

Ministry of Planning and Investment  
Lao People's Democratic Republic

Japan International Cooperation Agency  
(JICA)

**JICA Technical Cooperation**

**Lao PDR**

**Project for Enhancing Capacity in PIP Management (PCAP2)**

**ANNUAL REPORT**  
**For the Second Year**

**August 2009**

**IC Net Limited**

**JICA Technical Cooperation**  
**Lao PDR Project for Enhancing Capacity in PIP Management (PCAP2)**  
**Annual Report for the Second Year**

**Contents**

<b>Outline of the Report</b> .....	<b>5</b>
<b>1. Project Outline</b> .....	<b>7</b>
1.1 Project Overview.....	7
1.2 Progress of Project Implementation .....	9
(1) JCC Meeting .....	9
(2) Public Investment Law Advisory [Output 3] .....	10
(3) [Output 1] Activities for Training and OJT.....	10
(4) [Output 2-1] PIP Budget Allocation .....	22
(5) [Output 2-2] PIP Project Budget Disbursement and Financial Management.....	25
(6) [Output 4-1] ODA Counterpart fund Management .....	28
(7) [Output 4-2] District-Level PIP Management.....	31
(8) [Output 4-3] Sector Program Management.....	34
1.3 Outline and Reasons for Change in Activities .....	37
1.4 Issues and Countermeasures .....	38
1.5 Dispatch of Japanese Experts.....	39
<b>2. Progress of Achievement of the Project Purpose</b> .....	<b>40</b>
<b>3. Outline of Meetings</b> .....	<b>41</b>
4. Equipment Purchased for Project Usage.....	43
<b>5. Main Tasks to Be Accomplished in the Third Year</b> .....	<b>45</b>
(1) [Output 3] Activities of PIP Management Law Advisory Support.....	45
(2) [Output 1] Activities for Training and OJT.....	45
(3) [Output 2-1] PIP Budget Allocation, [Output 2-2] PIP Project Budget Disbursement and Financial Management .....	45
(4) [Output 4-1] ODA Counterpart Fund Management .....	46
(5) [Output 4-2] District-Level PIP Management.....	46
(6) [Output 4-3] Sector Program Management.....	46



## **Abbreviations**

ADB	Asian Development Bank
DOF	Provincial Department of Finance
DPI	Provincial Department for Planning and Investment
GOL	Government of Laos
GPAR	Governance and Public Administration Reform
JCC	Joint Coordinating Committee
JICA	Japan International Cooperation Agency
MAF	Ministry of Agriculture and Forestry
MIC	Ministry of Industry and Commerce
MPI	Ministry of Planning and Investment
MPI-DIC	Department of International Cooperation, MPI
MPI-DOE	Department of Evaluation, MPI
MPI-DoOP	Department of Organization and Personnel, MPI
MPI-DOP	Department of Planning, MPI
NLRP	National Leading Board for Rural Development and Poverty Alleviation
NSEDP	National-Socio-Economic Development Plan
ODA	Official Development Assistance
OJT	On-the-Job Training
PCAP	Project for Capacity Building in PIP Management
PCAP2	Project for Enhancing Capacity in PIP Management
PIP	Public Investment Program
PO	Project Owner
SIDA	Swedish International Development Authority
SOP	Standard Operating Procedure
SPAS	Simplified Project Assessment Sheet
SPES	Simplified Project Evaluation Sheet
SPIS	Simplified Project Information Sheet (for ODA Projects)
UNDP	United Nations Development Programme

## Outline of the Report

The overall outline of this report is as follows.

<p>1. Progress of Project Implementation</p>	<p>The following activities were conducted.</p> <ul style="list-style-type: none"><li>➤ The Public Investment Law was drafted and submitted to the December 2008 session of the National Assembly, but was not approved. The next submission is planned in the December 2009 session. Advisory and support will continue.</li><li>➤ The first series of nationwide training and OJT were completed as planned. 575 people in total took part in training in 14 provinces and central government organizations. Training evaluation and meta-evaluation measured the effects of the training and its usage of methods and tools in their duties.</li><li>➤ In PIP budget management, a proposal was made to improve the contents and timing of the MPI Guideline for PIP Budget Request.</li><li>➤ In PIP project financial management, financial performance indicators were developed for provinces, so that provinces and MPI can monitor their financial situations on a mid-term basis.</li><li>➤ In ODA Counterpart Fund management, a new counterpart fund request procedure involving ICU in DPI was introduced, as well as a new SPIS format as an ODA project information gathering tool.</li><li>➤ In District-level PIP management, out of rural development and poverty reduction approaches in PIP, the Kum-ban development route initiated by NLRP was recommended as future unified process. Project proposal and assessment formats were developed.</li><li>➤ In Program Management, case studies of program management methods and tools using Oudomxay, Khammouane and Saravan provinces were introduced in the Program Manual. A new PIP Mapping tool using free GIS software is developed.</li></ul>
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2. Progress on Achievement of the Project Purpose	Activities were conducted smoothly according to the Plan of Operations. Project Outputs are accomplished through successful implementation of training and development of new PIP management process and methods. At this stage, it is difficult to measure the achievement of the Project Purpose.
3. Outline of Meetings	No meetings were conducted apart from two JCC Meetings and the nationwide training sessions.
4. Equipment Purchased for Project Usage	As indicated in the chart.
5. Main Tasks to Be Accomplished in the Second Year	<ul style="list-style-type: none"> <li>➤ Continuous support in law advisory</li> <li>➤ Implementation of the second series of training</li> <li>➤ Training and validation of newly developed PIP management process and methods</li> <li>➤ Coordination with ministries and development partners on ODA management and district-level PIP</li> </ul>

# 1. Project Outline

## 1.1 Project Overview

Here is the outline of project activities conducted between October 2008 and August 2009.

Items	Activities in the Second Year
[Output 3] Activities on PIP Management Law Advisory Support	3) Continuous advisory on drafting the current PIP Management Law 5) Advisory on issuance of application decrees/regulations
[Output 1] Activities for Training and OJT	4) Developing the next year's training curriculum 5) Training of Trainers (TOT) for Training Part I 6) Implementing Training Part I for ministries and provinces 7) OJT to MPI, provinces, and ministries 8) Evaluation of individual PIP project assessment, monitoring, and evaluation results 9) Providing OJT evaluation results to the provinces and ministries 10) Developing the next year's training curriculum 11) TOT (for Training Part II) 22) Discussion on institutionalization of training sessions
[Output 2] Activities for PIP Budget and Financial Management	
[Output 2-1] PIP Budget Allocation	2) Analysis of current issues in PIP budget allocation 3) Developing revised standards and reflecting them on manuals/handbooks 4) Develop training contents 5) TOT
[Output 2-2] PIP Project Budget Disbursement and Financial Management	2) Analysis of current issues in PIP budget disbursement 3) Developing revised standards and reflecting them in manuals/handbooks 4) Develop training contents 5) TOT
[Output 4] Activities for Improvement of PIP Management Methods	
[Output 4-1] ODA Counterpart Fund Management	1) Studies on ODA current project management 2) Analysis of current issues in ODA counterpart fund 3) Development of methods and reflecting them in Manuals and Handbooks 4) Develop training contents 5) TOT
[Output 4-2] District-Level PIP Management	1) Study on workflow and capacity levels in District Planning and Statistics Office (DPSO) 2) Analysis on appropriate division of duties between DPI and DPSO 3) Development of methods and tools and reflecting them in Manuals/Handbooks 4) Development of training package and TOT contents

	5) TOT
[Output 4-3] Program Management	1) Review of Action Plan and development plans 2) Preparation for pilot program drafting 3) Drafting of pilot program 4) Revision of the Program Manual 5) Development of Training Contents 6) TOT
Other Matters	Coordination with other donors and projects

Note: The activity numbers and order above are based on the terms of reference and the revised activity plan.



## 1.2 Progress of Project Implementation

### (1) JCC Meeting

Two Joint Coordinating Committee (JCC) Meetings were held in the Second Year. They were the second and third JCC meetings from the beginning of PCAP2. Below is an outline of the meetings. The outline is as of mid-August 2009 since the Third JCC Meeting is scheduled on the same day as the day this report is to be submitted.

#### a) Second JCC Meeting

Date	Tuesday, 10 March 2009 1:30 p.m. to 4:40 p.m.
Attendees (35 in total)	<ul style="list-style-type: none"> <li>◇ Dr. Bountavy SISOMPHANTHONG, Vice Minister, MPI, and PCAP2 Project Director</li> <li>◇ Mr. Vixay XAOVANNA, Director General, MPI-DOE, and PCAP2 Project Manager</li> <li>◇ Mr. Ounheane CHITTAPHONG, Deputy Director General, MPI-DOP, and Deputy Project Manager</li> <li>◇ Mr. Houmphanh SOUKPASEUTH, Deputy Director General, MPI-DIC, and Deputy Project Manager</li> <li>◇ PCAP2 Counterpart Staff from MPI-DOE, DOP and DIC</li> <li>◇ Mr. Koichi Takei, Deputy Resident Representative, JICA Laos Office</li> <li>◇ Mr. Hideaki Matsumoto, Assistant Resident Representative, JICA Laos Office</li> <li>◇ Ms. Akemi Ishikawa, Researcher, Embassy of Japan</li> <li>◇ PCAP2 Project Staff</li> </ul>
Contents	<ul style="list-style-type: none"> <li>➤ Presentation of results of first PCAP2 nationwide training</li> <li>➤ Presentation of progress in development of new methods and tools</li> <li>➤ Presentation of draft contents of Manuals and Handbooks</li> <li>➤ Handing over ceremony for a mini-bus from JICA to MPI</li> </ul>
Results	<ul style="list-style-type: none"> <li>➤ Confirmed the progress of development tools and methods. They will be included in the Manuals and Handbooks.</li> <li>➤ Results of the first nationwide training will be further evaluated. Meta-evaluation will be conducted for assessment results done by DPI. The second nationwide training will be planned by taking these evaluation results into account.</li> </ul>

#### b) Third JCC Meeting (plan)

Date	Monday, 31 August 2009 8:30 p.m. to 10:30 p.m.
Attendees (37 in total)	<ul style="list-style-type: none"> <li>◇ Dr. Bountavy SISOMPHANTHONG, Vice Minister, MPI, and PCAP2 Project Director</li> <li>◇ Mr. Vixay XAOVANNA, Director General, MPI-DOE, and PCAP2 Project Manager</li> <li>◇ Mr. Ounheane CHITTAPHONG, Deputy Director General, MPI-DOP, and Deputy Project Manager</li> <li>◇ Mr. Houmphanh SOUKPASEUTH, Deputy Director General, MPI-DIC, and Deputy Project Manager</li> <li>◇ PCAP2 Counterpart Staff from MPI-DOE, DOP and DIC</li> <li>◇ Mr. Hiroaki Takashima, Resident Representative, JICA Laos Office</li> <li>◇ Mr. Hideaki Matsumoto, Assistant Resident Representative, JICA Laos Office</li> </ul>

	<ul style="list-style-type: none"> <li>◇ Representative from the Embassy of Japan</li> <li>◇ PCAP2 Project Staff</li> </ul>
Contents	<ul style="list-style-type: none"> <li>➤ Presentation of contents of Manuals and Handbook</li> <li>➤ Presentation of the second nationwide training plan</li> </ul>

## **(2) Public Investment Law Advisory [Output 3]**

The following activities were conducted between October 2008 and August 2009.

- 3) Continuous advisory on drafting the current PIP Management Law
- 5) Advisory on issuance of application decrees/regulations

Note: Activity numbers are the same as those specified in the Plan of Operation.

The PIP Management Law was proposed in the Ordinary Session of the National Assembly in December 2008 to upgrade the current Prime Minister Decree 58. The upgrading was originally instructed by the Prime Minister due to the necessity for a firm legal framework for PIP management in the country. However, the proposal was rejected due to lack of consensus among ministries and the National Assembly members on the status of the Law.

Details of the activities conducted during this period are as follows.

### 3) Continuous advisory on drafting the current PIP Management Law

PCAP2 provided technical advice during the process of formulating the proposed Law. The proposal indicates the roles and responsibilities of the MPI and other relevant organizations in PIP management. It also states that the standard formats for management of PIP projects are those provided by the MPI. Since the clauses of the proposed Law are highly relevant to the expected outputs of PCAP2, the Project paid close attention to the consistency between the clauses and the expected outputs.

### 5) Advisory on issuance of application decrees/regulations

PCAP2 confirmed the schedules for modification and proposal of the Law to the next National Assembly in December 2009. After the Law is approved, the MPI prepares to issue Prime Minister Decrees and MPI Minister Regulations for the application of the Law. Since these application Decrees and Regulations are highly relevant to the Project outputs, the Project and MPI agreed to continue discussions with the Project on the formulation process of the Decrees and Regulations.

## **(3) [Output 1] Activities for Training and OJT**

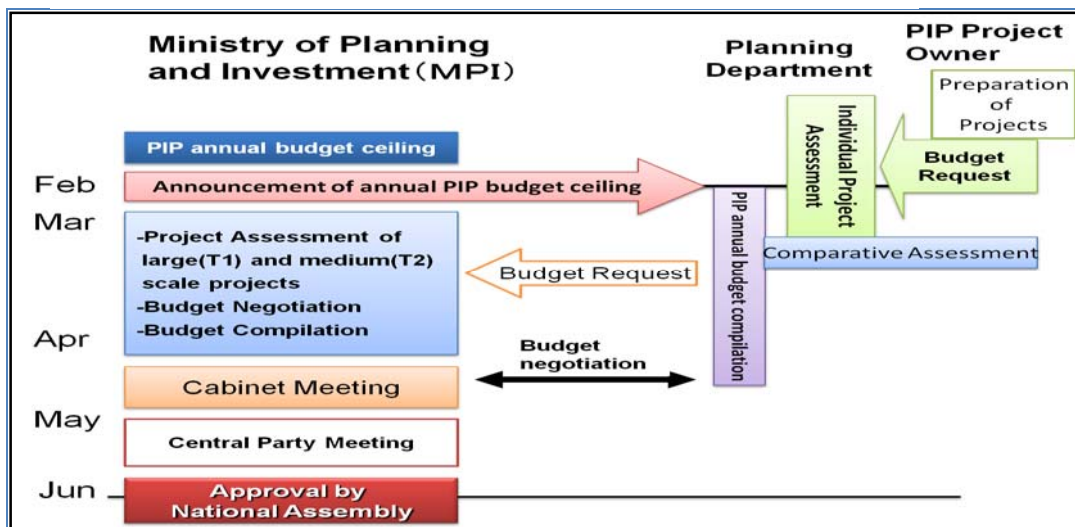
The following activities for this output were conducted during this period.

- 4) Developing the next year's training curriculum
- 5) Training of Trainers (TOT)
- 6) Implementing the Training PART I for ministries and provinces
- 7) OJT to MPI, provinces, and ministries
- 8) Evaluation of individual PIP project assessment, monitoring and evaluation results
- 9) Providing OJT evaluation results to the ministries and provinces
- 10) Developing the next year's training curriculum
- 11) Training of Trainers (TOT) for the next year's training
- 22) Discussion on institutionalization of training sessions

Note: Activity numbers are the same as those specified in the Plan of Operation.

The Project has been implementing training and OJT as one of the main means for the officials concerned to acquire necessary knowledge, methods, and tools for better PIP management to achieve the Project Purpose, i.e., “MPI and DPI process PIP projects through a new assessment procedure introduced by the Project within strict budget ceiling, and conduct monitoring and evaluation.”

**Figure 1: Annual Flow of PIP Budget Compilation**



Therefore, as shown in Figure 1, PCAP2 training sessions are designed to match the annual flow and schedule<sup>1</sup> of PIP budget compilation, conducting nationwide training from November to January before preparing annual budget request, implementing OJT after February to support actual budget compilation, and utilizing the results of meta-evaluation and training evaluation to improve the next year's project activities including development of PIP management tools, methods and training

<sup>1</sup> Figure 1 shows a rough flow and schedule of PIP annual budget compilation. All procedures of PIP annual budget compilation do not always follow the flow and schedule shown in the figure. Also, some of the procedures in the figure are not always undertaken.

sessions (See Figure 2).

Details of the activities conducted during this period are as follows.

4) Developing the next year's training curriculum

and;

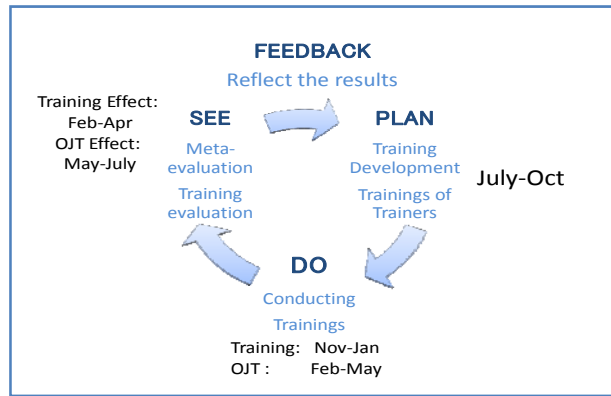
5) Training of Trainers (TOT)

At the beginning of the second year of the project in

October 2008, the MPI-DOE training team finalized the Lao Fiscal Year (FY) 2008/09 nationwide training plan and completed TOT. This activity corresponds to “PLAN” in Figure 2. The team finalized the schedule and contents of the training as well as reflected in training materials the modifications of the handbooks and formats.

6) Implementing the Training PART I for ministries and provinces

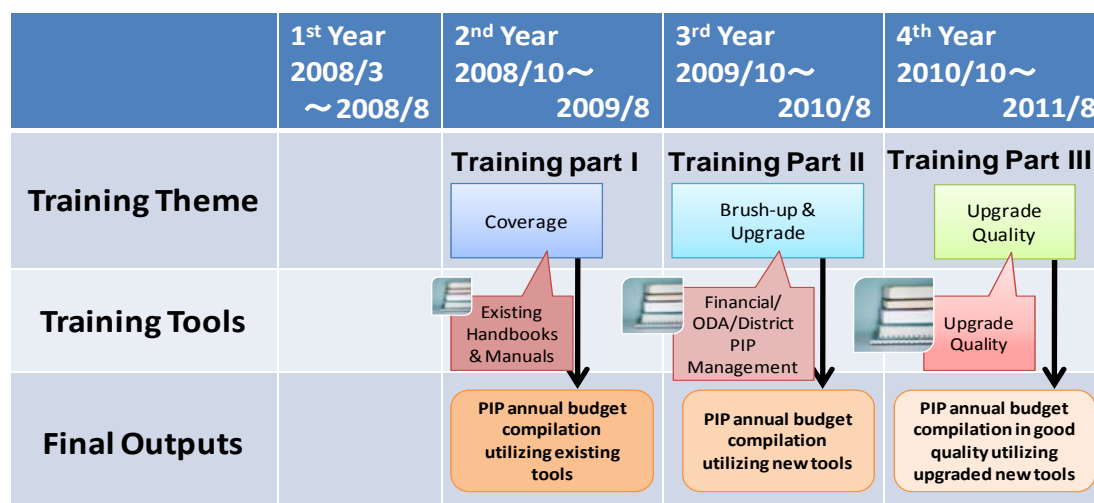
PCAP2 training sessions are designed in three steps so that officials concerned could learn necessary knowledge, tools and methods and enhance their capacity in PIP management step by step (See Figure 3). As the first training in the project, the Training Part I in FY 2008/09 expanded its target from the three monitor provinces<sup>2</sup> to nationwide, namely all the provinces and ministries, with the training theme of “Coverage.” Following this, with the theme of “Brush up and upgrade,” the Training Part II in the next fiscal year will brush up existing contents as well as introduce new tools and methods for PIP management. As the last training in the project, the Training Part III with the theme of “Upgrade quality” aims at upgrading the quality of the management tools and methods including newly introduced ones.



