mid-term evaluation of the Project in 2014 were conducted. Staff and IT and Equipment were effectively procured. The new phase of NGPARG support was developed – the Governance for Inclusive Development Programme (GIDP) - signed in April 2017.

- **Qualitative assessment:**

There has been clear positive changes under the Project in terms of improved policies and capacities that enable local administrations to initiate and monitor service delivery interventions against local priorities, which accelerated progress towards the MDGs. The improved capacities of district administrations to finance and implement service infrastructure and delivery can be seen in the successful implementation of the DDF approach and the resulting improvements in access to public services and improvements in human development levels, including key indicators related to women and children.

As the Project and DDF used Government systems and officials to directly provide local services that were priorities for local communities, it is inherently a more sustainable approach, than 'traditional project design' that often rely on parallel systems, which are not only costly, but are not sustainable once the project is closed. However, the long term consolidation of the Project's achievements still require ongoing support to ensure total sustainability that comes from a full integration with national systems, planning and budgets. The Project has nonetheless demonstrated the districts' ability to deliver responsive and better services and the efficient use of non-tied budgets entrusted to the decision-making allocation to local service priorities by district administrations. The amended Budget Law 2015/16 provides for formula assignments to local administrations, gender budgeting and districts will have an entitlement to budget funds, based on 'budget norms' via the Province. This is compatible with the strengthened mandate of the Province as strategic

planner/oversight and the planning/budgeting mandate of the new People's Provincial Assemblies (PPAs).

From its design, GPAR SCSD relies on partnerships and cross-sector collaboration for effective implementation. The DDF resulted from a formal collaboration between the Ministry of Planning and Investment, Ministry of Finance, Ministry of Home Affairs and 7 sub-national provincial administrations, covering 53 districts in all. DDF has successfully introduced and effectively applied cross-sector decisions and actions at sub-national level, where most of the service interventions are planned, implemented and reported. The DDF has been managed by the district administrations themselves, responding to community selected priorities, through the special Provincial Support Team (PST) and District Development Support Committees (DDSCs) and Teams (DDSTs). The committees, - under the guidance and chairmanship of the Deputy District Chief - consisted of Heads of all line district offices, Kum ban (village) representatives, selected village heads and district Lao Women's Union. The DDSTs is headed by the Heads of District Planning Offices and consist of the technical local officials of all line district offices, - bringing together the other services sectors to negotiate, plan and allocate their untied DDF annual block grants.

GPAR SCSD has been successful in maintaining a good relationships and partnerships with all development partners (Republic of Korea, the Swiss Agency for Development and Cooperation, Luxemburg, the European Union, France, Asian Development Bank, World Bank, etc.) active on Governance in Lao PDR. This includes regular dialogue and exchange through the Governance Sector Working Group and its sub-sector working group meetings throughout the years. These meetings served 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 were avenues for more strategic dialogue on emerging policies and direction for GPAR and SCSD.

The Ministry of Natural Resources and Environment (MONRE), with the support of the Global Environment Facility (GEF) Least Developed Country Fund (LDCF) 2 Project, is collaborating with UNDP/UNCDF in a Project entitled "Effective Governance for small-scale rural infrastructure and disaster preparedness in a changing climate". The overall objective of the Project is to improve local administrative systems affecting the provision and maintenance of small scale rural infrastructure, through participatory decision making that reflects the genuine needs of communities and natural systems vulnerable to climate risk. As part of its implementation arrangements, the Project is using the existing DDF mechanism operating under SCSD Project to deliver local climate resilient grants/infrastructures in 12 districts of Saravane and Sekong provinces. The revision of the overall DDF guidelines and manual was made to mainstream climate resilient factors in local planning and budget allocation for small scale infrastructure investments, in which the MONRE and DONRE officials are members in the District Development Support Committees and Teams.

The GPAR SCSD Project, and the high achievement of the DDF in particular, has demonstrated the effectiveness of the joint programme approach, combining UNDP's recognized core mandate in the areas of capacity development, democratic governance and policy development and UNCDF's mandates and specialized expertise in local development, improved access to social services, investment capital, and fiscal decentralization.

ii) Indicator Based Performance Assessment:

	<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>Indicators: 1.1: Regulations and instructions from relevant ministries to strengthen the mandate of district administrations, related to financing and improving service delivery.</p> <p>1.2: Number of staff at district administration and kumban level representatives having necessary skills to plan and monitor local investments for public services.</p> <p>Planned Targets: 1.1 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>1.2 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>Details are provided at the output level.</p>	<p>Details are provided at the output level.</p>	<p>JP Annual Progress Reports and DDF training / financial records (* the JP annual Progress Reports can be applied to all Outputs Source of Verification)</p>
<p>Outcome 2: Improved capacities of district administrations to finance and implement service infrastructures and delivery that lead to improved access to public services and improvements in</p>	<p>Details are provided at the output level.</p>	<p>Details are provided at the output level.</p>	<p>JP Annual Progress Reports and DDF training / financial records (* the JP annual Progress Report can be applied to all</p>

⁹ Note: Outcomes, outputs, indicators and targets should be **as outlines 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>human development levels, including key indicators related to women and children</p> <p>Indicators: 2.1 Increase availability of local services for men and women in the district</p> <p>2.2 Increase in utilization of local services provided through the district administration</p> <p>Targets: 2.1 At least 540 MDG infrastructures and/or service delivery initiatives implemented by district administrations improve access to services for at least 40,000 households, of which 50% serve women and children.</p> <p>2.2 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>Outputs Source of Verification)</p>
<p>Output 1 Policies and regulatory frameworks for effective local administration at province and district level</p> <p>Indicators: -Policies and regulatory frameworks for effective local administration at province and district level</p> <p>- Policies on implementation of PM 01/2000 and related directions</p> <p>- Mechanisms that promote effective use of resources assigned for local administration and service delivery</p> <p>Baselines: -Budget Law 2006 offering more robust basis for</p>	<p>New policies supported and introduced:</p> <p>GPAR SCSD supported MoHA and concerned agencies to continue to streamline the state administrative framework, in line with government policies, including consultations on the amendments to the Law on Government, Law on Local Administration and on a draft Law on City and Municipality.</p> <p>The two amended laws above, ratified by the National Assembly in December 2015 and promulgated in 2016, are designed to address ambiguities and clarify the roles and responsibilities between the offices of the Prime Minister, Deputy Prime Minister,</p>	<p>Target achieved.</p>	<p>Programme Reports, New Government policies and legislation passed by National Assembly</p>

<p>district budgeting but not aligned with PM 01/2000</p> <ul style="list-style-type: none"> - Absence of performance incentives for district administrations <p>Planned Target:</p> <ul style="list-style-type: none"> -New policies enable local administrations to implement service delivery in line with local priorities. 	<p>Ministers and Heads of Ministry-equivalent organization (in the Law on Government); and clarify further the mandates, roles and functions between levels of government and administration (Law on Local Administration). The amended Law on Local Administration is also aimed to promote better relationship between provincial authorities and the National Assembly Constituency Offices. Stronger collaboration with mass organizations and civil society to share experiences and participate in the public sector development activities are also suggested in the revised law.</p>		
<p>Output 2 Improved capacity of local administration to fulfill its service delivery mandates</p> <p>Indicators:</p> <ul style="list-style-type: none"> - Plans produced by district staff to meet local priorities related to MDGs - Performance assessment of district staff linked to district service delivery targets <p>Baselines:</p> <ul style="list-style-type: none"> - Performance evaluation of civil servants based only on job descriptions -Tools and systems yet to reflect civil servant performance in relation to district targets <p>Planned Target:</p> <p>Staff from 66 district administrations and related Kumban representatives are able to prepare plans and monitor investments in priority services related to MDGs</p>	<p>Effective skills given to 2,645 Government officials, including 455 women, from 53 district administrations, via DDF mechanism & trainings (i.e. participatory planning process, financial management, procurement, project execution/implementation, reporting and coordination).</p> <p>The comparative performance system for 12 district administrations was designed and applied, using 21 indicators covering planning (10 indicators), financial management & procurement (3 indicators), execution & service delivery (5 indicators) and accountability & transparency (3 indicators). The scores achieved affected the next fiscal assignments (DDF block grants) to each district, as a way of incentivizing better performance of each district administration. The scores also helped to identify the capacity gaps of some districts for GPAR SCSD to further provide capacity support.</p>	<p>The original target of staff capacity to plan MDG service priorities in 66 Districts was reduced by Programme Board to 53 districts, in line with budget availability. The revised target was fully achieved (all 53 districts of 7 target provinces successfully implemented their agreed DDF district).</p>	<p>Project reports and district reports on DDF investments made/built. Monitoring of trained officials.</p> <p>DDF Final Report 2016</p>
<p>Output 3 Improved MDG focused service delivery provided through formula based and equity focused block grants to the districts</p>	<p>All 53 districts of 7 target provinces successfully implemented their agreed DDF district annual investments, on time and within budget, in priority areas in health, education, agriculture and public</p>	<p>Target achieved.</p>	<p>Project reports and district reports on DDF investments made/built.</p> <p>DDF Final Report 2016</p>