**Figure 2: PCAP2 Training Cycle along with PIP Annual Budget Procedure**

<sup>2</sup> Oudomxay, Khammouane, Saravan provinces were the monitor or pilot provinces of PCAP1 with which PCAP1 developed and validated the tools and methods for better PIP management.

**Figure 3: PCAP2 Training in Three Steps**



From November 2008 to January 2009, as explained above, the Training Part I was conducted nationwide to PIP management related officials both at the provincial and ministerial levels (corresponding to “DO” in Figure 2). The following topics were selected as main contents of the training among the basic skills for PIP management based on the results of the training needs assessment conducted in the first project year.

#### Main Topics for the Training PART I in the Fiscal Year 2008/09

1. Methods of writing a PIP project proposal and progress reports for budget request
2. Methods of absolute or individual project assessment with SPAS and of comparative assessment for prioritization of projects

The following are the results of the training.

#### Results of the Training PART I in the Fiscal Year 2008/09

1. [Provincial Level] Exceeding the expected number of 476, 516 officials in total, in which 178, 20, and 318 officials are from DPI, district DPI, and sector departments respectively, successfully completed the training for the above mentioned basic skills in PIP management.
2. [Ministerial Level] 69 officials in total in the planning and technical departments in all eight main ministries in the economic and social sectors and 26 organizations in other sectors completed the above mentioned training.
3. [MPI-DOE Trainers] MPI-DOE trainers became able to manage the training, including logistic arrangement and development of the contents, on their own. Moreover, MPI-DOE officials enhanced their capacity as trainers in PIP management through the training course.
4. [DPI Core Trainers] Six DPI officials in total from the three PCAP monitor provinces enhanced their capacity as core trainers in PIP management through the training course.
5. [Decision Makers] Besides the 516 trainees, 129 high officials in total participated in the seminar to share the

7) OJT to MPI, provinces, and ministries

Following the training, the MPI-DOE training team conducted OJT to all 16 provinces, Vientiane Capital and to all eight main ministries in February 2009. The main objectives of OJT are to i) confirm with planning departments as well as technical departments in the provinces and ministries the schedule for FY2009/10 annual budget request along with the MPI guideline<sup>3</sup>, ii) support project assessment and budget compilation, and iii) conduct ITT (Intensive Technical Training)<sup>4</sup> to the above mentioned organizations. Below are the main results of OJT.

**Main Results of OJT in FY2008/09 (Findings on PIP Budget Compilation)<sup>5</sup>**

**1. Finding on PIP budget compilation as a whole**

- It is noted that the tools and methods developed by MPI/PCAP, such as PIP budget request formats and assessment tools, have become increasingly common nationwide.

**2. Issues on PIP budget compilation schedule**

- MPI guideline No.300 had not been known in many provinces even after its release on 10 February 2009. Thus organizations concerned did not know the actual PIP budget request schedule.
- In many provinces, the submission of project proposals and progress reports for budget request from the sector departments to DPI was delayed although the submission deadline was announced in each province.

**3. Issues on PIP budget compilation**

- In some organizations, incorrect project proposal formats were used for budget request, which could cause low assessment results.
- In some organizations, quality of project assessment was still low.
- In some organizations, level of understanding of project proposal writing among some officials who participated in the PCAP2 training was still low.
- Officials who did not participate in the PCAP2 training did not understand project assessment.
- In some organizations, level of understanding of comparative assessment was still low.

**4. Results of ITT**

- ✧ It should be noted that more than 70% of all the participants passed the post-test of financial/economic analysis, social analysis, and environmental analysis in 14 provinces, 16 provinces, and 16 provinces, respectively.

**5. Issues on conducting OJT**

- Conducting OJT in February helped project owners write their project proposals but did not help DPI assess the requested projects this year. Therefore, timing of OJT needs to be reconsidered along with the next year's OJT objectives.

<sup>3</sup> MPI guideline No.300, announced on 20 February 2009 which gives guidelines for reporting of PIP implementation of the first half year of FY2008/09 and FY2009/10 PIP budget compilation.

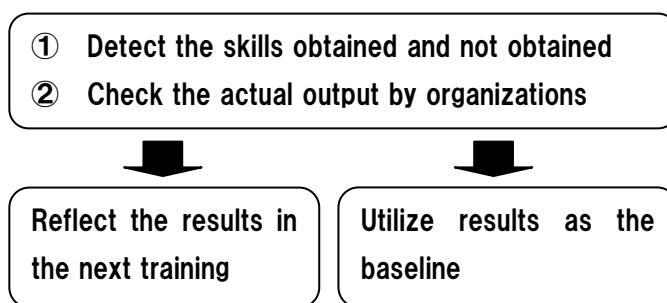
<sup>4</sup> ITT, developed by MPI /PCAP1, includes financial/economic analysis, social analysis, and environmental analysis for PIP management.

<sup>5</sup> See the Appendix1: Summary Report on OJT for details.

8) Evaluation of individual PIP project assessment, monitoring and evaluation results

PCAP2 conducted the six-month post-training evaluation and meta-evaluation to evaluate the effect of the Training Part I and OJT <sup>6</sup> (corresponding to “SEE” in Figure 2). The main points of evaluation are to i) detect specific skills which were acquired and ii) evaluate to what extent project assessment was conducted for 2009/10 PIP budget request by each organization (See Figure 4 below). The results of evaluation were reflected in development of tools and training sessions and are also used as baseline data to compare with progress or outputs of the training sessions next year onwards.

**Figure 4: Objectives of Training Evaluation and Meta-Evaluation**



In sum, “Coverage,” the objective of the Training Part I, made a big first step based on the evaluation results. As a result, although the level of achievement differs by each organization, all 16 provinces and Vientiane Capital proposed and assessed a PIP project by utilizing the tools and methods proposed by MPI/PCAP2 for requesting FY 2009/10 PIP budget. The following are detailed results of i) schedule for FY2009/10 budget requesting, ii) assessment ratio, and iii) results of meta-evaluation or evaluation of assessment quality.

i) Schedule for FY2009/10 budget requesting

According to the MPI guideline No.300, the deadline of submission of the first PIP budget request from organizations concerned to MPI is 20 March 2009. Please see below for the actual dates of submission by organization.

■ [Provincial] Actual date of submission of the first PIP budget request

Among all the provinces and Vientiane Capital, seven provinces including Oudomxay met the due

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<sup>6</sup> Evaluation was composed of a series of studies including questionnaire surveys to the training participants in all provinces and ministries, workshops and key informant interviews in Vientiane Capital and other three provinces, telephone interviews with planning departments of all provinces and ministries, and analysis of relevant documents and data including FY 2009/10 PIP annual budget request list.

date of the first budget submission to MPI (see Table 1 below). Prior to the budget request from DPI to MPI, sector departments need to compile their budget request and submit it to DPI. In fact, Table 1 shows that, although the submission deadline from sector departments to DPI was officially announced by each province from September to February, only four provinces, namely Oudomxay, Bolikhamxay, Saravan, and Xekong, followed the announcement.

**Table 1: Actual Date of the First Submission of PIP Budget Request by Province**

Procedure	Province Date	NORTH								MID				SOUTH				
		PSL	LNT	BK	ODX	XYBL	LPB	XK	HP	VTE Pro.	VTE Cap.	BLKX	KM	SNK	CPS	SLV	SK	ATP
Submission of Project Proposals/ Progress Reports from POs to DPI	Date of announcement	12/11	9/12	30/1	1/10	9/2	1/12	15/12	8/12	4/12	2/2	22/9		15/11	10/12	6/2	29/12	6/2
	Deadline announced by DPI to sectors	15/1	31/1	13/2	6/3	6/3	15/2	30/2	20/3	15/2	20/2	20/2	20/2	26/2	10/1	20/2	25/2	20/2
	Actual date of the last submission	2/2	5/3	25/3	2/2	17/3	5/3	14/3	25/4	16/3	2/3	20/2	25/3	5/3	14/3	20/2	25/2	13/4
Date of Budget Request from DPI to MPI	**Actual date of the submission	25/3	19/3	18/3	20/3	23/3	25/3	19/3	16/3	25/3	15/3	27/3	24/3	25/3	25/3	24/3	25/3	17/3

■ [Central] Actual date of submission of the first PIP budget request

At the central level, three ministries including the Ministry of Energy and Mining (MOEM) and the Ministry of Health (MOH) among the main eight ministries submitted the first PIP budget request to MPI on time. In the other sectors, four organizations among the six researched organizations met the due date (See Table 2 below).

**Table 2: Actual Date of the First Submission of PIP Budget Request by Ministry**

Sector	Economic Sectors				Social Sectors				Others					
	MAF	PWT	MIC	MEM	Edu	Health	MOIC	MOLS	WREA	Post	Land	Justice	Tech	Musuem
Date of Budget Submission to MPI	10/4	12/5	29/4	12/2	30/3	18/3	19/3	27/3	20/3	2/2	20/3	27/3	23/3	20/3

ii) Assessment ratio regarding FY2009/10 PIP budget request

Results of the assessment ratio regarding FY2009/10 PIP budget request by organizations are as follows<sup>7</sup>.

■ [Provincial] Assessment Ratio of Type 3 projects in the FY2009/10 PIP budget request

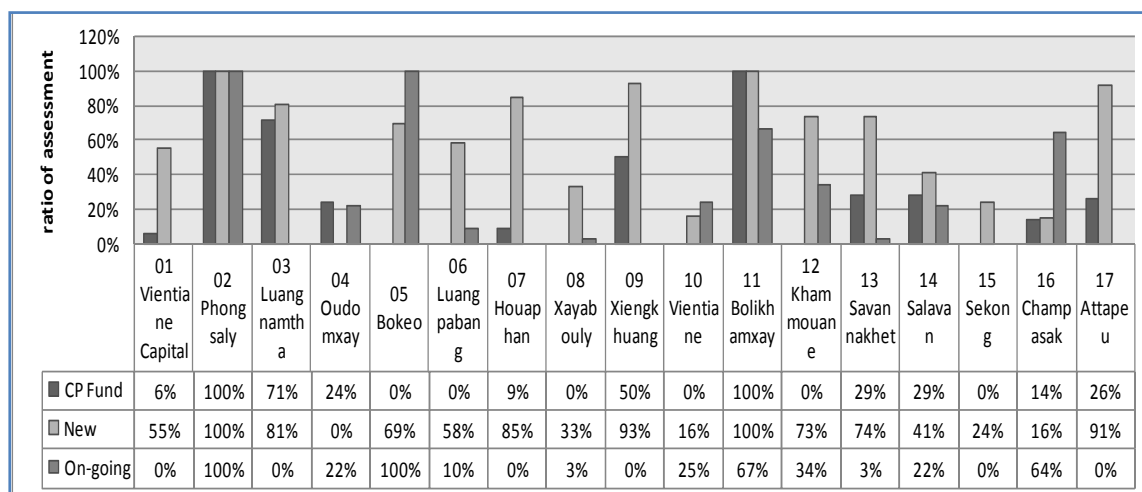
The study found that all 16 provinces and Vientiane Capital assessed PIP projects by utilizing the

<sup>7</sup> The assessment ratio was calculated as follows: the number of small scale (Type3) projects in the first budget request from DPI to MPI divided by the number of assessed projects by SPAS. See Appendix 2: Table of Type 3 Projects for the number of requested projects and their amount of budget by province.



Simplified Project Assessment Sheet (SPAS) developed by MPI and PCAP2 for requesting the 2009/10 PIP budget. This can be considered the main output of the Training Part I which aimed at area coverage targeting of PIP management. With regard to assessment ratio by project type, the assessment ratio of new projects was higher than that of ongoing projects and the ODA national contribution budget. As for new projects alone, 11 provinces assessed more than 50 percent of all the T3 projects. Among these provinces, Phongsaly and Bolikhamxay provinces made an outstanding assessment ratio for all of the new, ongoing, and ODA national contribution budget. In contrast, Oudomxay, Xayabouly, Vientiane, Saravan, Xekong, and Champassak provinces did not reach an assessment ratio of 50% for any type of projects. Meanwhile, Oudomxay, Saravan, and Xekong provinces requested assessment for many projects, but non-assessed projects were selected and included in the budget request, resulting in the low assessment ratio<sup>8</sup>.

**Figure 5: Assessment Ratio of Type 3 Projects in the FY2009/10 PIP Budget Request<sup>9</sup>**



The following are the main issues.

- Research main factors of high assessment ratio (good practice) of Phongsaly and Bolikhamxay province.
- Research main factors of low assessment ratio of Xayabouly and Vientiane Province, and emphasize the next year's training to these provinces.
- Although DPI assesses many projects, non-assessed projects are selected in the end.
- Assessment of ongoing projects must be reconsidered in its formats and contents

<sup>8</sup> For example, Oudomxay DPI assessed 165 projects among all 240 projects, including ongoing and new projects, requested by sector departments (See the Appendix 3: OJT Follow-up Report). Among the 240 projects, only 47 projects, in which 6 were new and non-assessed projects, were actually requested to MPI. Therefore, the assessment ratio of new projects became 0%. See the Appendix 4: Report on Meta-Evaluation and Training Evaluation for the case in Saravan and Xekong province.

<sup>9</sup> "CP Fund" means ODA national contribution budget including new projects and ongoing projects. "New" means newly proposed projects, and "Ongoing" means ongoing projects.

- Issues on capacity development of officials at the district level

■ [Central] Assessment Ratio of Type 3 projects in the FY2009/10 PIP budget request

Compared to provinces, assessment by SPAS is not widespread in the central ministries and organizations. According to telephone interviews with planning departments of all central ministries and organizations, 14 organizations such as the Ministry of Agriculture and Forestry (MAF) and the Ministry of Industry and Commerce (MIC) conducted SPAS assessment, while 18 organizations did not (see Table 3 below). Here are the main issues.

- Issues on methods of introducing PIP management tools to central ministries and organizations which are equivalent to the tools of MPI
- Issues on design and planning of more effective training and OJT which would enable introduction and transfer of the PIP management methods and tools

**Table 3: Assessment Situation in the FY2009/10 PIP Budget Request by Ministry**

Sector	Assessed		Not Assessed	
Economic Sectors	1	MAF	1	MPWT
	2	MIC	2	MOEM
Social	3	MOIC	3	MOE
			4	MOH
			5	MLSW
Others	4	MPI	6	MOF
	5	Min. of Security	7	Min. of Justice
	6	National Front	8	Min. of National Defence
	7	LWU	9	MOFA
	8	Youth	10	Trade Union
	9	Prosecutor	11	Technology
	10	Supreme Court	12	WREA
	11	Veteran Federations	13	National Assembly
	12	RDC	14	Presidential Palace
	13	PMO	15	Central Party Committee (Cabinet)
	14	PACSA	16	Central Party Committee (Personnel)
			17	Central Party Control
			18	State Control
	<b>Total: 14 Organizations</b>		<b>Total: 18 Organizations</b>	

iii) Results of assessment qualities (meta-evaluation)

Following the above mentioned studies on actual budget requesting for FY2009/10 and assessment ratio, the meta-evaluation was conducted to see the quality of assessment itself in each of the five assessment criteria, namely relevance, effectiveness, efficiency, impact, and sustainability. Meta-evaluation was conducted only for the assessment done by provinces since almost no

assessment results were collected from the central ministries and organizations. Considering areal balance, the following four provinces and Vientiane Capital were selected for meta-evaluation. In sum, it is fair to say that the quality of assessment was relatively good since 31 projects, or 84% of 37 projects in total, were evaluated as either A (very good) or B (good). However, a few issues need to be addressed.

**Table 4: Results of Meta-Evaluation in Provinces and Vientiane Capital**

Unit: Number of

Province/Rating	A	B	C	D	Total
<b>Luang Prabang</b>	0	1	2	0	<b>3</b>
<b>Xayabouly</b>	1	0	2	0	<b>3</b>
<b>Vientiane Capital</b>	14	4	0	1	<b>19</b>
<b>Khammouane</b>	0	4	1	0	<b>5</b>
<b>Xekong</b>	2	5	0	0	<b>7</b>
<b>Total</b>	<b>17</b>	<b>14</b>	<b>5</b>	<b>1</b>	<b>37</b>

Here are the issues on the quality of assessment.

- Assessment results differ depending on capacity of assessors. Thus it is recommended for assessors' superior or persons in charge to re-confirm the assessment results
- The quality of meta-evaluation itself could also differ depending on the capacity of evaluators.

#### 9) Providing OJT evaluation results to the ministries and provinces

The project conducted workshops for training evaluation and meta-evaluation in Vientiane Capital, Saravan, Xekong, and Khammouane provinces from May to July 2009 and for all the central ministries and organizations in July 2009. In the workshops, the project shared the above-mentioned results of training evaluation and meta-evaluation with all the participating organizations (corresponding to "FEEDBACK" in Figure 2). The project also plans to share and provide the results to the other remaining provinces during the nationwide training in the next year.

#### 10) Developing the next year's training curriculum

With the theme of "Brush up and upgrade," the Training Part II in the next fiscal year aims at brushing up the exciting contents and introducing new methods and tools for PIP management (See Table 5). The final output of the training would be compilation of FY 2010/11 PIP annual budget. As for the design of the training, given the unique nature of the training, contents on PIP financial/budget management are to be introduced in the separate training from the nationwide Training Part II. By incorporating this change and reflecting the results of training evaluation and

meta-evaluation, the training in the next year was planned as shown in the table below.

**Table 5: PCAP2 Training Plan in FY2009/10**

<b>Training Theme: "BRUSH UP &amp; UPGRADE"</b>				
	<b>Schedule</b>	<b>Main Target</b>	<b>Purpose</b>	<b>Main Contents</b>
<b>Nationwide Training</b>	From Nov. 2009 to January 2010	Officials of planning departments and project owners in all provinces and central ministries and organizations	Brushing up the exciting methods and introducing new methods for requesting and assessing projects	<ul style="list-style-type: none"> <li>• ODA national contribution budget management</li> <li>• Sector program management</li> <li>• District PIP management</li> <li>• Methods of requesting and assessing ongoing projects</li> <li>• Introduction of new video program</li> </ul>
<b>Financial/Budget Training</b>	From Nov. 2009 to December 2009	Officials of planning departments and in all provinces	Introduction of methods for PIP annual budget compilation and financial analysis	<ul style="list-style-type: none"> <li>• Methods of budget compilation</li> <li>• Methods of financial analysis</li> </ul>
<b>OJT</b>	From Feb. 2010 to March 2010	Officials of planning departments in all provinces and central ministries and organizations	Follow-up on the above mentioned training sessions	Follow-up on the above mentioned contents regarding project assessment and PIP annual budget compilation
<b>Expected Final Training Output: PIP projects are requested, assessed, monitored, and compiled into FY 2010/11 PIP budget request by utilizing newly introduced tools and methods</b>				

➤ Notes on the training

■ Financial aspect

Approximately 300 million Kip was officially approved as the ODA national contribution budget for PCAP2 by the National Assembly in June 2009 as results of active cooperation between MPI and the project. The budget is to be utilized for implementing nationwide training in the next fiscal year. It will be the first time for MPI to share the budget for implementing training if the budget is actually disbursed according to the schedule of the training.

■ Organizational aspect

The project continues to build the capacity of the MPI-DOE training management team. In addition, the project proposes to incorporate the Department of Organization and Personnel (MPI-DoOP) in the training management team so that MPI as a whole will be able to lead the management of the

training on its own in the future.

11) Training of Trainers (TOT) for the next year’s training

TOT is to be conducted from the end of August 2009 to October 2009 to officials in MPI-DOE, MPI-DOP, and MPI-DIC.