<p>Indicators:</p> <ul style="list-style-type: none"> -No. of districts with capacity in planning, management & finance functions - No. of Districts receiving formula based grants -No. of Infrastructure and service interventions implemented by districts - Households benefiting from improved access to MDG services <p>Baselines:</p> <ul style="list-style-type: none"> - Block grants established in 35 districts for capital expenditure - Block grants piloted in 2 districts for operational expenditure <p>Target:</p> <p>At least 540 infrastructure & service delivery interventions improve access to services for 40,000 households (50% serve women & girls).</p>	<p>works/trade.</p> <ul style="list-style-type: none"> - 662 service interventions provided more access to services. The amount includes: 84 infrastructure investments (BBG) + 578 service interventions activities (OEBG). - 225,853 households; 1,219,693 people including 612,228 women (50.2%) benefited from the DDF. <p>-USD 2,897,023 were invested in better services through both DDF grants.</p>		
<p>Output 4 Improving Access to Citizen Services through One Door Service</p> <p>Indicators:</p> <ul style="list-style-type: none"> - Citizen satisfaction with ODS services - Increase in speed of services - Increases in revenue collection <p>Baselines:</p> <ul style="list-style-type: none"> -16 One Door Service Centres operational -Pilot Provincial Governance Info. Centre successfully tested -PM's instruction on establishing One Door Service Centres <p>Targets:</p> <p>70 One Door Service Centres providing 50% faster and more convenient services and information to citizens, leading to 25% increase in revenue collection</p>	<p>GPAR SCSD through the Implementing Partner MoHA, offered technical and financial support for the One Door Service Centre (ODSC) model. Prime Minister Ordinance 09/2013 & guidelines developed and disseminated by MoHA to districts/provinces via sub-national ODSC workshops (10).</p> <p>30 ODSC operated and provided more customer-friendly local services, applying a more transparent revenue correction system. This includes:</p> <ul style="list-style-type: none"> - 2 ODSC at central level - 12 ODSC at provincial level - 16 ODSC at district level 	<p>The target was partially achieved, as explained in the column to the left. The target was 70 ODSCs – actual ODSCs supported is 30.</p> <p>ODSCs' promise of more accessible, transparent and accountable service delivery to local citizens has proven a challenge, albeit current and ongoing Government policy. Overall national budget constraints, local staff capacity and difficulties in cross-sector collaboration are the main difficulties.</p> <p>GPAR SCSD supported an independent ODSC assessment that was undertaken in June 2016. Follow-on design work on service level benchmarking later in 2016 has been supported by another NGPAR Project – GPAR SLIFEPA.</p>	<p>Project reports, mid-term evaluation</p>
<p>Output 5 GPAR Capacity Development and Modernization Fund (CADEM) supports</p>	<p>76 small scale grants to public service agencies were awarded to promote administrative & service improvements and</p>	<p>Target achieved.</p>	<p>Project Reports. CADEM Reports</p>