22) Discussion on institutionalization of training sessions

The project has been discussing with concerned organizations on institutionalization of training sessions, as one of the means of popularizing PIP management tools and methods nationwide.<sup>10</sup> The MPI-DOE “Sustainability Team” was created to ensure sustainability of project outputs after the completion of the project.

**Table 6: Achievements for Sustainability**

Achievements and future outlook for enhancing capacity in PIP management		
	PCAP2 achievements	MPI’s outlook in the future
<b>Financial</b>	Secured the training budget (National contribution budget)	Secure the recurrent budget
<b>Technical</b>	Upgrading skills related to MPI-DOE job description	Framework in upgrading and rooting skills for PIP management as a whole
<b>Institutional</b>	Conducting training related to MPI-DOE job description	Institutionalized human resource management (DoOP as a core dept.)

As shown in Table 6, the main achievements to secure sustainability up to now are the following: i) Financial Aspect: Budget for the training was officially approved as the ODA national contribution budget by the National Assembly; ii) Technical Aspect: organizational framework in upgrading skills related to MPI-DOE job description, namely methods of project assessment, has been seen to some extent; and iii) Institutional Aspect: MPI-DOE had conducted the nationwide training on its own in the framework of its job description. However, it is necessary to establish an institutional framework of MPI as a whole to implement truly appreciated projects from the people. Therefore, as a future outlook of MPI itself, it would be necessary to i) secure the financial sustainability by managing and utilizing the recurrent budget of MPI and organizations concerned and other sources of budget; ii) establish institutional framework in upgrading and rooting skills for PIP management as a whole, including job description of MPI-DOE, MPI-DOP, and MPI-DIC; and iii) undertake organizational and institutional human resource management, with DoOP as a core department in charge, to realize i) and ii) in the future. PCAP2 continues studying and discussing the issues.

<sup>10</sup> Discussion with the Director General of the MPI-DOE from April to August 2008, with NERI on 5 May 2009, with the Deputy Director General of MPI-DOE and MPI-DoOP on 10 June 2009

#### (4) 【Output 2-1】 PIP Budget Allocation

The following activities were conducted for this output.

- 2) Analysis of current issues in PIP budget allocation
- 3) Developing countermeasures to those issues and reflecting them in manuals/handbooks
- 4) Developing the curriculum and contents for training
- 5) Providing training to the Lao training instructors

Note: Activity numbers are the same as those specified in the project plan.

Here are details of the activities conducted during this period.

##### 2) Analysis of current issues in PIP budget allocation

Major issues in PIP budget allocation had been discussed among the project, MPI and DPI in provinces through the second year. It was found that the quality of the project assessment deteriorated due to the following factors: number of proposals submitted from the Project Owners (PO) of the sector ministries exceeds the capacity of DPI; and the duration of proposal assessment is too short to do assessment adequately. As a result, projects that are not relevant to NSEDP have been adopted.

PCAP2 has already introduced several measures to improve the quality of project assessment during the Phase 1 of the Project, and assessment skills among the staff members of MPI and DPI have improved through the project activities. However, the quality of project assessment will not be adequate unless the workflow of PIP budget formulation is improved.

The following are the issues in the present PIP budget formulation. The PIP budget calendar for 2009/10 is shown in Table 7.

- The duration for proposal formulation is limited at the provincial level. Provinces have only one month to prepare and submit a project proposal and a progress report between the announcement of the Guideline for PIP budget formulation and the deadline of the proposal and report submission.
- The deadline of proposal and report submission from POs to DPIs is not properly set. Then, POs submit their proposals and reports to DPI intermittently till 20 March.
- POs do not prioritize their proposals and submit too many proposals to DPI.

Table 7: PIP Budget Calendar for 2009/10

	MPI	DPI	PO
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Feb. 10	Announcement of the guideline for PIP budget formulation process in 2009/10		
		Providing assistance to POs according to the guideline	
			Preparing and submitting the proposal
		Conducting SPAS	
		Conducting CompAss with POs	
Mar. 20		Submitting the first draft of PIP project list to MPI	

### 3) Developing countermeasures to those issues and reflecting them in manuals/handbooks

#### <Proposals>

The project has proposed three countermeasures based on the analysis above to rationalize the PIP budget formulation process. First, the announcement of the guideline could be around the beginning to December. Second, the deadline of proposal submission from POs to DPIs should be set. Lastly, the upper limit of PIP budget request should be included in the guideline.

Regarding early announcement of the guideline, it is proposed that the guideline should be announced by 1 December. Then, the provinces would be able to secure one month for SPASS and one and half month for CompAss. The guideline should also include the deadline of proposal submission to prevent POs from submitting their proposals intermittently till 20 March. In addition, POs are expected to decrease the number of proposals voluntarily by being informed of the upper limit of PIP budget request.

By implementing those countermeasures, DPI would be able to secure enough time for project proposal assessment. The proposed PIP budget calendar is shown in Table 8.

Table 8: Proposed PIP Budget Calendar

	MPI	DPI	PO
Dec. 1	Announcement of the guideline for PIP budget formulation process		
Dec.		Formulating the mid-term expenditure outlook at Provincial level	
		Instructing POs according to the guideline	
Jan.			Proposal formulation
Feb. 5			Proposal submission
		Conducting SPAS	
		Conducting CompAss with POs	
Mar. 20		Submitting the first draft of PIP project list for the next fiscal year to MPI	

< Building consensus with MPI >

A policy paper was formulated based on the proposals above and submitted to MPI. The workshop was held on 10 June at the Planning Department and participants exchanged their views on the proposal. The participants agreed on the proposals and concluded that the proposals should be considered by MPI's decision makers. Major questions and answers during the workshop are the following.

Q) Is it not difficult for MPI to announce the guideline for PIP budget formulation before agreement on the next fiscal year's PIP budget amount with the Ministry of Finance?

A) The guideline would not indicate PIP budget allocation to each province, but the PIP budget formulation process. If MPI wants to indicate the figure of PIP budget amount for the next fiscal year, MPI could propose the figure based on forecast GDP growth and inflation rate.

Q) Even though MPI improves the content of the guideline, enforcing it to the Provinces remains an issue.

A) The project is fully aware of the issue. However, MPI has to announce the adequate guideline to the provinces regardless of the enforcement, as DPIs cannot act without the instruction from MPI.

Results of the workshop were reported to Mr. Ounheane CHITTAPHONG, Deputy Director of the Planning Department, and Mr. Vixay XAOVANNA, Director of the Evaluation Department, MPI. The project also reported the proposals to Dr. Bountavy SISOMPHAONTHONG, Vice Minister of MPI, in August 2009. It was confirmed that consensus building among the decision makers of MPI



is necessary about those measures before the Joint Coordinating Committee Meeting in August 2009.

< Formulation of manuals and handbooks >

The project has been drafting the manuals based on the proposals above.

#### 4) Developing the curriculum and contents for training

Training in the field of PIP budget allocation shall focus on the PIP budget formulation guideline and PIP budget calendar. Contents developed for the workshop above are to be utilized.

#### 5) Providing training to the Lao training instructors

The project analyzed the issues and proposed countermeasures to them with two staff members of the Planning Department. As mentioned above, contents of the training would be mainly guidance on the PIP budget formulation guideline and PIP budget calendar. Therefore, training to the Lao training instructors would not focus on technology transfer from the Japanese experts to the Lao side.

### **(5) [Output 2-2] PIP Project Budget Disbursement and Financial Management**

The following activities were conducted for this output.

- |  |
|--|
| <ul style="list-style-type: none"><li>2) Analysis of current issues in PIP budget disbursement</li><li>3) Developing revised standards and reflecting them in manuals/handbooks</li><li>4) Developing the curriculum and contents for training</li><li>5) Providing training to the Lao training instructors</li></ul> |
|--|

Note: Activity numbers are the same as those specified in the project plan.

The following are details of the activities conducted during this period.

#### 2) Analysis of current issues in PIP budget disbursement

The following are the issues on PIP financial management identified through a field survey in the provinces.

- Additional costs arise because the payment period to projects is longer than the implementation period.
- Project completion is delayed because of delays in payments.
- Quality of work deteriorates because project owners cannot strictly monitor contractors due to delays in payments.

Debt projects are the most typical example of projects with payment delays, although new and ongoing projects also face such problems in many cases. Therefore, payment problems of all types of projects have to be addressed through improvement of PIP budget management, including budget formulation.

### 3) Developing revised standards and reflecting them in manuals/handbooks

PCAP2 proposed necessary actions to improve PIP budget management. The main points of the proposals to MPI are as follows;

- Conduct PIP financial analysis to monitor the provincial financial status;
- Instruct provinces to improve their PIP financial status by setting targets on payment durations and due amounts; and
- Provide technical support to provinces on PIP financial analysis and budget formulation.

#### PIP financial analysis and indicators

The indicator proposed by the PCAP2 team for PIP financial analysis is “average payment duration,” which shows how many years it takes for a province to clear “due amounts” to projects by current budget allocation. “Due amount” is the remaining amount that a province has to pay to a contractor or a project. This can be derived as “total project cost” minus “amount paid.”

“Average payment duration” is calculated as follows.

“Average payment duration” = [Due amount] / [Annual budget] =([Total project cost] – [Amount paid]) / [Annual budget]
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PIP financial analysis through “average payment duration” can be used to compare the financial status of provinces. This can also show the annual changes in financial status of a province. PCAP2 has advised MPI to monitor the indicator to set clear targets on improvement of payment status. PCAP2 has also proposed MPI to classify provinces into three categories, depending on average payment durations<sup>11</sup>.

#### Instructions on improvement of PIP financial status

Payment durations can be reduced by avoiding an increase in “due amounts,” because an annual PIP budget is expected to increase through GDP growth and price increase. Therefore, the PCAP2 team proposed that the main role of MPI in enhancing PIP financial stability is to avoid an increase in

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<sup>11</sup> Financial categories are as follows: “Red”: longer than seven years; “Yellow”: longer than three years but shorter than seven years; “Green”: shorter than three years.

“due amounts” through budget guidelines.

In the guidelines, MPI is advised to instruct provinces to i) avoid formulating more new projects than budgetary capacity; and ii) limit an increase in ongoing project costs. New project costs and an increase in ongoing project costs would be discussed between MPI and provinces through budget negotiations.

#### PIP budget formulation process in provinces

PCAP2 also proposed that provinces produce “Mid-Term PIP Expenditure Outlook,” by which provinces can estimate available PIP budgets and their payment duration in the future. The Outlook clearly shows negative impacts of an increase in due amounts, such as deterioration in payment durations and increase in additional project costs. Then the tool would be useful for provinces to formulate an effective PIP budget plan while minimizing payment problems.

PCAP2 has conducted field trips to provinces to receive feedback mainly from provincial DPIS. Based on the feedback, tools for PIP financial management including the Mid-Term Outlook were revised. The PCAP2 team presented the tools to MPI staff members in a workshop, and the comments by MPI staff members are generally positive.

PCAP2 is producing a manual on PIP financial management based on the proposals above. Draft manual contents are as follows.

1. Overview of PIP financial management
2. PIP budget formulation processes
3. PIP financial management
  - (1) PIP financial analysis method
  - (2) Enhancing PIP financial status through budget formulation
4. Recommendations to decision makers

#### 4) Developing the curriculum and contents for training

The first draft of training materials including curricula and contents were produced. Based on the draft training material, PCAP2 provided training sessions of PIP financial management to some MPI staff members. Training materials will be upgraded based on the feedback from MPI and provincial staff members.

#### 5) Providing training to the Lao training instructors

As mentioned above, the PCAP2 team provided training sessions of PIP financial management to MPI staff members. The PCAP2 team examined the level of understanding through field trips, in which MPI staff members gave instructions to provincial staff members on PIP financial analysis.

## **(6) [Output 4-1] ODA Counterpart Fund Management**

The following activities were conducted for this Output.

- 1) Study on ODA current project management
- 2) Analysis of current issues in ODA counterpart fund
- 3) Preparation of countermeasures for improvement and reflection in the Manuals and Handbooks
- 4) Development of training curriculum and contents
- 5) Support to training for trainers

Note: Activity numbers are the same as those specified in the project plan.

Details of the activities conducted during this period are as follows.

### 1) Study on ODA counterpart fund management

PCAP2 carried out a study with a series of workshops in Oudomxay and Saravan as well as discussions in Bolikhamxay and Khammouane from November 2008 to February 2009. In addition, PCAP2 conducted a series of interviews with key actors of the public works and transportation sector such as sector specialists, persons in charge and project management consultants for the World Bank, the Asian Development Bank (ADB) and the Swedish International Development Authority (SIDA). These undertakings were to discuss problems that provincial officials in charge for ODA counterpart fund management and to find out the direction for the solutions. The following sections discuss detailed results of the research.

### 2) Analysis of current issues in ODA counterpart fund

#### Problems discussed and identified in the study

1. ODA/PIP projects are given a higher priority than domestic PIP by policy. However, too many ODA projects are proposed and the total amount of their counterpart fund sometimes exceeds budget capacity. Therefore, **priorities are often needed to be placed among these ODA projects.**
2. DPI and/or PO departments are sometimes not well informed about some ODA projects to prepare a budget proposal, missing the opportunity to apply for the counterpart fund.

Therefore, **they need to share adequate information on ODA projects.**

3. The International Cooperation Unit (ICU) of DPI was established last year and has been collecting information on ODA projects using the Project Information Sheet (PIS) and Project Implementation Report (PIR) formats. However, **lack of authority and capacity and the overly complicated format make it difficult for ICU to collect information.**
  
- 3) Preparation of countermeasures for improvement and reflection in the Manuals and Handbooks  
The PCAP2 team analyzed the result of the study and came up with the following directions for countermeasures for improvement.
  - i) Direction of countermeasures to the problems
    1. Comparative Assessment (CompAss) analysis provided by PCAP needs to be modified for prioritization of PIP projects including ODA.
    2. In Khammouane Province, priorities among ODA/PIP projects are determined through a series of discussions in the department committee in December and the Provincial Party's Committee in January. Criteria for priorities are defined in the discussions every time and include the following: a) poverty indicators, b) focused districts, and c) donor's prioritization. Therefore, a modified CompAss should be flexible enough to incorporate various types of determination.
    3. Some new tools need to be developed by PCAP2 to share essential information to apply for the ODA counterpart fund.
    4. On the above direction (2.), ICU and certain line Departments are eager to be key actors.
    5. In theory, sector departments are supposed to be able to provide enough information on the ODA projects that they operate as project owners. But actually, they still need capacity development to perform this task.
    6. Authorization of key actors and setting up a proper procedure would be essential to make the improvement effective.
    7. All the countermeasures should be in line with the SOP project that is underway to standardize the work procedures in DIC.
  - ii) Proposals for improvement of the current workflow
    1. Improvement of Comparative Assessment
      - PCAP2 would enhance the capacity of CompAss to enable flexible prioritization of both ODA and domestic PIP projects.
    2. Information sharing process for ODA counterpart fund proposal

- PCAP2 helps establish a new workflow to share information of the ODA projects, which should be enhanced with institutionalization and training.
- The new workflow utilizes the Simplified Information Sheet (SPIS) developed by PCAP2. The SPIS format refers to the present PIS and PIR by DIC that should be simplified.
- The new workflow involves DIC of MPI and its provincial unit, and ICU in DPI as the key actors.
- Articles of statutes are drafted in the project manual, which will help institutionalize the workflow and stipulate authority of the key actors.

iii) Expected outcomes

1. Rationalizing use of PIP budget for achievement of NSEDP

This improvement helps the Government of Laos (GOL) avoid missing the opportunity to apply for the counterpart fund of ODA projects during the scheduled term on the PIP budget procedure. If GOL through DPI and MPI fails to prepare the counterpart fund of some projects due to lack of information, it causes not only delays in completion of the PIP projects but also an increase of the accumulated interest of the loan and debt to contractors. Thus improvement for smooth application for the counterpart fund will contribute to both a high level of achievement of NSEDP and further rationalization of the use of PIP budget.

2. Making collection and utilization of ODA information efficient

This improvement with the new SPIS sheet will also make the current data collection procedure by DIC more efficient, which is implemented to prepare the Foreign Aid Report through PIS and PIR. If the procedure to collect SPIS is enhanced by authorization with a more extensive institutional framework of GOL such as law, decree and regulation, the obstacle that IDC under DIC and in DPI faces on the procedure to collect ODA information from relevant parties will be reduced. This step will realize efficient data collection for preparing both the Report and the ODA counterpart fund for PIP.

3. Enhancing coordination among DIC with ICU, DPI and line departments for PIP projects

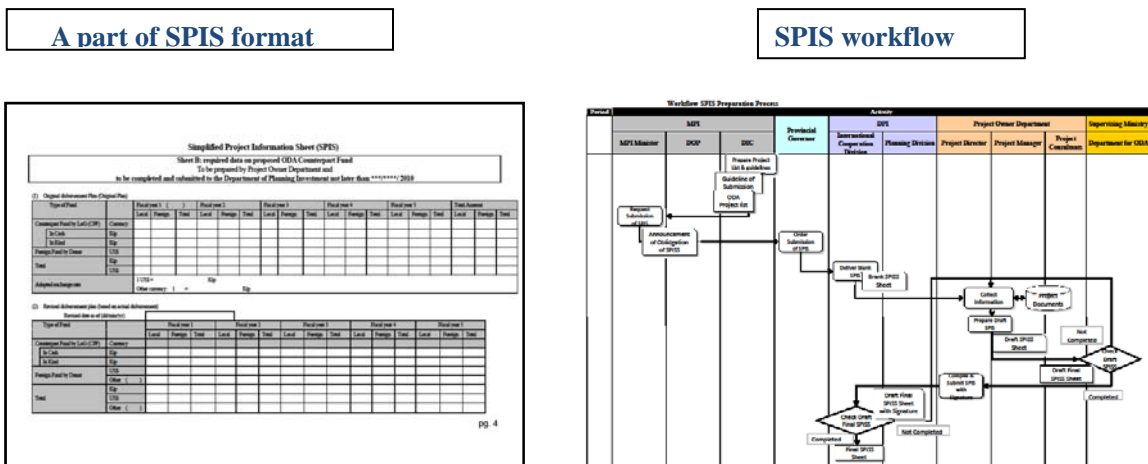
ICU under DIC is currently working to establish its mandate and collect data on ODA projects. ICU is also a part of DPI in the province. If ICU achieves the objective by strengthening cooperation among the parties and institutionalization, ICU's mandate on the PIP budget procedure will be clearly established and its authority will be enhanced. Consequently, the parties will be better coordinated to perform their tasks and achieve their respective objectives.

iv) Improving the manuals and handbooks

The countermeasures mentioned in the paragraphs above were proposed by the JICA experts and discussed with the counterpart officers of PCAP2 from MPI-DIC, DOE and DOP. Upon receiving feedback and agreement by the officers, the PCAP2 team improved the manuals incorporating the feedback. Key points of the improvement are as follows.

- Definition and justification of the SPIS workflow
- How to write the SPIS format
- Amendment of the CompAss workflow with ODA projects

**Figure 6: SPIS Format and Workflow**



4) Development of training curriculum and contents

The training curriculum and contents for the training course have been developed by PCAP2, incorporating the contents of the improved manuals.

5) Support to training for trainers

The PCAP2 team that includes the counterpart officers from MPI-DIC, DOE and DOP has reached a consensus on selecting officials to be trainers for a training course that is expected to start in December 2009. The team has prepared materials for training and teaching for the trainers.

**(7) [Output 4-2] District-Level PIP Management**

The following are the project activities for this output during the second half of the second year.

- 1) Studies on the duties of DPSO

- 2) Analysis on appropriate division of labor between DPI and DPSO
- 3) Development of the DPSO Staff Handbook, and reflection of methods, tools and procedures in the manuals and other handbooks.
- 4) Development of training package and TOT contents
- 5) Training of Trainers (TOT) in DOE

Note: Activity numbers are the same as those specified in the Plan of Operation.

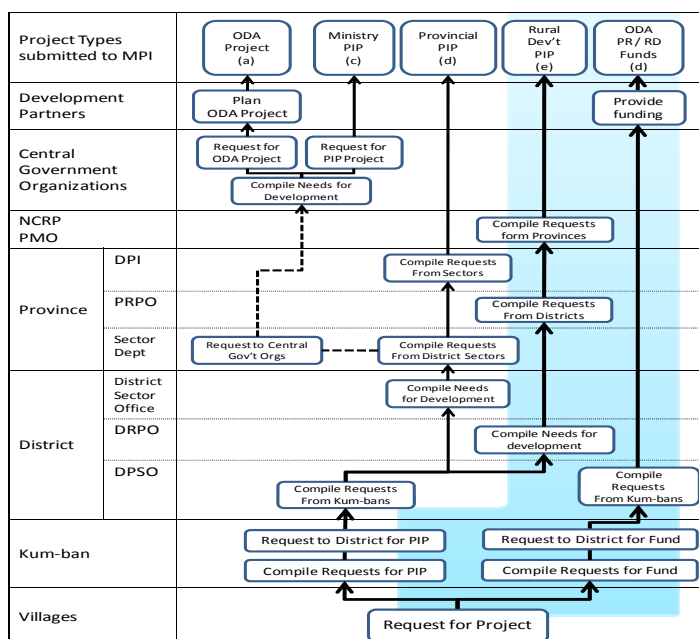
- 1) Studies on the duties of DPSO
- 2) Analysis on the appropriate division of labor between DPI and DPSO

Studies have been conducted during the first half of the current project year. The project then studied issues that face village-, Kum-ban- and district-level PIP management, especially in the areas of information gathering and basic capacity of staff members.

The project then proposed new process and methods that support sound PIP management at these levels. Specifically, the project aims to (a) propose the most effective and efficient process in district-level PIP management, with the usage of Kum-ban rural development and poverty reduction schemes with small PIP projects. The project also aims to (b) develop project reporting and assessment formats, by further simplifying the existing formats, to a level that is usable within the limited conditions that village, Kum-ban and District levels have.

(a) Proposal of Kum-ban Development Process

Currently, five different routes have potential of reflecting PIP projects that benefit village- and Kum-ban levels, as shown in the figure below.



Out of the five routes, it was understood that the process utilizing the National Leading Board for Rural Development and Poverty Alleviation (NLRP) was the most effective way of reflecting the needs of villages and Kum-bans. The project intends to promote integration of other routes currently used as Kum-ban development in order to avoid unnecessary duplication of



projects and confusion among villages and Kum-ban from different methods and deadlines.

Founded in 2007, NLRP is a relatively new organization. There are plans to spread its organization to province- and district levels. However, since NLRP’s coverage has not yet reached all provinces, NLRP still needs cooperation from DPI and DPSO to develop and strengthen the PIP management procedure and staff capacity.

(b) Developing reporting and assessment formats

Taking the abovementioned NLRP procedure into consideration, the project has developed the following formats for application and assessment of Kum-ban Development PIP projects.

**Table 9: Formats on Kum-ban Development**

Name of Format	Objective	To Be Completed by
PIP Format I-6: Project Proposal for Kum-ban Development Projects	Format to be completed by Kum-ban or District PO, to request PIP budget for a new project. It is to be completed and submitted according to the annual PIP budget flow. After submission, the project is assessed using SPAS I-6.	Kum-ban PO District PO
PIP Format II-6: Progress Report for Kum-ban Development Projects	Format to be completed by Kum-ban or District PO, to request PIP budget for an ongoing project. It is to be completed and submitted according to the annual PIP budget flow. After submission, the project is assessed using SPAS II-6.	Same as above
PIP Format III-6: Completion Report for Kum-ban Development Projects	Format to be completed by Kum-ban or District PO, at the physical completion of the project (regardless of whether the budget is fully paid or not).	Same as above
SPAS Format I-6: For NEW Kum-ban Development Projects	Assessment format for New Kum-Ban Development projects. Assessment of projects that submitted the PIP format I-6.	District RP Office Prov. RP Office DPSO DPI
SPAS Format II-6: For ONGOING Kum-ban Development Projects	Assessment format for ongoing Kum-ban development projects. Assessment of projects that submitted the PIP format II-6.	Same as above
SPES Format III-6: For Completed Kum-ban Development Projects	Terminal evaluation format for completed Kum-ban Development projects. Evaluation of projects that submitted the PIP format III-6.	Same as above

3) Development of the DPSO Staff Handbook, and reflection of methods, tools and procedures in the manuals and other handbooks

As mentioned above, the project suggests that, for sound district-level PIP management, the

Kum-ban Development process through NLRP will be most effective for village and Kum-ban development. However, the suggestion cannot be finalized yet because integration of routes and process is currently underway among NLRP, MPI, development partners and relevant ministries. Therefore the suggested process is not ready to be incorporated in the Project Manual, and the DPSO Staff Handbook is yet to be made. Once the integration is confirmed, the suggested process will be incorporated in the next version of the Manual. The DPSO Staff Handbook will also be completed then.

#### 4) Development of training package and Training of Trainers (TOT) contents

Training will be developed as originally planned. This training is designed so that DPI staff members are able to train DPSO staff members. Provincial and district office staff members under NLRP are also included in TOT.

#### 5) TOT in DOE

Based on the above-mentioned activity 4), TOT sessions are conducted for DOE staff members.

### **8) [Output 4-3] Sector Program Management**

The following activities were conducted for this output.

- |   |
|---|
| <ol style="list-style-type: none"><li>1) Review of Action Plan and development plans</li><li>2) Preparation for pilot program drafting</li><li>3) Preparation of programs in the pilot sector</li><li>4) Updating program manuals</li><li>5) Development of training curriculum and contents</li><li>6) TOT</li></ol> |
|---|

Note: Activity numbers are the same as those specified in the project plan.

Details of the activities conducted during this period are as follows.

#### 1) Review of Action Plan and development plans

The project team has collected and analyzed the National Action Plan and the national development plans in the model sector, i.e., public works and transportation sector, and provincial development plans in three (3) Monitor Provinces of PCAP2, namely Oudomxay, Khammouane and Saravan.

#### 2) Preparation for pilot program drafting

The team carried out a series of analyses to obtain lessons for improving the current development plans of the model sector in the Monitor Provinces. The following identified lessons are to be incorporated in the manuals.

1. Means to achieve goals of cross-cutting issues such as environmental conservation and poverty reduction are not always shown clearly, because the development plans were structured by sector.
2. Area priorities of public investment are sometimes not indicated among districts in the province. More attention should be paid to gaps between aimed indicators and the actual situation.
3. Logic in the development scenario in the plans is often confused due to inconsistency in the utilization of some technical terms such as project, activity, target and objective.
4. Many target indicators in the plans are shown only in qualitative and narrative terms. Therefore, it is often difficult to monitor progress of the plan by quantitative means.
5. The development plans have contradictions. Different development goals are sometimes mentioned in descriptions of the same sector and the same province, in each Provincial Socio-Economic Development Plan and Provincial Sector Development Plan, respectively.
6. PIP projects should be allocated to achieve each development goal. However, PIP projects are sometimes not listed under each development goal.

### 3) Preparation of programs in the pilot sector

Based on the analyses, the project developed case studies to prepare the following program tools.

- A) Summary of the Development Policies
- B) Program Objective Tree
- C) Chronology Chart
- D) PIP Map

**Figure 7: Program Management tools**

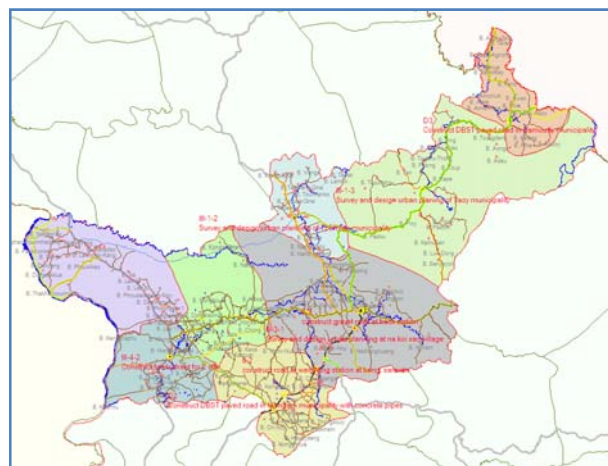
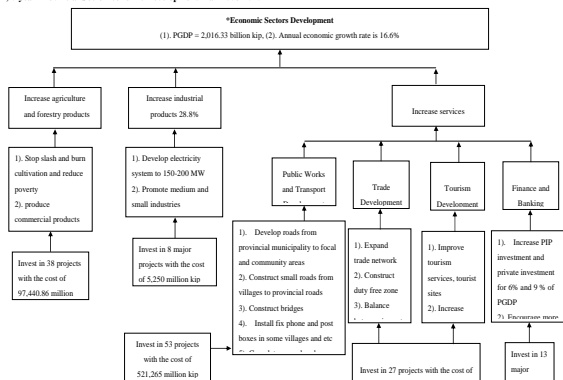
**Program Objective Tree of Oudomxay province**

**PIP Map of Saravan Province**

**ANNEX 2. Program Objective Tree**

(1) Oudomxay Province

1) 5 year Provincial Socio Economic Development Plan 2006-2010



#### 4) Updating the Program Manual

The project updated the Program Manual, incorporating the case studies of the program tools and lessons identified through the analysis.

#### 5) Development of training curriculum and contents

The training curriculum and contents were developed. They include updated contents of the program manual. Based on the lessons learned from the case studies, the project plans to conduct training sessions in a workshop style by sector in every province and line ministry. The course will provide an opportunity for participants to practice preparing program management tools, extracting actual problems from the present development plans, and providing recommendations for the next development plans for the sectors. This course aims to contribute to logically and structurally improve the contents of the next Five-Year NSEDP 2011 to 2015, which is being formulated. In addition, the course is expected to enhance the capacity of administrative officers in the field of policy analysis.

#### 6) TOT

The counterpart officers from MPI and the Japanese Experts in the project team agreed to start the nationwide training course for the administrative officers in the relevant parties to PIP management and to dispatch trainers from DOE, DOP and DIC. As the project PIP Mapping tools had been prepared in MapWindow<sup>12</sup>, a type of free GIS software, the project implemented a training course on 25 and 26 June 2009 for operation of the software for the young DOE officers who had been appointed by the national project manager.

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<sup>12</sup> Map Window: <http://www.mapwindow.org/>

### **1.3 Outline and Reasons for Change in Activities**

#### **(1) Approval and Signing of Manuals**

A milestone of the project at the end of August 2009 is to complete the first edition of the Manuals and Handbooks. The original plan was to obtain approval and signature from the Minister of Planning and Investment on the Manuals. However, since the Public Investment Law was not approved by the National Assembly in December 2008, and awaits approval in the December 2009 session, the current Manuals and Handbooks have weak legal reasoning. Thus it is difficult under the current circumstances to obtain approval on them.

Due to this situation, the Manuals are completed as planned, but they are a draft version without the final approval by the Minister. The next version of Manuals to be issued in August 2010 are to include more descriptions on the legal framework and the Public Investment Law. Upon such revision, the Manuals are to receive the final approval and signature by the Minister of Planning and Investment.

#### **(2) Delay of Handbook Issuance**

As mentioned above, Handbooks were also planned to be issued in August, 2008. However, due to the delay in the approval of the Public Investment Law, the first versions of the Handbooks were decided not to be issued according to the original schedule.

The Handbooks include many descriptions on the legal evidence of target organizations toward their responsibilities in PIP management. After the new Public Investment Law is issued, confusion may occur within the staffs in each organization, in the application of responsibilities that are described in the Handbooks. Therefore, PCAP2 decided that the first versions of the Handbooks, along with the authorized version of the Manuals, are better to be issued next year, reflecting the framework indicated in the new Laws and its decrees and regulations that follow.

### **(3) Issues and Countermeasures**

#### **(1) Development of ODA Counterpart Fund Management**

As explained in the sections of activities, PCAP2 has studied and analyzed issues on ODA Counterpart Fund Management along with MPI-DIC. PCAP2 proposed the SPIS format to obtain accurate information on ODA counterpart fund from the PO and to facilitate collection of timely project information for ODA projects as a whole. The SPIS format is meant to replace the existing formats such as PIS, PIR, and PWP.

After the SPIS format was proposed to MPI-DIC, it became reluctant to replace the existing formats since more information may be required to complete the annual FAR. No conclusion has been reached on the format as of August 2009. MPI-DIC continues to study the formats and is to decide by October 2009 what to propose to development partners at the Round-Table Meeting in November 2009.

PCAP2 will continue discussion with MPI-DIC and work with major ministries and development partners to make the SPIS format the standard and unified one for collecting updated ODA project information. Meanwhile, prior to a conclusion on the format matter, the section on ODA Counterpart Fund Management will be temporarily omitted from the August 2009 issue of the Project Manual. After MPI-DIC reaches a conclusion, the section will be reedited and included in the Manual for distribution in November 2009.

#### **(2) Development of District-Level PIP Management**

As explained in the sections on activities, for sound district-level PIP management, PCAP2 recommended the Kum-ban development PIP project proposal route via NLRP. PCAP2 also developed a series of project proposal and assessment formats. Although PCAP2 has proposed MPI and NLRP to unify the multiple approaches of rural development and poverty reduction approaches in PIP projects and development funds, MPI and NLRP have not reached a consensus. Therefore, the Project Manual issued in August 2009 does not provide a clear direction to utilize NLRP as the unified route, which may confuse POs and district-level staff members. Continuous discussions are needed on the unification of the route among MPI, NLRP, central government ministries and development partners.

**(7) Dispatch of Japanese Experts**

Position	Name	SECOND YEAR											M	
		2008			2009								SECONI	
		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	AUG	Laos
Chief Advisor	Ichiro Okumura	(10/19-12/31)			(1/1-31)	(2/1-6/16)					(6/17-30)	(8/3-9/1)	9/2	8.00
				74	Self-Funding (31 days)		136				Self-Funding (14 days)	30	Self-Funding (1 day)	
Program Management	Hiromi Osada	(10/24-12/22)			(1/28-2/26)					(6/2-7/1)				3.00
		60			30					30				
Financial Management/ Budget Planning	Atsushi Tokura				(1/11-2/9)			(4/20-6/18)						3.00
					30			60						
Public Accounting/ Budget Execution	Hirofumi Azeta		(11/16-2/16)				(3/15-4/4)	(5/9-6/13)						5.00
				93			21	36						
Meta Evaluation/Training Development	Tomoe Taira	(10/27-1/19)						(4/27-6/15)		(7/1-8/29)				6.50
				85				50		60				
Project Coordination	Kazumi Nakamura	(10/19-11/2)	(12/2-12/21)			(2/15-3/1)					(8/3-9/1)			(2.00)
		15	Self-Funding (20 days)			15					30			
											TOTAL M/M	25.50		

## 2. Progress of Achievement of the Project Purpose

The present milestones for the Project Purpose, i.e., “MPI and DPI process PIP projects through a new assessment procedure introduced by the Project within strict budget ceiling, and conduct monitoring and evaluation,” are *a) to develop new methods and process related to specific topics in PIP management and reflected them in Manuals and Handbooks*, and *b) to establish a nationwide capacity development system including training and OJT*. All PCAP2 Outputs and related activities are conducted according to the Plan of Operation. Although a few minor issues occurred to activities, it is fair to say that PCAP2 is proceeding smoothly.

PCAP2 intends to validate and improve the developed methods and tools, and reflect them in the second version of Manuals, and the first version of Handbooks to be issued by August 2010. In addition, the project will establish the training and OJT system, and study possibilities for human resource development in this field.

The Indicators for the Project Purpose were set based on the assumption that new methods and procedures developed through PCAP2 will be utilized in the actual PIP management process. Since most methods and procedures have not been utilized at the PIP management site yet, it is difficult to judge at this point whether the Project Purpose will be achieved.

[Objectively Verifiable Indicators for the Project Purpose]

- ◇ The percentage of domestically funded PIP projects and the counterpart fund portion of ODA projects, which are assessed, monitored, and evaluated within the annual budget ceiling with specific budget execution schedule, increase to 100% by the end of PCAP2.
- ◇ Reports of every domestically funded PIP project at each stage (planning/appraisal, monitoring, evaluation) are improved.
- ◇ MPI and DPI set and implement budget ceiling at both the central and provincial levels with MOF and DOF.
- ◇ The amount and ratio of debts in annual PIP budgets decrease.
- ◇ MPI and sector ministries develop sector programs with specific annual and regional targets and the distribution of domestically funded PIP projects and ODA projects.



### **3. Outline of Meetings**

No major meetings were held apart from JCC Meetings and training sessions that are mentioned in “1.2 Progress of Project Implementation.”



#### 4. Equipment Purchased for Project Usage

The following is the list of equipment purchased for use in the project.

Name of Equipment	Purpose
Air Conditioner	To maintain a comfortable work environment in office
Printer	To prepare documents for training and seminars

In addition, a vehicle was provided by JICA to the project for its nationwide training as follows.

Name of Equipment	Purpose
Mini Van	To be used during nationwide training sessions



## **5. Main Tasks to Be Accomplished in the Third Year**

### **(1) [Output 3] Activities of PIP Management Law Advisory Support**

- The Law will be resubmitted in the December 2009 session of the National Assembly for approval. The project will further provide technical advice to MPI, and seek application of methods and tools that the project has developed.
- During the previous year's preparation for the approved law, MPI conducted briefing workshops to central government organizations and provinces, but had fewer opportunities to conduct presentations to National Assembly members. Therefore, for the next year's preparation, PCAP2 will take into consideration presentations to National Assembly members.

### **(2) [Output 1] Activities for Training and OJT**

- The second series of training is to be conducted. The main theme of the training series is "Brush Up and Upgrade." The training has three components: Nationwide PIP Management Training, Financial/Budget Training, and OJT.
- In the Nationwide PIP Management Training, all 17 provinces will be covered during the period from November 2009 to January 2010. The objectives are to a) brush up the PIP management methods that have been covered in the past training sessions, and b) acquire further knowledge and skills on new methods and procedures that PCAP2 has developed.
- The objective of the Financial/Budget Training is to acquire knowledge and skills on PIP budget and financial management. This training is needed as the target participants of this training are more focused than those of the nationwide training. It is to be conducted at three or four major locations during the period of November and December 2009.
- The OJT aims to provide real-time, on-site instruction and assistance on PIP management in provinces and ministries during the period of February and March 2010.

### **(3) [Output 2-1] PIP Budget Allocation; [Output 2-2] PIP Project Budget Disbursement and Financial Management**

- As indicated above, the Financial/Budget Training is to be conducted at three or four major locations, with DPI and Department of Finance staff members from nearby provinces as participants. New methods of PIP budget allocation and PIP budget financial management will be introduced in the training. In addition, calculation of the Mid-Term PIP Expenditure Outlook for each province is to be conducted during the workshop session of the training.
- Validation studies of the developed methods and process will be conducted in the next year. When necessary, further improvements will be made and reflected in the revised version of the Manuals and Handbooks.

#### **(4) [Output 4-1] ODA Counterpart Fund Management**

- Based on the abovementioned proposal, PCAP2 continues to coordinate with MPI-DIC, central government ministries and development partners for standardization of a unified format for gathering ODA project information.
- At the next nationwide training, PCAP2 will invite MPI-DIC staff members as trainers of ODA management in the provinces, based on the newly developed process and methods. ICU staff members in DPI will be invited to take part in the nationwide training.
- Validation studies of the developed methods and process are conducted during the next year. Further improvements, when necessary, are made and reflected in the revised version of the Manuals and Handbooks.