<p>strategic innovations in Public Administration reforms</p> <p>Indicators: -Small grant fund to support capacity development in governance -Multi-agency partnership to manage small grant programme -Number of offices served by small grants programme</p> <p>Baselines: -GPAR Fund piloted with 32 projects -Multi-agency working group manages GPAR Fund -Capacity developed and good practices replicated in 32 offices</p> <p>Target: -50 demand driven capacity development initiatives to improve service delivery implemented by Government offices, of which at least 50% are at the subnational level.</p>	<p>innovations. Out of them, 62 were provided at the sub-national level (45 provinces and 17 districts).</p> <p>Of these 76 grants, 43 were to strengthen the capacity of organizations, public service and tools development, legislation development; 18 were made for Sam Sang policy implementation; 13 supported gender promotion; and 2 were used for environment protection.</p>		
<p>Output 6 Citizen feedback and district mechanisms for responsive and accountable service delivery</p> <p>Indicators: -Districts and provinces covered by Citizen Report Card -Districts and provinces covered by Service Delivery Monitoring System</p> <p>Baselines: - Pilot Citizen Report Card complete in three provinces - Service Delivery Monitoring system piloted</p> <p>Target: Feedback from citizens and service providers in 70 districts shows improved access to services and informs service delivery strategies</p>	<p>Two new systems designed in collaboration with Lao Bureau of Statistics: the District Service Delivery Monitoring System (D-SDMS) and citizen's Service Users Feedback System were successfully developed and piloted in 2 districts, providing a solid base for future citizen's surveys.</p>	<p>Development and approval to conduct citizens' surveys on Lao Government services proved to be a sensitive and slow process. Agreement was reached to conduct field trials in 2 districts and the target was revised accordingly and successfully carried out. Based on this experience the new GID Programme will develop this further to a wider public administration index, and roll out to other districts (budget dependent).</p>	<p>Project reports Citizens Survey (SUFS) Reports</p>
<p>Output 7 Programme support (oversight, management, coordination, results based monitoring)</p>	<p>Annual Work Plans, Quarterly Progress Reports and Annual Report & Review prepared on a regular basis.</p>	<p>Target achieved.</p>	<p>Project reports, Project' s mid-term evaluation</p>

<p>Indicators: -Implementation of activities in line with work plans and budgets -Reporting to Programme Board and external stakeholders -Participation of key stakeholders in oversight mechanisms</p> <p>Baselines: -Successful GPAR projects since 1994 -PACSA/MoHA experience in managing multi-stakeholder project</p> <p>Target: -Well-functioning and effectively coordinated programme</p>	<p>Project monitoring meetings (Annual Review Meetings, Quarterly Meetings, Programme Board meetings, monthly meetings) regularly conducted. Partner field monitoring visits conducted. Overheads & Audit – including a mid-term evaluation of the Project in 2014 – conducted. Staff and IT & Equipment procured. New phase of NGPAR support developed – GID Programme signed in April 2017.</p>		
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iii) Evaluation, Best Practices and Lessons Learned

A mid-term evaluation was undertaken in 2014, which was overall positive and specifically noted the on-going success of the DDF. The main challenge identified was in relation to the slow and difficult implementation of the planned One Door Service Centres (ODSC). The evaluation report attributed this to a civil service culture of “compartmentalization” by various Ministries that guard control over their services as well as protects income derived from fees. The evaluation mission coincided fully with the view expressed by the Head of the GPAR Secretariat that the concept of the ODSC is a very important one that needs to be piloted again in a more restrained geographic environment. Subsequently, the GPAR SCSD Project carried out an independent assessment of ODSC, options and with follow-on work on service level benchmarking being supported by another sister NGPAR Project (GPAR SLIFEPA) in 2016-17. The next phase of support to the ODSCS takes on board the lessons and findings from these missions and seeks to concentrate efforts in getting ‘the system/model working’ first in a few limited locations, before moving to a roll-out. The new Governance for Inclusive Development (GID) Programme 2017-2021 will focus on designing and demonstrating a Model ODSC in 2 locations (one rural and one central).

A final evaluation was agreed to be unnecessary by a Programme Board decision, based on the regular stream of information on progress, challenges and lessons coupled with the simultaneous designing of a new concept/project design that closely assessed the on-going performance of SCSD and built upon the lessons and achievements.