#### **(5) [Output 4-2] District-Level PIP Management**

- PCAP2 will continue discussions with NLRP and MPI for integration of the Kum-ban development PIP project route. Further discussions are also needed with central government ministries and development partners, whereas they continue to utilize budget and funds from different routes and resources.
- District-level PIP management will be included as a topic in the next nationwide training. Since participants of the Training are mainly from the provincial level, it is difficult to cover all village-, Kum-ban and district-level staff members. Thus the objective of training will be to enable DPI staff members to train and teach district-level staff members. Therefore, there will be two types of training materials: a) materials for training DPI staff members; and b) materials for having DPI staff members train district-level staff members.
- The developed proposal and assessment formats will be validated at the Kum-ban and district levels. Further improvements, when necessary, are to be made and reflected in the revised version of the Manuals and Handbooks.

#### **(6) [Output 4-3] Sector Program Management**

- Program management will be included as a topic in the next nationwide training. The main objectives of this topic are to introduce case studies of POT, Chronology Charts and PIP Mapping, and conduct case studies in each province. For PIP Mapping, a freeware GIS system is introduced. Since personal computers are used in the session, it is necessary to carefully consider the capacity levels of participants.

Appendix 1: Summary Report on OJT

Appendix 2: Table of Type 3 Projects

Appendix 3: OJT Follow-up Report

Appendix 4: Report on Meta-Evaluation and Training Evaluation

Appendix 5: Manual for PIP Project Management Contents Outline

Appendix 6: Manual for PIP Program Management Contents Outline

**Summary Report on On-The-Job Training in Provinces & Ministries**

Course / Module	On-The-Job Training (OJT) Course at All 17 Provinces & 8 Ministries
Date/Duration	February 2 <sup>nd</sup> -23 <sup>rd</sup> 2009 (1 week per province & 1 day per ministry)
Trainer	13 Officers from Department of Evaluation, MPI (MPI-DoE)
Facilitator	Mr. Douangchay, PCAP2 Local Consultant (Joined Team 5 only)

**I. Objectives of the On-The-Job Training Course:**

1. To help planning departments request PIP annual budget of FY2009/2010 in line with the MPI guideline/announcement through helping DPI screen out and assess proposals/progress reports and helping them conduct comparative assessment for prioritizing projects
2. To help project owners (PO) and planning departments understand Economic/Financial, Social and Environmental Analysis through Intensive Technical Training (ITT).
3. To follow-up the training course held in November 2008 to January 2009.
4. To detect needs for future training sessions

**II. Preparation for OJT**

- Knowledge & Skills: Training of Trainer (TOT) for On-The-Job Training Course was held to train new staff and refresh the skills of the other staff in order to have standard skills among all the OJT team members before going to conduct the OJT at the provinces and ministries. There are 15 participants including new staff attended in the TOT.
- Materials: References, such as Economic & Financial Analysis, Social Analysis, and Environmental Analysis, handouts for presentations, pre-post Test sheets, and format sheets on case study for working group of ITT.
- Logistic Arrangement: Logistic arrangements were conducted by MPI-DoE.

**III. Main Activities of OJT**

- To help planning departments to introduce how to instruct PO writing project proposals, progress reports and to help them conduct the assessment by using the methods and tools developed by MPI/PCAP.
- To inform planning departments and sector departments 2009/2010 PIP budget request schedule based on MPI guideline by using 2009/2010 PIP budget procedure check list.



**IV. Schedule, Location, Teams, Agenda, and Methodology of the OJT**

The training schedule, location, and teams is described as table below:

<b>Schedule: February 2-23, 2009</b>				
<b>No.</b>	<b>Date</b>	<b>Province</b>	<b>Leader</b>	<b>Member</b>
1	Feb 2-6	Oudomxay	Mr. Banlousith	Mr. Xengher
	Feb 9-13	Luangprabang		
	Feb 16-20	Sayabouly		
2	Feb 2-6	Phongsaly	Mr. Phetamphone	Mr. Viengkham
	Feb 9-13	Luangnamtha		
	Feb 16-20	Borkeo		
3	Feb 2-6	Vientiane Province	Ms. Oudalon	Ms. Vilavanh
	Feb 9-13	Xiengkhuang		
	Feb 16-20	Huaphanh		
4	Feb 2-6	Borlikhamxay	Ms. Somphat	Ms. Hongthong
	Feb 9-13	Vientiane Capital		
	Feb 16-20	Khammuan		
5	Feb 2-6	Attapeu	Mr. Vilaphanh	Mr. Phoupasong
	Feb 9-13	Sekong		
	Feb 16-20	Salavan		
6	Feb 2-6	Champasak	Mr. Lamphan	Mr. Sonphetvongsy
	Feb 9-13	Savannakhet	Mr. Sonphetvongsy	Mr. Keopaseurth
	Feb 17	MAF	Mr. Lamphan	
		MOE	Mr. Sonphetvongsy	
	Feb 18	MPWT	Mr. Lamphan	
		MOH	Mr. Sonphetvongsy	
	Feb 19	MIC	Mr. Lamphan	
		MOIC	Mr. Sonphetvongsy	
	Feb 20	MEM	Mr. Lamphan	
	Feb 23	MSW	Mr. Sonphetvongsy	
<b>Total</b>		<b>17 Provinces &amp; 8 Ministries</b>	<b>MPI-DoE: 13 Trainers</b>	

<b>OJT Agenda</b>	
<b>Day</b>	<b>Contents</b>
Day 1	<ul style="list-style-type: none"> <li>• Introduction of OJT Schedule.</li> <li>• ITT (Economic/Financial Analysis)</li> </ul>
Day 2	<ul style="list-style-type: none"> <li>• ITT (Social and Environmental Analysis)</li> <li>• Workshop check process and schedule of PIP annual budget preparation based on the MPI guideline no. 300</li> </ul>
Day 3	<ul style="list-style-type: none"> <li>• Screening &amp; Information Check of Project Proposal Submitted.</li> <li>• Assessment by SPAS</li> </ul>
Day 4	<ul style="list-style-type: none"> <li>• Screening &amp; Information Check of Project Proposal Submitted.</li> <li>• Assessment by SPAS</li> </ul>
Day 5	<ul style="list-style-type: none"> <li>• Comparative Assessment depending on necessity</li> <li>• Summary</li> </ul>

**Methodology:**

- To lecture general theories by trainers
- To conduct activities in working group.
- To present the working group results on case study of the Economic and Financial Analysis (representative of group).
- To help Planning Departments how to instruct PO writing project proposal and to help Planning Department conduct the absolute and comparative assessment.

**V. Main Results of OJT**

**1. Finding on PIP budget compilation as a whole**

- It is noted that the tools and methods developed by MPI/PCAP, such as PIP budget request formats and assessment tools, have become increasingly common nationwide.

**2. Issues on PIP budget compilation schedule**

- MPI guideline No.300 had not been known in many provinces even after its release on 10 February 2009. Thus organizations concerned did not know the actual PIP budget request schedule.
- In many provinces, the submission of project proposals and progress reports for budget request from the sector departments to DPI was delayed although the submission deadline was announced in each province.

**3. Issues on PIP budget compilation**

- In some organizations, incorrect project proposal formats were used for budget request, which could cause low assessment results.
- In some organizations, quality of project assessment was still low.
- In some organizations, level of understanding of project proposal writing among some officials who participated in the PCAP2 training was still low.
- Officials who did not participate in the PCAP2 training did not understand project assessment.
- In some organizations, level of understanding of comparative assessment was still low.

**4. ITT results are indicated as following chart:**

It should be noted that more than 70% of all the participants passed the post-test of financial/economic analysis, social analysis, and environmental analysis in 14 provinces, 16 provinces, and 16 provinces, respectively. Please see the table below for details.

**Pre/Post Test Result by Economic and Financial Analysis**

No.	Provinces	Participants	Participants		Under 70% (%)	Average of Pre-Test Result (Points)	Average of Post-Test Result (Points)	Average of Progress (Points)
			Achieved 70%	Covered (%)				
1	Phongsaly	45	30	66.7	33.3	41.3	74.1	32.8
2	Luangnamtha	50	37	74.0	26.0	40.6	75.1	34.5
3	Borkeo	47	36	76.6	23.4	40.7	78.1	37.3
4	Xaiyabouly	46	41	89.1	10.9	50.4	82.1	31.6
5	Luangprabang	36	23	63.9	36.1	35.8	75.3	39.5
6	Huaphanh	36	34	94.4	5.6	65.5	89	23.5
7	Xiengkhuang	39	37	94.9	5.1	65.1	89.3	24.2
8	Vientiane Pro.	40	36	90.0	10.0	60.8	88.4	27.6
9	Vientiane Cap.	54	46	85.2	14.8	50	87.9	37.9
10	Bolikhmxyay	39	27	69.2	30.8	53.7	71.1	17.3
11	Savannakhet	38	35	92.1	7.9	46.4	88.3	41.5
12	Champasak	37	31	83.8	16.2	48.8	82.1	33.4
13	Sekong	40	40	100	0.0	45.8	78.9	33
14	Attapeu	39	39	100	0.0	46.5	87.3	40.7
<b>Average:</b>		<b>41.9</b>	<b>35.1</b>	<b>84.3</b>	<b>15.7</b>	<b>49.4</b>	<b>81.9</b>	<b>32.5</b>
<b>Total:</b>		<b>586</b>	<b>492</b>					

**Pre/Post Test Result by Social Analysis**

No.	Provinces	Participants	Participants		Under 70% (%)	Average of Pre-Test Result (Points)	Average of Post-Test Result (Points)	Average of Progress (Points)
			Achieved 70%	Covered (%)				
1	Phongsaly	45	39	86.7	13.3	44.9	82.1	37.2
2	Luangnamtha	50	42	84.0	16.0	50	78.3	37.3
3	Borkeo	47	42	89.4	10.6	48.2	81	32.8
4	Xaiyabouly	46	36	78.3	21.7	47.2	75.6	28.5
5	Luangprabang	36	25	69.4	30.6	43.7	70.8	27.1
6	Huaphanh	36	35	97.2	2.8	70.7	92.4	21.8
7	Xiengkhuang	39	31	79.5	20.5	53.8	83.6	29.8
8	Vientiane Pro.	40	34	85.0	15.0	58.6	79.8	21.2
9	Vientiane Cap.	57	49	86.0	14.0	57	52	25
10	Bolikhmxyay	38	28	73.7	26.3	56.4	74.4	17.9
11	Savannakhet	38	33	86.8	13.2	50.8	83.1	32.3
12	Champasak	38	31	81.6	18.4	53.4	81.1	27.7
13	Sekong	40	39	97.5	2.5	59.7	81.1	21.4
14	Attapeu	39	34	87.2	12.8	54.4	79.6	25.2
<b>Average:</b>		<b>42</b>	<b>36</b>	<b>84.4</b>	<b>15.6</b>	<b>53.5</b>	<b>78.2</b>	<b>27.5</b>
<b>Total:</b>		<b>589</b>	<b>498</b>					

**Pre/Post Test Result by Environmental Analysis**

No.	Provinces	Participants	Participants		Under 70% (%)	Average of Pre-Test Result (Points)	Average of Post-Test Result (Points)	Average of Progress (Points)
			Achieved 70%	Covered (%)				
1	Phongsaly	45	35	77.8	22.2	44.8	73.7	28.9
2	Luangnamtha	50	43	86.0	14.0	57	81.2	28.3
3	Borkeo	47	37	78.7	21.3	50	77.5	27.4
4	Xaiyabouly	47	34	72.3	27.7	47.8	70.6	22.7
5	Luangprabang	36	18	50.0	50.0	46	62.8	16.8
6	Huaphanh	36	34	94.4	5.6	48.9	86.3	37.4
7	Xiengkhuang	39	32	82.1	17.9	51.9	86.6	34.7
8	Vientiane Pro.	40	34	85.0	15.0	50.7	85.6	34.9
9	Vientiane Cap.	55	39	70.9	29.1	58.2	82.3	24.1
10	Bolikhmxyay	36	30	83.3	16.7	50.1	70.5	20.4
11	Savannakhet	38	33	86.8	13.2	45.4	84.9	39.4
12	Champasak	38	33	86.8	13.2	45.8	80.6	34.8
13	Sekong	40	35	87.5	12.5	51.7	73.8	22.2
14	Attapeu	39	30	76.9	23.1	41.5	71.9	31.4
<b>Average:</b>		<b>41.9</b>	<b>33.4</b>	<b>79.9</b>	<b>20.1</b>			
<b>Total:</b>		<b>586</b>	<b>467</b>					

**5. Issues on conducting OJT**

- Conducting OJT in February helped project owners write their project proposals but did not help DPI assess the requested projects this year. Therefore, timing of OJT needs to be reconsidered along with the next year's OJT objectives
- The OJT course should be conducted as an independent training apart from ITT.
- In all 14 SPAS and SPES formats, only I-4 format has case study, therefore there was a request for case studies for the other formats for better understanding.

Appendix 2: Table of Type 3 Projects

Table of Type 3 projects requested from DPI to MPI for the FY2009/10 annual PIP budget (First submission)

Province	Project Type	(1) The number of projects requested from DPI to MPI	(2) The amount of budget (million kip)	(3) The number of assessed projects in the request from DPI to MPI	(4) The number of non-assessed projects in the request from DPI to MPI	(5) The number of F projects in the request from DPI to MPI	(6) The number of non-assessed and F projects in the request from DPI to MPI
01 Vientiane Capital	CP	36	4,297.00	2	34	0	34
	New	217	157,615.27	120	97	12	109
	On-going	70	41,819.43	0	70	0	70
	Debt	247	65,000.00	0	247	0	247
	<b>Total</b>	<b>570</b>	<b>268,731.70</b>	<b>122</b>	<b>448</b>	<b>12</b>	<b>460</b>
02 Phongsaly	CP	2	1,093.76	2	0	0	0
	New	21	18,557.28	21	0	0	0
	On-going	2	1,145.00	2	0	0	0
	Debt	6	4,818.86	0	6	0	6
	<b>Total</b>	<b>31</b>	<b>25,614.89</b>	<b>25</b>	<b>6</b>	<b>0</b>	<b>6</b>
03 Luangnamtha	CP	7	2,192.84	5	2	0	2
	New	47	26,980.67	38	9	1	10
	On-going	12	6,927.20	0	12	0	12
	Debt	16	6,865.66	0	16	0	16
	<b>Total</b>	<b>82</b>	<b>42,966.37</b>	<b>43</b>	<b>39</b>	<b>1</b>	<b>40</b>
04 Oudomxay	CP	21	668.42	5	16	2	18
	New	6	4,826.19	0	6	0	6
	On-going	9	7,181.58	2	7	0	7
	Debt	0	0.00	0	0	0	0
	<b>Total</b>	<b>36</b>	<b>12,676.19</b>	<b>7</b>	<b>29</b>	<b>2</b>	<b>31</b>
05 Bokeo	CP	0	0.00	0	0	0	0
	New	36	23,026.00	25	11	0	11
	On-going	4	3,156.00	4	0	0	0
	Debt	0	0.00	0	0	0	0
	<b>Total</b>	<b>40</b>	<b>26,182.00</b>	<b>29</b>	<b>11</b>	<b>0</b>	<b>11</b>
06 Luangpabang	CP	5	2,314.40	0	5	0	5
	New	36	20,799.42	21	15	1	16
	On-going	21	8,806.75	2	19	0	19
	Debt	0	0.00	0	0	0	0
	<b>Total</b>	<b>62</b>	<b>31,920.57</b>	<b>23</b>	<b>39</b>	<b>1</b>	<b>40</b>
07 Houaphan	CP	22	1,115.80	2	20	0	20
	New	46	26,424.04	39	7	1	8
	On-going	13	9,172.12	0	13	0	13
	Debt	10	18,703.21	0	10	0	10
	<b>Total</b>	<b>91</b>	<b>55,415.17</b>	<b>41</b>	<b>50</b>	<b>1</b>	<b>51</b>
08 Xayabouly	CP	14	3,602.00	0	14	0	14
	New	91	33,464.00	30	61	0	61
	On-going	35	17,013.00	1	34	0	34
	Debt	16	16,975.00	0	16	0	16
	<b>Total</b>	<b>156</b>	<b>71,054.00</b>	<b>31</b>	<b>125</b>	<b>0</b>	<b>125</b>
09 Xiengkhuang	CP	10	2,044.20	5	5	0	5
	New	27	3,256.80	25	2	0	2
	On-going	22	7,599.00	0	22	0	22
	Debt	12	4,747.50	0	12	0	12
	<b>Total</b>	<b>71</b>	<b>17,647.50</b>	<b>30</b>	<b>41</b>	<b>0</b>	<b>41</b>

Province	Project Type	(1) The number of projects requested from DPI to MPI	(2) The amount of budget (million kip)	(3) The number of assessed projects in the request from DPI to MPI	(4) The number of non-assessed projects in the request from DPI to MPI	(5) The number of F projects in the request from DPI to MPI	(6) The number of non-assessed and F projects in the request from DPI to MPI
10 Vientiane	CP	18	3,418.29	0	18	0	18
	New	126	77,178.40	20	106	0	106
	On-going	65	33,652.23	16	49	0	49
	Debt	23	20,166.34	0	23	0	23
	<b>Total</b>	<b>232</b>	<b>134,415.26</b>	<b>36</b>	<b>196</b>	<b>0</b>	<b>196</b>
11 Bolikhamsay	CP	2	909.00	2	0	0	0
	New	139	49,762.00	139	0	11	11
	On-going	27	50,237.30	18	9	0	9
	Debt	15	11,931.00	0	15	0	15
	<b>Total</b>	<b>183</b>	<b>112,839.30</b>	<b>159</b>	<b>24</b>	<b>11</b>	<b>35</b>
12 Khammouane	CP	0	0.00	0	0	0	0
	New	15	2,024.52	11	4	0	4
	On-going	38	9,296.57	13	25	0	25
	Debt	23	10,500.33	0	23	0	23
	<b>Total</b>	<b>76</b>	<b>21,821.42</b>	<b>24</b>	<b>52</b>	<b>0</b>	<b>52</b>
13 Savannakhet	CP	7	4974.63	2	5	0	5
	New	103	103202.395	76	27	0	27
	On-going	66	91082.65	2	64	0	64
	Debt	20	6,000.00	0	20	0	20
	<b>Total</b>	<b>196</b>	<b>205,259.68</b>	<b>80</b>	<b>116</b>	<b>0</b>	<b>116</b>
14 Salavan	CP	7	1,362.00	2	5	0	5
	New	29	5,245.00	12	17	0	17
	On-going	27	5,974.00	6	21	0	21
	Debt	17	6,375.00	0	17	0	17
	<b>Total</b>	<b>80</b>	<b>18,956.00</b>	<b>20</b>	<b>60</b>	<b>0</b>	<b>60</b>
15 Sekong	CP	0	0.00	0	0	0	0
	New	25	9,982.97	6	19	0	19
	On-going	18	8,816.93	0	18	0	18
	Debt	4	3,200.10	0	4	0	4
	<b>Total</b>	<b>47</b>	<b>22,000.00</b>	<b>6</b>	<b>41</b>	<b>0</b>	<b>41</b>
16 Champasak	CP	7	9729.27	1	6	0	6
	New	116	19912.28	18	98	0	98
	On-going	101	16303.43	65	36	0	36
	Debt	26	5,546.17	0	26	0	26
	<b>Total</b>	<b>250</b>	<b>51,491.15</b>	<b>84</b>	<b>166</b>	<b>0</b>	<b>166</b>
17 Attapeu	CP	19	8,089.38	5	14	0	14
	New	23	7,772.67	21	2	0	2
	On-going	22	9,258.40	0	22	0	22
	Debt	0	0.00	0	0	0	0
	<b>Total</b>	<b>64</b>	<b>25,120.45</b>	<b>26</b>	<b>38</b>	<b>0</b>	<b>38</b>

**Report**  
**on OJT Follow-up & PIP Management Study Trip**  
**to Oudomxay, Luang Prabang and Sanyabouly Provinces**

PCAP2 Chief Advisor  
 Ichiro OKUMURA

This report explains the results of the study trip to the abovementioned provinces, conducted during March 15<sup>th</sup> to 21<sup>st</sup>. This report also indicates some follow-up measures that would be conducted within the PCAP2 activities.

**1. Objectives of the Study Trip**

The following were set up as the objectives of the study trip;

- To study and follow up on the PIP budget request proceedings
- To study and provide practical advice on SPAS and CompAss
- To study PIP management situations in districts

**2. Dispatch Members**

The following were the members of the study trip;

- Mr. Vixay XAOVANA, Director General, MPI-DOE
- Mr. Ichiro OKUMURA, Chief Advisor, PCAP2
- Mr. Saman MIBOUN, Project Staff, PCAP2
- Mr. Douangchay GNANONG, Project Staff, PCAP2

**3. Schedule**

Date/Day	Time	Contents
15 Mar (Sun)		Travel Vientiane to Luang Prabang (flight) Luang Prabang to Oudomxay (car)
16 Mar (Mon)	AM	Interview with Mr.Somvang, Deputy Director, DPI on the current proceedings of the PIP budget request for 2009/2010 Interview with staffs from Division of Evaluation and Division of Planning, DPI; topics on PIP budget procedure
	PM	Continue interview with staff, topics on SPAS and CompAss procedure and results
17 Mar (Tue)	AM	Interview with Mr. Konthanu, Head of Division of Evaluation, DPI on District-Level PIP Management
	PM	Site visit to Na Maw District and interview with Mr . Khamsem, Vice Governor, and interview with 5 staffs from DPSO on District-Level PIP Management
18 Mar (Wed)	AM	Travel Oudomxay to Luang Prabang (car)
	PM	Interview with Mr. Khamhong, Deputy Director and 4 DPIstaffs; toics on the current proceeding of the PIP budget request and District-level PIP management
19 Mar (Thu)	AM	Continue interview with DPI staffs; topics on SPAS and CompAss procedure and results
	PM	Luang Prabang to Sanyabouly (car)
20 Mar (Fri)	AM	Interview with Mr. Chanthanone, Acting Director of DPI on the curent proceeding of the PIP budget request and District-level PIP management
		Interview with staffs from Division of Evaluation and Division

*Appendix 3: OJT Follow-UP Report*

		of Planning, DPI; topics on PIP budget procedure and district-level PIP management
	PM	Continue interview with DPI staffs; topics on SPAS and CompAss procedure and results
21 Mar (Sat)		Sayabouly to Luang Prabang (car) Luang Prabang to Vientiane (flight)

#### 4. Study Results and Further Follow-up by Province

##### 1) Oudomxay Province

Oudomxay Province follows the Guideline 300<sup>1</sup>, and is preparing to submit the first proposal of the PIP budget request list to MPI on March 20<sup>th</sup>.

##### (a) On-the-Job Training by MPI Staff

PCAP2 did not conduct Provincial PIP Management Training in Oudomxay Province, since the series of training with the same contents were conducted in 2007 with the same contents.

Two staffs were dispatched from MPI as On-the-Job Training (OJT) from February 2<sup>nd</sup> to 6<sup>th</sup>, 2009. They were very cooperative in supporting Project Owners (POs) in writing Project Proposals (PPs) and Progress Reports (PRs). However, since not many POs have prepared PPs/PRs at that timing, the period of future dispatch can be a few weeks later. OJT support in the period of Comparative Assessment is also requested.

##### (b) Project Proposals and Progress Reports

Collection of PPs and PRs were delayed, but managed to have most of them by the first week of March. Although the submission of PPs are reasonable, submission of PRs for ongoing projects are not sufficient. According to DPI staffs, lack of project information due to job rotation in sector departments is seemingly one of its factors.

##### (c) Absolute Assessment

Absolute assessment has been completed by March 13<sup>th</sup>. DPI staff conducted 165 absolute assessments through the SPAS format. SPAS for some ODA projects that require counterpart fund were also conducted, although not required as an obligation. The following chart indicates the rating results as of March 16<sup>th</sup>.

	A	B	C	D	F	Total
# of Projects	27	43	49	10	36	165

According to DPI staffs, some PIP projects that did not conduct SPAS were due to the following factors;

- None or lack of PIP project information from POs

<sup>1</sup> Guideline 300: Announced by MPI on February 10<sup>th</sup>, 2009 on the preparation of the NSEDP and PIP for 2009/2010. Deadline of submission is stated as March 20<sup>th</sup>, but the budget guideline (which is said to be 115-120% of this year's budget) is actually not described.



### Appendix 3: OJT Follow-UP Report

- Submission through wrong PP/PR formats by POs
- Type 1 and 2 projects, of which the provincial level does not have the authority to assess (5 projects).

Basically, PIP project without assessment, or rated “F” in SPAS would be removed from the PIP list in time of submission.

#### (d) Comparative Assessment

DPI recognizes the usefulness of Comparative Assessment (CompAss) workshops when prioritizing projects within each sector within the limited budget allocation, and plans to conduct a series of workshops in the final week before submission of the PIP list to MPI.

#### (e) PIP Budget Request

The total amount of all PIP project budget requests as of March 16<sup>th</sup> is 119 billion Kip. According to the Guideline 300, the estimated budget amount for this year is 115-120% of that of this year's budget. This year's budget is 15 billion Kip, so the amount is estimated around 18 billion for next year. DPI is targeting to reduce the budget request amount to at least 30 to 40 billion Kip before submitting to MPI in March 20<sup>th</sup>.

#### (f) District-Level PIP Management

Oudomxay actively utilizes the kum-ban development route for PIP project planning, which involve district level offices and the recently established District Rural Development Office (DRDO) in districts and in Provincial Rural Development Committee (PRDC) in provinces (Detailed explanation of the kum-ban development route is indicated later in chapter 5-5)). Since capacity levels in district are not enough to evaluate the 2006-2010 SEDP and prepare PPs/PRs with appropriate information, DPI conducted a half-day training session inviting District Planning and Statistics Office (DPSO) in February 20<sup>th</sup>. DPI staffs were then dispatched to each district from February 24<sup>th</sup> to March 6<sup>th</sup>, in order to provide further technical support.

#### **[Visit to Nam Maw District, Oudomxay Province]**

The team visited Nam Maw District, Oudomxay Province to study the PIP management situation in the district level. Mr. Konthanu, Head of Evaluation Division, DPI joined us. Mr. Khamsem, Vice Governor of the district greeted us, along with Mr. Somchan, Head of DPSO and 5 staff.



Nam Maw District is located approximately 70km from central Oudomxay, and shares its boundary with Luam Nam Tha, Phongsaly Provinces and China. 87% of its land is upland areas.

The population is approximately 34,000 with 5,000 households. There are 64 villages, 9 kum-bans and 4 big villages. The district is categorized as one of the 47 poorest districts nationwide, with 1,300 poor households.

Exports of commodities such as bamboo to China are increasing. Products such as corn, maize, chili are also exported. These are recently exported also to Thailand, through the central Oudomxay market.

The kum-ban development route for PIP project planning started in 2007/2008. Before that, PIP project requests were made through provincial sector departments. Currently, 70% of the PIP projects implemented in the district are through the kum-ban development route, while 30% of them are through the provincial sector departments. Normally PIP projects that are small, easy to manage and completes in a kum-ban are through the kum-ban development route, while projects that are technically difficult or ranges in multiple kum-

### *Appendix 3: OJT Follow-UP Report*

ban areas are through the sector route.

A total of 68 projects were requested from kum-bans; an average of 5-6 projects per kum-ban. Projects are already prioritized at the kum-ban levels.

Issues in the districts are lack of staff number, capacity and equipment for gathering and sending information. There were requests for conducting training for district level staffs.

#### (g) Overall Situation and Requests from Province/District

Decision Makers of the province acknowledges the importance of project assessment, therefore, follows guidelines and instructions that DPI provides. PCAP methods and tools, along with its training activities are working effectively in improving PIP management.

However, submission deadlines of the PPs/PRs were not kept. Improvements in scheduling of the PIP budget process, including announcements and activities to monitor such deadlines of submission, are needed for further consideration.

Capacity of staff in writing project proposals and progress reports, especially in the districts, are not enough. Therefore, district-level staff training is strongly requested from both provincial and district levels. Allocation of budget for frequent travelling to districts was also requested.

An appropriate filing system that would be capable to store and share PIP project information was also requested from DPI.

## **2) Luang Prabang Province**

Luang Prabang Province is preparing to submit the first proposal of the PIP budget request list to MPI on March 20<sup>th</sup>. The original schedule of submission was April 15<sup>th</sup>. However, after Dr. Bountavy, Vice Minister of MPI visited Luang Prabang, the schedule was moved up.

#### (a) Provincial PIP Management Training and Seminar

PCAP2 conducted Provincial PIP Management Training in December 2008. The training was well accepted by DPI and sector department staff, and the timing was appropriate. However, since the training had weight on project assessment, more time was needed for writing PPs/PRs, since sector department staffs were the one who required more of this type of training.

The Governor along with Directors of sector departments attended the seminar. The directors recognized the importance of project assessment, but have not come to the level of understanding the methods in detail. It is recommended from DPI to hold another seminar for director levels to deepen the understanding.

#### (b) On-the-Job Training

### Appendix 3: OJT Follow-UP Report

Two staffs were dispatched from MPI as OJT from February 9<sup>th</sup> to 13<sup>th</sup>, 2009. They conducted an Intensive Technical Training (ITT) and was perceived by participants as very informative. They were very cooperative in supporting POs in writing PPs and PRs. However, since not many POs have prepared PPs/PRs at that timing, the period of future dispatch can be a few weeks later. OJT support in the period of Comparative Assessment is also requested.

#### (c) Project Proposals and Progress Reports

The initial deadline of PPs/PRs was January 15<sup>th</sup>. However, only 8 projects submitted PPs/PRs on time. Dr. Bountavy re-announced the deadline of PPs/PRs submission to be March 5<sup>th</sup>, but not all sector departments responded on time. The Department of Public Works and Transportation (DPWT) has only submitted a project list consisting 14 of their PIP projects to be requested for budget.

According to DPI, the initial deadline does not seem too early, since the announcement was made in mid December immediately after the PIP management training. The reason was because the POs were not used to writing PPs/PRs at all, including collection of necessary information such as Project Purpose and its indicators, cost calculation and Overall Goal. In the case of DPWT, only one staff attended the PIP management training.

As of March 18<sup>th</sup>, a total 73 project are listed, and 18 more are expected to be added, totaling 91 projects.

**There had been an issue whether Environment Certificates were an obligation even for small-sized projects. Certificate fees charged for paper inspections from Water Resources and Environmental Office (WREO) in the province were 500 thousand Kip regardless of project size, and additional charges are required for site checking. Last year, the Lao Youth Union applied 3 projects and paid the fees for Environment Certificates, but they were not approved, resulting loss of budget for nothing.**

#### (d) Absolute Assessment

DPI staff conducted 46 absolute assessments through the SPAS format. The results are reflected in the PIP project budget request list. SPAS for one ODA project (Red Cross) that requires counterpart fund was also conducted, although not required as an obligation. The following chart indicates the rating results as of March 16<sup>th</sup>.

	A	B	C	D	F	Total
# of Projects	19	4	1	0	22	46

40 projects have not yet been assessed. 25 of them are ongoing projects, of which SPAS were not conducted due to PRs not submitted. 14 projects are from DPWT, and 6 from other departments. According to DPI staffs, PIP projects that did not conduct SPAS were due to the following factors;

- Ongoing projects were not included in the obligations of report submission or SPAS this year.

### *Appendix 3: OJT Follow-UP Report*

- Some project were submitted directly to Division of Planning, and not transferred as of now to Division of Evaluation.
- There was not enough information to conduct SPAS for some projects (including “F” projects).

Assessment results are not fed back to the POs as of now. Basically, PIP projects without assessment, or rated “F” in SPAS would be further discussed with sector departments for assessment, or improvement of contents before the official PIP budget request list submission to MPI.

#### (e) Comparative Assessment

CompAss workshops were not conducted because sector departments cut some projects by themselves, and were not convinced to conduct CompAss workshops with DPI.

#### (f) PIP Budget Request

The total amount of all PIP project budget requests as of March 18<sup>th</sup> is 44 billion Kip. According to the Guideline 300, the estimated budget amount for this year is 115-120% of that of this year’s budget. This year’s budget is 23 billion Kip, so the amount is estimated around 28 billion for next year. DPI will submit the 44 billion Kip as it is, with further internal discussion on reducing the budget.

#### **(g) District-Level PIP Management**

Most of the requests for PIP projects come from the provincial sector departments; from smaller sectors. The RDC route is not established in Luang Prabang yet.

#### **(h) Overall Situation and Requests from Province/District**

DPI has difficulties in collecting PPs/PRs since it is their first year with the new formats and procedure. Projects from DPWT, and also projects that were instructed directly from the Governor tend to lack information.

Submission deadlines of the PPs/PRs were not kept. Improvements in scheduling of the PIP budget process, including announcements and activities to monitor such deadlines of submission, are needed for further consideration.

Continuous training in writing project proposals and progress reports to the sector department staff is strongly needed. A legal framework supporting the process and methods/tools is also requested. This will ensure that the sector departments submit the appropriate information on time.

Discussions between MPI/PCAP2 and Water Resources and Environmental Administration (WREA) in the Prime Minister’s Office are needed in order to exchange information on the cost of Environment Certificates to PIP projects.

### 3) Sanyabouly Province

Sanyabouly Province is preparing to submit the first proposal of the PIP budget request list to MPI on March 20<sup>th</sup> .as instructed in Guideline 300.

#### (a) Provincial PIP Management Training and Seminar

PCAP2 conducted Provincial PIP Management Training in December 2008. The training was well accepted by DPI and sector department staff, and the timing was appropriate. Staff from sector departments who attended the training understood the new methods up to a certain level. However, attendance of sector department staffs was not sufficient because they were “busy”. Additional training is necessary for sector department staffs in order to gain recognition of better PIP management and PCAP methods/tools. DPI invited staffs from DPSO in the 10 districts. DPSO shared the training results with their staff after returning.

#### (b) On-the-Job Training

Two staffs were dispatched from MPI as On-the-Job Training (OJT) from February 16<sup>th</sup> to 20<sup>th</sup>, 2009. They conducted an Intensive Technical Training (ITT), and supported POs in writing PPs/PRs. However, since not many POs have prepared PPs/PRs at that timing, the period of future dispatch can be a few weeks later. OJT support in the period of Comparative Assessment is also requested.

#### (c) Project Proposals and Progress Reports

As of March 20<sup>th</sup>, 173 projects were included in the PIP list. Following are the number of projects and total amount by project category

;

	New	Ongoing	C/P fund	Debt	Total
# of Projects	92	37	28	16	173
Amount (bil.Kip)	47.8	26.5	11.2	17.0	102.5

DPI found improvements in the contents of PPs/PRs as compared to past reports submitted by POs. there were only 2-3 PRs that were collected. POs were generally cooperative because of the instructions from the Decision Makers.

Since Technical Promotion (TP) projects are now budgeted under the responsibility of the Ministry of Finance (excluding some TP projects that are part of a construction project component). Therefore, the TP projects that were submitted to DPI will be passed on to Department of Finance (DOF). PCAP PP format is used for budget request to DOF, but it may cause confusion to them since they are not familiar with the format. DPI and DOF will make sure that TP projects will be submitted directly to DOF next year onwards.

#### (d) Absolute Assessment

DPI staff conducted 57 absolute assessments through the SPAS format. The results are reflected in the PIP project budget request list. 21 TP projects are included. The following

### Appendix 3: OJT Follow-UP Report

chart indicates the rating results as of March 20<sup>th</sup>. One ODA project (China), of which counterpart fund amount is much more than donor amount, was assessed through SPAS.

	A	B	C	D	F	Total
Construction # of Projects	5	23	7	0	0	35
TP # of Projects	2	20	0	0	0	21
Total	7	43	7	0	0	57

All 57 projects are new projects. Ongoing projects were not assessed this year. 22 projects have not been assessed due to lack of information. Some projects applied under “new” projects are actually completed by contractors, therefore very difficult to assess.

Assessment results are included in the reported to the Vice Governor as reference for discussion with sector departments. Assessment results are not fed back to the POs as of now.

#### (e) Comparative Assessment

CompAss workshops were not conducted because of delay in PP/PR submission. Discussions on project priorities by sectors will be conducted after the submission of the PIP budget request list.

#### (f) PIP Budget Request

The total amount of all PIP project budget requests as of March 20<sup>th</sup> is 102 billion Kip. According to the Guideline 300, the estimated budget amount for this year is 115-120% of that of this year's budget. This year's budget is 18 billion Kip, so the amount is estimated around 21-22 billion for next year. DPI will submit the 102 billion Kip as it is, with further internal discussion on reducing the budget.

#### (g) District-Level PIP Management

Most of the requests for PIP projects come from the provincial sector departments. However more projects have been requested as Kum-ban projects (25 projects, 9,138 million Kip). Management of these projects will be handed over to provincial RDC, although budget itself is still a part of PIP. Cost calculation of such projects is estimated with the support of the provincial sector departments.

There is a plan to establish a new district. However, it is estimated to cost more than 100 billion Kip of additional development fees.

#### (h) Overall Situation and Requests from Province/District

Sanyabouly Province still follows the customs from the past where some PIP projects that not approved were implemented anyway with the costs born by the contractor. There is also a tendency to aggressively prioritize development rather than stabilize the PIP financial

### Appendix 3: OJT Follow-UP Report

situations. However, DPI and sector departments maintain good relationships. Therefore, project assessment will gradually be used as a common procedure.

Discussions with MOF on the procedures of TA project budget request are needed. PCAP2 can suggest MOF/DOF to utilize the PP/PR formats, along with SPAS formats for their reference in approval.

For Kum-ban development and District-level PIP management, discussions with RDA, PMO is essential.

## 5. Study Results and Further Follow-up by Topic

### 1) PIP Budget Request Proceedings

All three provinces moved up their procedures in order to match the deadline of PIP list submission set on the March 20<sup>th</sup>, accordingly to the Guideline 300. This was due to the clear deadline statement in the Guideline, strong recommendations by MPI and the efforts to meet this deadline by DPI. The following

#### **[Submission of PPs/PRs by Sector Departments and Districts]**

All three provinces studied, DPI has made announcements to sector departments and district offices by December 2008, to submit their PPs/PRs by the end of February 2009 at the latest. However, sector provinces and districts did not submit their reports on time, causing delays to the total assessment procedure. The following describes the actual schedule that each DPI concluded;

Province	Oudomxay	Luang Prabang	Sanyabouly
Collection of Project Proposal and Progress Report	13 March	13 March	13 March
Compilation of SPAS Results	13 March	13 March	13 March
Compilation of CompAss Results	(plan) 17-19 March	(not done)	Not done
Submission to MPI	20 March	20 March	20 March

Overall submission of PPs/PRs in Oudomxay Province is fair, although difficulty is seen in the newly established kum-ban development projects. For Luang Prabang and Sanyabouly Provinces, there are still difficulties in submission from the sector department level since it is the first time for them, and still limited amount of staff had just attended the training recently. Generally, it seems difficult for the POs to fill in relatively complicated projects or larger projects that require more information as compared to smaller projects.