Shortly after the inception of the Project, the Government launched its “Sam Sang devolution initiative” policy which had similar intentions as the DDF – support the creation of more effective local administration with greater roles and responsibilities in managing local development and poverty reduction. As the Sam Sang unrolled and its more specific approach around improved local service delivery/poverty reduction unfolded, the Project supported this policy from 2012, in a number of ways; by direct support for local introduction; by support to the process of making necessary updates to local administration laws, mandates and regulations; and through the operation of the District Development Fund (DDF) and the GPAR Capacity Development and Modernization fund (CADEM). A stock-taking report was commissioned by the Project to establish current areas of common interests and help inform opportunities for future collaboration and greater alignment of DDF to Sam Sang. The lessons under GPAR SCSD, including Sam Sang and updated budget law, have been taken forward within the design of the next phase of support for 2017-2021 (GIDP).

Lessons

The lessons from the GPAR - SCSD Project indicate that the mechanisms it promoted can have a significant and scalable contribution to enhancing capacity and collaboration of sub-national administrations and communities, and thus more responsive, inclusive and sustainable service delivery and local development. Being a programme that emphasizes strengthening and financing district authorities, GPAR - SCSD has emerged as a strong platform to further deepen the engagement between communities and the local authorities, and to continue to push forward the progress of greater fiscal decentralization, as a means to support self-reliant local development. GPAR - SCSD has pioneered and demonstrated deeper reflection on local development priorities and plans, and in channeling greater financial support from the state budget for expanding local infrastructure and delivering services. The Project has also been effective in establishing true cross-sector working practices through the institutions of the provincial and district development support teams that come together to plan and assign their un-tied annual DDF block grants.

With a project footprint that was operational in nearly half the districts of country and which leveraged MoHA's downstream offices at the provincial and district level, the GPAR - SCSD Project offered an effective platform to roll out well-targeted interventions in selected districts. These made definitive contributions to enhancing inclusive service delivery and local development and to increasing dialogue and collaboration between citizens and state for more effective service delivery.

The different achievements and lessons learned through GPAR SCSD has greatly contributed to define the next phase theory of change and project design for 2017-2021.

iv) A Specific Story (Optional)

Before:



A primitive bridge constructed by the villagers using a long log placed across the river.

Quote from Mr. Boun Yone, Head of the Lao Front For National Construction of Nalan village: "More than a century after Nalan village was established, there was still no bridge to cross the Xenuane river, generating difficulties for villagers, especially during the rainy season. The new bridge benefits 6 villages, 551 households and 3,204 people including 1,624 women. People are very happy and thankful to the Government and the UN for providing assistance and support to the communities in this area. The bridge has improved the livelihood of villagers who can now easily access public services facilities such as information and culture centers, health care services such as hospitals/health clinics, and education - with students now able to go to school during the rainy season. Local traders are now able to transport goods/commodities to the village, enabling the villagers – especially the women - to transport their agricultural products/non-timber forest products, etc. to the nearest town/market, generating further income for their family".

Mae Kham, a farmer from Ban Nalan village, told the Project Team that the bridge brought many benefits to the village and neighboring villages. Before the DDF bridge, villagers faced huge difficulties in travelling to the district center, markets, and shops and accessing service facilities. When villagers needed to access public services, or wanted to sell their farm products to the market, they could not go to the district center where facilities are available especially during the rainy season because the water level was very high and washed away the old log



Village meeting for selection of village priorities:

After:



DDF bridge crosses Xenuane river, Nalan village
Vapi district, Saravane province. Built in FY2014-15.
Total cost: USD \$ 111,000 (DDF 37%; Community
contribution 3%; Government (local administration) 60%).

bridge. After the DDF bridge was built, villagers were happy as they were able to commute to the district center for trading/shopping and accessing service facilities. The bridge also enabled many households to sell their products, thus generating more income for their living. In addition, children spent much less time reaching schools and adults, their workplaces in town. As a result, the living conditions of the villagers' have improved significantly. The construction of the bridge was funded jointly by local administration (60%), local community (3%) and DDF (37%), demonstrating the strong commitment and responsiveness of the Government to improve the well-being and living conditions of local citizens.