#### **[Progress Reports for Ongoing Projects]**

All three provinces were able to collect PPs for new projects, but were not successful in collecting PRs for ongoing projects. Reasons are as follows;

### Appendix 3: OJT Follow-UP Report

- Generally, DPI is still not familiar with monitoring ongoing projects, and the importance of PR submission. They have bigger priority in collecting information for new projects.
- For Luang Prabang and Sanyabouly provinces, it was their first time to official request to sector departments and districts to submit report based on the PCAP format. Therefore, ongoing projects presently difficulties in obtaining ongoing project information from past documents are not aligned with the information required in the PR. It is estimated that it would take a few years to have stable information of ongoing projects.

Since ongoing projects take a large portion of the PIP budget every year, MPI/PCAP2 must further promote the submission of PRs and ongoing SPAS.

## 2) Project (Absolute) Assessment and SPAS

Due to the slow turnout of PPs/PRs, project assessment (SPAS) was done simultaneously whenever a PP/PR was submitted. Average consumption of time in filling the SPAS form is said to be 30 minutes to 1 hour if the information provided is sufficient, but a few more hours if the information indicated in the PP/PR is not enough, thus needed to contact the PO and obtain necessary information.

The following chart indicates the projects assessed in each province;

	Oudomxay	Luang Prabang	Sanyabouly	Total
<b>Total # of projects (submitted to MPI)*</b>	240 (47)	91 (68)	173 (175)	504 (290)
<b># of projects assessed through SPAS</b>	165	46	57	268
<b>SPAS ratio**</b>	68.8% (351.0%)	50.5% (67.6%)	32.9% (32.6%)	53.2% (92.4%)

\* Number of projects indicated are figures obtained during the study trip. Number of projects in brackets are figures from the PIP lists that each province have submitted to MPI by March 20<sup>th</sup>.

\*\* Ratio in brackets are results of number of projects submitted to MPI divided by number of assessed projects.

Turnout and ratio of assessed projects in Oudomxay is relatively higher, because of its experience in the past two years as the PCAP1 monitor province. It can also be observed that Oudomxay DPI is reducing the number of projects from what they collected when submitting the PIP list to MPI. Although not yet confirmed, we can observe that projects that are not assessed are deleted from the list, and that Oudomxay DPI is actually utilizing the SPAS results when selecting projects. The same trend can be seen from Luang Prabang DPI, although the coverage of projects assessed is not as high.

Considering the fact that it is the first time for Luang Prabang and Sanyabouly Provinces to conduct SPAS in the actual PIP budget request procedure, the number of projects assessed in DPI is satisfactory.



### **3) Comparative Assessment**

At the time of the study, none of the three provinces conducted comparative assessment workshops. DPI for all provinces promised that they will try to conduct CompAss workshops before the final budget negotiations. The following are the reasons of not conducting the workshop before the deadline;

- Collection of PPs/PRs and execution of SPAS took time, and there was no time to conduct the workshop before the submission deadline.
- Budget adjustment before submission of PIP list to MPI is still not common. All projects that are submitted from sector departments and districts are compiled in the PIP list submitted to MPI without prioritization and selection of projects. Therefore, CompAss is not conducted before the
- Prioritization of PIP projects were generally done by sector departments, therefore DPI is still not fully involved in the process. There are meetings with sector departments, but CompAss method is not used.
- DPI staffs are not clear about their roles in the CompAss workshop, therefore not confident whether a proper workshop can be held.

PCAP2 must further explain the importance of conducting CompAss workshops before submitting the PIP list to MPI, to DPI and sector departments. Additional training sessions may be necessary to gain proper understanding of roles for both DPI and sector departments.

### **4) PIP Budget Request and Future Indication of PIP Budget Ceiling**

Oudomxay and Luang Prabang Provinces submitted the PIP budget request to MPI with a reduced amount as compared to the original request from sector department and districts. However, the amount still overwhelms this year's budget amount, which will result to further reduction in the negotiation process. The reasons for this can be estimated as follows;

- There is no clear guideline of the PIP budget ceiling. Oudomxay reduced their budget based on an oral instruction from MPI, which indicated that the budget amount should be 115-120% of this year's budget.
- The past guidelines are not indicated by province, rather a common rate applied to all. Therefore, there is unfairness in the distribution in amount, to provinces which receive smaller budget amount.
- The final budget ceiling is announced after provinces submit their first draft. Therefore, there is no reason for provinces to reduce their budget amount before this announcement.

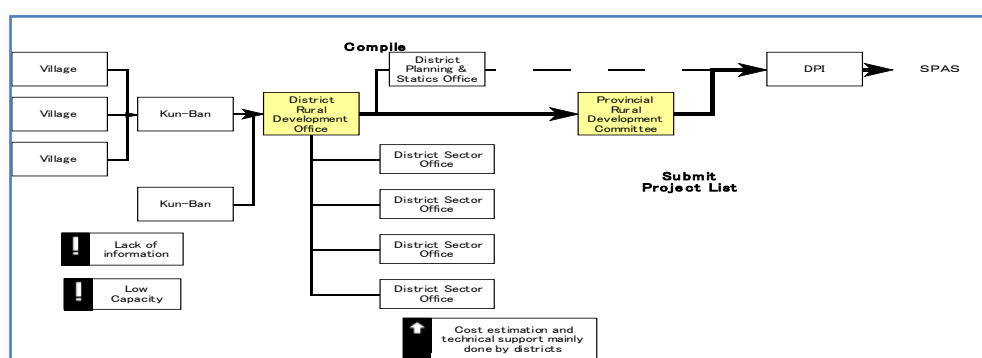
PCAP2 plans to recommend MPI to announce rough PIP budget allocation by each province, to each province before the submission of the PIP list. This will avoid confusion within provinces, and submit a prioritized PIP list to MPI for constructive discussions during the

### Appendix 3: OJT Follow-UP Report

budget negotiations among the provinces and MPI. It is further needed to develop a proper process that DPI can follow after receiving the allocation.

## 5) District-Level PIP Management Situation

Oudomxay and Sanyabouly Provinces are applying the newly established Kum-ban rural development scheme. This enables PIP to reach villages and kum-ban levels based on their needs. This “rural development route” is expected to be utilized in other provinces, and the newly established PRDO in the provincial level and DRDO in the district level need to upgrade its capacities to cope with this route. The following figure indicates the flow of work in Oudomxay Province.



Although the budget source is said to be under PIP, the budget for Kum-ban development is not added to the total PIP budget request. PCAP2 needs to clarify the budget source.

## 6) Capacity Development and Training Approaches

Provincial PIP Management Training was conducted in Luang Prabang and Sanyabouly Provinces. The training gained certain favorable reception, and further requests were made from all three provinces to extend the training to other staffs, and to district levels. The following are the comments and request for further improvement of the training;

- More training (contents) on writing PPs and PRs to sector department and district staffs are needed.
- Training to district levels, based on the current capacity of the staff is needed.
- Feedback and answers on the training sometimes differ depending on the trainer (from MPI). Further capacity development of trainers, along with standardization of training contents and Q&A replies are needed.

OJT was conducted in all three provinces. Since the period of OJT was relatively early in the process, and submission of PPs/PRs were late, the training concentrated on providing technical guidance on how to write PPs/PRs. It was suggested that the OJT sessions be

### *Appendix 3: OJT Follow-UP Report*

conducted at the beginning of March when project assessment is conducted, or mid-March when CompAss workshop would be scheduled.

#### **7) Follow-Up Activities**

Based on the studies, PCAP2 will further study and make developments in the following topics;

**Submission of PPs/PRs:** PCAP2 will study on how to improve the submission of PPs and PRs from sector organizations and districts before the deadline. This includes the following approaches;

- Standardized PIP budget process including a clear announcement of the reporting deadline through DPI.
- Further training for proposal and report writing to sector department staffs. Development of materials by including caseworks etc.
- Intensive explanation of the importance in monitoring ongoing projects and providing PRs.
- Feedback of reporting results to the Decision Makers including the governor (submission ratio of report by sector department).

**Absolute Assessment through SPAS:** PCAP2 will study on how to further improve the ratio of project assessment conducted by DPI. This included the following approaches;

- Conduct meta-evaluation of SPAS results to check the quality of contents.
- Explanation of the importance of project absolute assessment to sector department and district staffs and Decision Makers.
- Further training for project assessment to DPI staffs. Improvement of materials in Handbook by including caseworks etc.
- Feedback of SPAS results to the Decision Makers including the Governor.

**Comparative Assessment:** PCAP2 must further explain the importance of CompAss to DPI and sector departments. This includes the following approaches;

- Further improve the CompAss method by including PIP budget allocation targets, sector priorities and measures for including ODA counterpart funds as criteria
- Explanation of the importance of CompAss involving DPI, to sector department staffs and Decision Makers.
- Further training for CompAss, including guidance on how to moderate such workshops. Improvement of materials in Handbooks.

**PIP Budget Ceiling Announcement and Budget Request:** PCAP2 is currently developing the methods and process for sound PIP project financial management and announcement of a rough PIP budget ceiling to provinces. Through this study trip, we confirmed the importance of these two approaches, and will continue its development. Procedure towards the PIP

*Appendix 3: OJT Follow-UP Report*

budget request will also be further studied, including the ideal deadline of submitting the PIP list from provinces to MPI.

**PIP Rural Development Route and District-Level PIP Management:** PCAP2 intends to support this new PIP budget request route. However, studies on the *Prime minister instruction 09*, which is said to be on Kum-ban management, and further discussions between MPI/PCAP2 and the Rural Development Department, Prime Minister's Office are needed, in order to newly align the PIP management process involving PRDO and DRDO.

**Technical Promotion Projects:** MPI/PCAP2 will discuss with MOF on how to smoothly shift TP projects, including proposals to utilize PP sheets and SPAS formats that PCAP2 have developed.

**Environmental Certificates:** MPI/PCAP2 will closely discuss with WERA, PMO on the issuance of environmental certificates to PIP projects, including its procedures and fees. Consideration of a environment follow-up fund within the project cost, or an environment protection portion in the PIP budget can be suggested.

<b>I: Report on Workshop of Meta-Evaluation &amp; Training Evaluation in Vientiane Capital DPI</b>
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<b>Course/Module:</b>	Meta-Evaluation and Training Evaluation Workshop
<b>Date/ Duration:</b>	May 28 <sup>th</sup> to 29 <sup>th</sup> 2009 at MPI Training Center.
<b>Trainer's Team:</b>	5 officials from MPI-DOE.
<b>PCAP2:</b>	Tomoe TAIRA and Douangchay GNANONG (PCAP2's staff).

### I. Objectives of the Meta-Evaluation and Training Evaluation Workshop

1. To share the actual procedures for requesting FY2009/10 PIP budget.
2. To conduct Meta-Evaluation of individual PIP projects requested.
3. To share the usefulness of the PIP management training held in 2008.

### II. Preparation for the Meta-Evaluation and Training Evaluation Workshop

1. Discussion with the counterparts in order to set up the team, schedule, and contents of Meta-Evaluation and Training Evaluation Workshop.
2. Materials: Questionnaires for the training evaluation, Presentation Handouts, Meta-Evaluation Format of (1) Assessment Category and (2) General Status.
3. Logistic Arrangement (Initiated by MPI-DOE).

### III. Main Activities of the Workshop

1. Presentation by MPI-DOE on objectives of Meta-Evaluation and Training Evaluation.
2. Conducting Meta-Evaluation and Training Evaluation and Wrapping-up the results by group.
3. Conducting training evaluation by questionnaires and interview survey.

### IV. Team Members and Agenda

Team members of Meta-evaluation studies at Vientiane Capital DPI are as follows

#### Team Members:

1. Mr. Phisit SANASYSAN (Team Leader), MPI-DOE.
2. Mr. Viengkham LATSACHANH, MPI-DOE.
3. Mr. Sonephetvongsy BOUPHOMMEUANG, MPI-DOE.
4. Ms. Malyvanh PHOMSEANGSAVANH, MPI-DOE (PCAP2 coordinator).
5. Mr. Bouakeo SIPHONSAY, MPI-DOE (PCAP2 coordinator).

Workshop Agenda			
1 <sup>st</sup> Day		2 <sup>nd</sup> Day	
9:00-10:25	➤ Courtesy call and interview with DPI director	8:30-12:00	➤ Continue conducting meta-evaluation
11:00-12:00	➤ Courtesy call and interview		➤ Conduct interview on training evaluation
12:00-13:30	Lunch Break	12:00-13:30	Lunch Break
13:30-13:45	➤ Opening Remarks by DPI director	13:30-14:30	➤ Wrap-up results of meta-evaluation by group
13:45-14:00	➤ Presentation by MPI on workshop objectives		➤ Conduct interview on training evaluation
14:00-14:45	➤ Continue meta-evaluation by group		
14:45-15:00	Coffee Break	14:30-14:45	Coffee Break
15:00-16:00	➤ Continue conducting meta-evaluation	14:45-15:45	➤ Workshop on results of meta-evaluation
	➤ Training evaluation by questionnaires	15:45-16:00	➤ Closing Remarks by DPI director

## V. Results of Workshop

### V-1. Actual procedures for requesting FY2009/10 PIP budget

Actual schedule of PIP budget request proceedings is indicated as table below

No.	Procedures	Deadline/ Planned Date	Actual Date
1	Submission of project proposals/ progress reports to DPI	Deadline: Feb 20 (Announcement)	Mar 2
2	Compilation of SPAS results into PIP budget request by DPI	Planned date: Mar 9-10	Mar 5
3	The first submission of PIP budget request from DPI to MPI	Deadline: Mar 20 (Guideline 300/MPI)	Mar 15
4	Compilation of comp. assessment results into PIP budget request by DPI	Planned date: Mar 25-27	Mar 20
5	Approval of PIP budget request by Governor	Planned date: Mar30-Apr 7	Mar 30
6	Submission of PIP budget request from DPI to MPI		Apr 30

#### ➤ Main findings

- The actual submission of project proposals and progress reports from POs to DPI delayed 10 days.
- The 1<sup>st</sup> submission was made before the deadline of Mar 20, 2009.
- It could be said that compilation of comparative assessment into PIP budget and approval of the request by Governor was made after the 1<sup>st</sup> submission of the budget request in Mar 15.

#### ➤ Main issues to be considered

- After the announcement made by DPI was sent to all organizations concerned, DPI should have the way to follow up that announcement such as by telephone and other.

### V-2. The number of assessed projects in the budget request

Number of projects assessed by SPAS is explained as following table

The Number of PIP Projects (T1, T2, T3)	Proposed from sectors to DPI	Assessed by DPI	Requested from DPI to MPI *	Assessed projects in the request	Not assessed & F projects in the request
<b>Total:</b>	<b>604</b> (440,319 Mil. Kip)	<b>93</b>	<b>345</b> (75,000 Mil. Kip)	<b>44</b>	<b>3+301=304</b>

Remark: \* Information given in the workshop.

Details of assessments results are as follows

Type of Projects	Assessed Projects						N/A	Grand Total
	A	B	C	D	F	Total		
CP	0	0	0	0	0	0	32	32
On-going	0	0	0	0	0	0	86	86
New Project	19	16	6	0	3	44	34	78
Debt	-----	-----	-----	-----	-----	0	149	149
<b>Total</b>	<b>19</b>	<b>16</b>	<b>6</b>	<b>0</b>	<b>3</b>	<b>44</b>	<b>301</b>	<b>345</b>

➤ **Main findings**

- According to information given by MPI-DOP-Division of Regional Development Planning, the 1<sup>st</sup> draft of PIP budget request mentioned on above table was composed of a total of 622 projects.
- The actual PIP budget requested from DPI to MPI was composed of a total of 345 projects. In there, only new projects were assessed.
- There were 44 out of 78 new projects assessed covering 56%.
- The projects rated F because the necessary documents of these projects were not attached with the project proposal.
- Some new projects related to the 25<sup>th</sup> SEA Games didn't conduct the absolute assessment yet because the attached documents will be submitted later.

➤ **Main issues to be considered.**

- The efficient method for assessment of on-going projects should be reconsidered among related organizations.
- DPI should try to get the attached documents to F projects and the projects were not assessed yet. Then, re-conduct the assessment to those projects.

### V-3. Results of Meta-Evaluation of individual PIP type 3 projects requested

Results of Meta-Evaluation format (1) and (2) are explained as table below

Group	Project's Name	A	B	C	D	Total
1	Construction of drainage from Ban Phosy, Nahea, Dongnathong to Hongdeang (Const.)	1				
2	Surveying-designing for construction of cultural club (Const.)	1				
3	Industrial development zoning at Khoksaat (Const.)		1			
4	Construction of accommodation for single police (Const.)	1				
5	Sanitary construction at Thanasa (Const.)	1				
6	Primary school construction at Khokvilay, Muang Saythany (Const.)	1				
7	Construction of road behind the Vientiane Upper Secondary School. (Const.)	1				
8	Road rehabilitation at Noonbouathong village (Const.)	1				
9	Construction of drug free village (Const.)		1			
10	Justice office construction for Muang Pakngeum (Const.)	1				
11	Construction of military office at Muang Sikhottabong (Const.)	1				
12	Accommodation construction project for security guard at Financial Sector. (Const.)	1				
13	Construction of drainage at Ban Nahea, Viengsavanh, Noonsavang and Sysomseun (Const.)	1				
14	Repairing of Phoxay Primary School. (Const.)		1			
15	Construction of kitchen house, toilet, water storage place and electrical house for disable center. (Const.)				1	
16	Construction of road from Ban Dongnasokyay-Dungyay (Const.)		1			

Appendix 4: Report on Meta-Evaluation and Training Evaluation

<b>17</b>	Construction of police office (Const.)	<b>1</b>				
<b>18</b>	Construction of road from Chokkham to Khamngoi (Const.)	<b>1</b>				
<b>19</b>	Construction of secondary school at Meuang Pakngum (Const.)	<b>1</b>				
<b>Total</b>		<b>14</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>19</b>

➤ **Main findings**

- There were 18 out of 19 working groups had good assessment skills.
- According to the comments written in the Meta-evaluation sheet, only one working group was still confused between the project assessed by SPAS and evaluated by Meta-evaluation.
- It was the first time to conduct the Meta-evaluation studies workshop at Vientiane Capital DPI, the coordination between the team and DPI Vientiane Capital in order to prepare the projects assessed in advance to use in the workshop was not good enough.

➤ **Main issues to be considered**

- The team should find a better way and give the examples in order to explain the different between the project assessed by SPAS and evaluated by Meta-evaluation to the working group was not understood yet.
- The team should confirm DPI to prepare the projects assessed in advance, explain to DPI understand that if the workshop doesn't have the projects assessed, the Meta-evaluation sheets cannot work.

**V-4. Results of the usefulness of the PIP management training held in 2008**

➤ **Usefulness of the training**

- According to the summary session, the organizations concerned had the consensus formats to write the project proposals and progress reports.
- Participants trained by the course held in 2008 could write the project proposal and progress reports.
- Participants participated in the training could assess the projects in basic step.

➤ **Needs for follow-up**

- The next PIP management course should add more time.
- MPI/PCAP should invite 3 or 4 staffs from each organization to participate in the training course because if a trained staff changed the position, no staff can conduct the assessment.
- Participants trained by MPI/PCAP need concrete example or case study for each of the project proposal, progress report and completion report



**II: Report on Workshop of Meta-Evaluation & Training Evaluation in Salavan Provincial DPI**

<b>Course/ Module:</b>	Meta-Evaluation and Training Evaluation Workshop
<b>Date/ Duration:</b>	June 2 <sup>nd</sup> to 3 <sup>rd</sup> 2009 at Meeting Room of Salavan Provincial DPI.
<b>Trainer's Team:</b>	4 officials from MPI-DOE.
<b>PCAP2:</b>	Tomoe TAIRA; Douangchay GNANONG (PCAP2's staff).

**I. Objectives \*****II. Preparation \*****III. Main Activities\*****IV. Agenda\*** \*see the report in the Vientiane Capital DPI**IV. Team Members and Agenda****Team Members:**

1. Mr. Phoukong BANNAVONG, DDG of DOE-MPI.
2. Mr. Phisit SANASYSAN (Team Leader), MPI-DOE.
3. Mr. Phoutpasong SEANGDALAVONG, MPI-DOE.
4. Mr. Bouakeo SIPHONSAY, MPI-DOE (PCAP2 coordinator).

**V. Results of Workshop****V-1. Actual procedures for requesting FY2009/10 PIP budget**

Actual schedule of PIP budget request proceedings is indicated as table below

No.	Procedures	Deadline/ Planned Date	Actual Date
1	Submission of project proposals/ progress reports to DPI	Deadline: Feb 20 (Announcement)	Feb 20
2	Compilation of SPAS results into PIP budget request by DPI	Planned date: Mar 12-13	Mar 15
3	The first submission of PIP budget request from DPI to MPI	Deadline: Mar 20(Guideline 300/MPI)	Mar 24
4	Compilation of comparative assessment results into PIP budget request by DPI	Planned date: Mar 23-24	Mar 25
5	Approval of PIP budget request by Governor	Planned date: Mar30-Apr 7	Apr 15
6	Submission of PIP budget request from DPI to MPI		Apr 25

**➤ Main findings**

- The actual submission of project proposals and progress reports from POs to DPI was submitted directly on Feb 20.
- The 1<sup>st</sup> submission of PIP budget request from DPI to MPI was delayed 4 days when compared with the deadline of Mar 20, 2009.
- It could be observed that compilation of comparative assessment into PIP budget and approval of the request by Governor was made after the 1<sup>st</sup> submission of the budget request in Mar 24.

**➤ Main issues to be considered**

- The 1<sup>st</sup> submission of PIP budget request was modified because DPI knew only the PIP budget of FY2009/2010 will be increased about 20% of FY2008/09. DPI didn't know the accurate budget ceiling

that will be allocated by MPI.

## V-2. The number of assessed projects in the budget request

Number of projects assessed by SPAS is indicated as table below

The Number of PIP Projects (T1, T2, T3)	Proposed from sectors to DPI	Assessed by DPI	Requested from DPI to MPI *	Assessed projects in the request	Not assessed & F projects in the request
<b>Total:</b>	<b>91</b> (57,506 Mil. Kip)	<b>69</b>	<b>87</b> (20,730 Mil. Kip)	<b>22</b>	<b>65</b>

Remarks: \* Information given in the workshop

Details of assessments results proposed by POs to DPI are as follows

Type of Projects	Assessed Projects						N/A	Grand Total
	A	B	C	D	F	Total		
CP	0	1	0	0	0	1	1	2
On-going	2	5	2	0	0	9	0	9
New Project	6	21	28	4	0	59	4	63
Debt	-----	-----	-----	-----	-----	0	17	17
<b>Total</b>	<b>8</b>	<b>27</b>	<b>30</b>	<b>4</b>	<b>0</b>	<b>69</b>	<b>22</b>	<b>91</b>

(Data source: DPI-DOE)

Details of assessment results submitted by DPI to MPI are as follows

Type of Projects	Assessed Projects						N/A	Grand Total
	A	B	C	D	F	Total		
CP	0	0	0	0	0	0	11	11
On-going	2	2	1	0	0	5	30	35
New Project	3	5	7	2	0	17	7	24
Debt	-----	-----	-----	-----	-----	0	17	17
<b>Total</b>	<b>5</b>	<b>7</b>	<b>8</b>	<b>2</b>	<b>0</b>	<b>22</b>	<b>65</b>	<b>87</b>

(Data source: DPI-DOP)

### ➤ Findings

- According to information given by MPI-DOP-Division of Regional Development Planning, the 1<sup>st</sup> submission of PIP budget request mentioned on above table was composed of a total of 98 projects.
- The actual PIP budget requested from DPI to MPI was composed of a total of 87 projects. DPI conducted the absolute assessment for both new and on-going projects.
- There were 5 out of 35 on-going projects assessed covering 14%.
- There were 17 out of 24 new projects assessed covering 70%.

### ➤ Main issues to be considered

- The results of absolute and comparative assessment were recorded in separate forms in DPI-DOE.

## V-3. Results of type 3 projects reassessed through SPAS

The projects reassessed were used the same 5 criteria. The comparisons between before and after is described

Appendix 4: Report on Meta-Evaluation and Training Evaluation

as table below

Group	Project Name	Assessed by SPAS(Before:I-3)							Assessed by SPAS (After:I-6)							
		1	2	3	4	5	Total	Rating	1	2	3	4	5	Total	Rating	
1	Namsan Bridge Construction Project at Ban Namsan, Muang Laongam	1							1							
		<b>64</b>	<b>15</b>	<b>25</b>	<b>14</b>	<b>18</b>	<b>136</b>	<b>C</b>	<b>49</b>	<b>20</b>	<b>32</b>	<b>14</b>	<b>24</b>	<b>139</b>	<b>C</b>	

Group	Project Name	Assessed by SPAS(Before:I-3)							Assessed by SPAS (After:I-6)							
		1	2	3	4	5	Total	Rating	1	2	3	4	5	Total	Rating	
2	Houai Ampong Weir Irrigation Construction Project at Ban Talotay	1							1							
		<b>78</b>	<b>40</b>	<b>24</b>	<b>10</b>	<b>16</b>	<b>168</b>	<b>C</b>	<b>76</b>	<b>50</b>	<b>36</b>	<b>15</b>	<b>24</b>	<b>200</b>	<b>A</b>	

Group	Project Name	Assessed by SPAS (Before:I-3)							Assessed by SPAS (After:I-6)							
		1	2	3	4	5	Total	Rating	1	2	3	4	5	Total	Rating	
3	Houai Tapung Bridge Construction Project at Ban Nondeua, Meuang Laongam	1							1							
		<b>64</b>	<b>15</b>	<b>25</b>	<b>14</b>	<b>18</b>	<b>136</b>	<b>C</b>	<b>67</b>	<b>4</b>	<b>40</b>	<b>14</b>	<b>10</b>	<b>135</b>	<b>C</b>	

Group	Project Name	Assessed by SPAS (Before: II-3)							Assessed by SPAS (After: II-4)							
		1	2	3	4	5	Total	Rating	1	2	3	4	5	Total	Rating	
4	Khonsai Primary School Construction at Meuang Vapee ,on-going	1							1							
		<b>20</b>	<b>20</b>	<b>28</b>	<b>20</b>	<b>12</b>	<b>102</b>	<b>A</b>	<b>20</b>	<b>16</b>	<b>24</b>	<b>19</b>	<b>9</b>	<b>88</b>	<b>B</b>	

Group	Project Name	Assessed by SPAS (Before:I-3)							Assessed by SPAS (After:I-6)							
		1	2	3	4	5	Total	Rating	1	2	3	4	5	Total	Rating	
5	Surveying-Designing for Expansion of Electrical Power Line at Ban Phoukasy and Lakhonpha	1							1							
		<b>74</b>	<b>8</b>	<b>31</b>	<b>16</b>	<b>24</b>	<b>153</b>	<b>C</b>	<b>71</b>	<b>45</b>	<b>35</b>	<b>7</b>	<b>23</b>	<b>181</b>	<b>B</b>	

Group	Project Name	Assessed by SPAS (Before: II-3)							Assessed by SPAS (After: II-4)							
		1	2	3	4	5	Total	Rating	1	2	3	4	5	Total	Rating	
6	Construction of Sanitary Office at Meuang Taoi ,on-going	1							1							
		<b>19</b>	<b>17</b>	<b>18</b>	<b>17</b>	<b>9</b>	<b>80</b>	<b>B</b>	<b>18</b>	<b>16</b>	<b>20</b>	<b>16</b>	<b>8</b>	<b>76</b>	<b>B</b>	

Group	Project Name	Assessed by SPAS (Before:I-3)							Assessed by SPAS (After:I-6)						
		1	2	3	4	5	Total	Rating	1	2	3	4	5	Total	Rating
7	Construction of Primary School at Ban Kokmuang Meuang Tumlan.	63	30	18	18	13	133	C	67	35	26	18	21	167	B

**Remarks:** 1: Relevance. 2: Effectiveness. 3: Efficiency. 4: Impact. 5: Sustainability. **Before:** Project assessed by DPI. **After:** Project reassessed by working group in the workshop.

➤ **Main findings**

- POs used the old format to write the project proposal.
- Type 3 project, if the action plan had been written in the environmental and social topic. The assessor should provide full scores to this topic.
- A project proposal submitted from the district, perhaps this project will be included in two PIP project list as 1) Provincial PIP project list; and 2) Ministry PIP project list. PO should choose only one way which way is the best to include his/her project.

➤ **Main issues to be considered**

- The new formats updated should be announced by MPI to all provinces, ministries and organizations concerned.
- The results of project assessed and not assessed should be feed back to POs by DPI.

**V-4. Results of the usefulness of the PIP management training held in 2007.**

➤ **Usefulness of the training.**

- The formats developed by MPI/PCAP were used to write with the real project by organizations concerned.
- DPI Handbook has been used in the actual work. The staffs trained understood PIP project management procedures.
- In future, PIP projects will be implemented with high effectiveness and efficiency.

➤ **Needs for follow-up.**

- PIP management training course had limited time.
- PIP management training course should be conducted by MPI/PCAP again.

**III: Report on Workshop of Meta-Evaluation & Training Evaluation in Sekong Provincial DPI**

<b>Course/ Module:</b>	Meta-Evaluation and Training Evaluation Workshop
<b>Date/ Duration:</b>	June 4 <sup>th</sup> to 5 <sup>th</sup> at Sekong Provincial DPI Meeting Room.
<b>Trainer's Team:</b>	4 officials from MPI-DOE (Same team with Salavan workshop).
<b>PCAP2:</b>	Tomoe TAIRA; Douangchay GNANONG (PCAP2's staff).

**I. Objectives, II. Preparation, III. Main Activities and IV. Agenda\*** \*see the report in the Vientiane Capital DPI

**V. Results of Workshop****V-1. Actual procedures for requesting FY2009/10 PIP budget**

Actual schedule of PIP budget request proceedings is indicated as table below

No.	Procedures	Deadline/ Planned Date	Actual Date
1	Submission of project proposals/ progress reports to DPI	Deadline: Feb 20 (Announcement)	Feb 25
2	Compilation of SPAS results into PIP budget request by DPI	Planned date: Mar 12-13	Mar 10
3	The first submission of PIP budget request from DPI to MPI	Deadline: Mar 20 (Guideline 300/MPI)	Mar 24
4	Compilation of comparative assessment results into PIP budget request by DPI	Planned date: Mar 23-24	Mar 27
5	Approval of PIP budget request by Governor	Planned date: Mar30-Apr 7	Mar 30
6	Submission of PIP budget request from DPI to MPI		Apr 9

**➤ Main findings**

- The actual submission of project proposals and progress reports from POs to DPI delayed 5 days because POs waited to have the real unit prices approved by Governor to attach with the project documents.
- The 1<sup>st</sup> submission was delayed 4 days when compared with the deadline of Mar 20, 2009.

**➤ Main issues to be considered.**

- The 1<sup>st</sup> submission already submitted but the officials were still improved the PIP budget because they knew only the budget for FY2009/10 will be increased about 20% of FY2008/09.

**V-2. The number of assessed projects in the budget request**

Number of projects assessed by SPAS is explained as following table Remark:\* Information given in the workshop

The Number of PIP Projects (T1, T2, T3)	Proposed from sectors to DPI	Assessed by DPI	Requested from DPI to MPI *	Assessed projects in the request	Not assessed & F projects in the request
<b>Total:</b>	<b>197</b> (155,681 Mil. Kip)	<b>161</b>	<b>178</b> (157,082 Mil. Kip)	<b>160</b>	<b>18</b>

Please see the assessment result as table below.

Type of Projects	Assessed Projects						N/A	Grand Total
	A	B	C	D	F	Total		
CP	0	0	0	0	0	0	6	6
On-going	0	0	0	0	0	0	12	12
New Project	38	72	50	0	0	160	0	160
Debt	-----	-----	-----	-----	-----	0	0	0
<b>Total</b>	<b>38</b>	<b>72</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>160</b>	<b>18</b>	<b>178</b>

➤ **Main findings**

- According to information given by MPI-DOP-Division of Regional Development Planning, the 1<sup>st</sup> draft of PIP budget request mentioned on above table was consisted of a total of 98 projects.
- The actual PIP budget requested from DPI to MPI was composed of a total of 178 projects.
- Only all new projects were assessed covering 100%.

➤ **Main issues to be considered.**

- The efficient methods for on-going projects should be reconsidered among related organizations.

**V-3. Results of Meta-Evaluation of individual PIP type 3 projects requested**

Results of Meta-evaluation by using of (1) Assessment Category and (2) General Status are explained as table below

Group	Project's Name	SPAS		Meta (1)		Meta(2)	
		Scores	Rating	Scores	Rating	Scores	Rating
1	Road rehabilitation project from Sekong-Dakcheung	142	C	125	B	125	A
2	Urban planning at Ban Phiamai zone in Lamam District	171	A	138	A	122	A
3	Provincial museum decoration project	157	B	133	B	130	A
4	Commercial office construction project	184	B	129	B	121	A
5	Labor and social welfare office construction project	210	A	139	A	137	A
6	Provincial police office construction project	222	A	119	B	119	B
7	Provincial justice office construction project	222	A	124	B	125	A

➤ **Main findings**

- It was the first time to conduct Meta-evaluation studies workshop in Sekong province, results of working group were very good because the Meta-studies team had experience and understood well on how to facilitate the working group.

➤ **Main issues to be considered**

- Participants about 95% of this workshop were the same old participants participated in the PIP management course held in 2008.

**V-4. Results of the usefulness of the PIP management training held in 2008**

➤ **Usefulness of the training**

- The districts copied all formats of MPI/PCAP from Cabinet Office in Provincial Administration Office.
- After the course held in 2008, Participants participated were able to write the project proposal and can assess the projects in basic step.

➤ **Needs for follow-up**

- Many projects were submitted by the district level, MPI/PCAP2 should conduct the PIP management course to the district level.

<b>IV: Report on Workshop of Meta-Evaluation &amp; Training Evaluation in Khammoane Provincial DPI</b>
--

<b>Course/ Module:</b>	Meta-Evaluation and Training Evaluation Workshop
<b>Date/ Duration:</b>	July 9 <sup>th</sup> to 10 <sup>th</sup> 2009 at Meeting Room of Khammuan Provincial DPI.
<b>Trainer's Team:</b>	3 officials from MPI-DOE.
<b>PCAP2:</b>	Tomoe TAIRA ; Douangchay GNANONG (PCAP2's staff).

**I. Objectives, II. Preparation, III. Main Activities and IV. Agenda\*** \*see the report in the Vientiane Capital DPI

**IV. Team Members**

**Team Member:**

1. Mr. Phisit SANASYSAN (Team Leader), MPI-DOE.
2. Mr. Phoutpasong SEANGDALAVONG, MPI-DOE.
3. Ms. Malyvanh PHOMSEANGSAVANH, MPI-DOE (PCAP2 coordinator).

**V. Results of Workshop**

**V-1. Actual procedures for requesting FY2009/10 PIP budget**

Actual schedule of PIP budget request proceedings is indicated as table below

No.	Procedures	Deadline/ Planned Date	Actual Date
1	Submission of project proposals/ progress reports to DPI	Deadline: Feb 20 (by telephone)	Feb 25
2	The first submission of PIP budget request from DPI to MPI	Deadline: Mar 20 (Guideline 300/MPI)	Mar 24
3	Compilation of SPAS results into PIP budget request by DPI	Planned date: Mar 9-10	Mar 30
4	Meeting on prioritized projects into PIP budget request *	Planned date: Mar 25-27	May 7
5	Approval of PIP budget request by Governor	Planned date: Mar30-Apr 7	May 7
6	Submission of PIP budget request from DPI to MPI		May 13

**Remark:** \* Meeting on prioritized projects held by Cabinet Office in Provincial Administration Office.

➤ **Main findings**

- DPI didn't make the announcement to POs but the deadline of submission was informed by telephone.
- The actual submission of project proposals and progress reports from POs to DPI delayed 5 days.
- The 1<sup>st</sup> submission was delayed 4 days after the deadline of Mar 20, 2009.
- DPI didn't conduct the comparative assessment but the projects were prioritized into PIP budget request by the meeting held by Cabinet Office under Provincial Administration Office on May 7, 2009.
- It could be observed that compilation of SPAS results, priority of projects into PIP budget request by meeting and approval of the request by Governor was made after the 1<sup>st</sup> submission of the budget in Mar 24.

➤ **Main issues to be considered**

- The comparative assessment workshop should be conducted because it is convenient to prioritize projects into PIP budget request based on the prioritized programs.

**V-2. The number of assessed projects in the budget request**

Number of projects assessed by SPAS is explained as following table:

The Number of PIP Projects (T1, T2, T3)	Proposed from sectors to DPI	Assessed by DPI	Requested from DPI to MPI *	Assessed projects in the request	Not assessed & F projects in the request
<b>Total:</b>	<b>184</b> (109,138 Mil. Kip)	<b>105</b>	<b>129</b> (35,000 Mil. Kip)	<b>43</b>	<b>86+4=90</b>

Remark: \* Information given in the workshop.

### Second Plan (reserved plan)

The Number of PIP Projects (T1, T2, T3)	Proposed from sectors to DPI	Assessed by DPI	Requested from DPI to MPI *	Assessed projects in the request	Not assessed & F projects in the request
<b>Total:</b>	<b>184</b> (109,138 Mil. Kip)	<b>105</b>	<b>134</b> (23,300 Mil. Kip)	<b>19</b>	<b>115</b>

Remark: \* Information given in the workshop.

Details of assessments results of proposed projects from sectors to DPI are as follows

Type of Projects	Assessed Projects						N/A	Grand Total
	A	B	C	D	F	Total		
CP	0	4	2	0	0	6	1	7
On-going	7	5	1	1	0	14	45	59
New Project	3	42	32	3	5	85	33	118
Debt	-----	-----	-----	-----	-----	0	0	0
<b>Total</b>	<b>10</b>	<b>51</b>	<b>35</b>	<b>4</b>	<b>5</b>	<b>105</b>	<b>79</b>	<b>184</b>

(Data source: DPI-DOE)

Details of assessments results of the first PIP budget plan given by the workshop are as follows

Type of Projects	Assessed Projects						N/A	Grand Total
	A	B	C	D	F	Total		
CP	0	0	0	0	0	0	1	1
On-going	7	5	1	1	0	14	47	61
New Project	3	9	11	2	4	29	13	42
Debt	-----	-----	-----	-----	-----	0	25	25
<b>Total</b>	<b>10</b>	<b>14</b>	<b>12</b>	<b>3</b>	<b>4</b>	<b>43</b>	<b>86</b>	<b>129</b>

Details of assessments results of the reserved PIP budget plan given by the workshop are as follows

Type of Projects	Assessed Projects						N/A	Grand Total
	A	B	C	D	F	Total		
CP	0	0	0	0	0	0	2	2
On-going	2	4	1	1	0	8	46	54
New Project	1	8	2	0	0	11	46	57
Debt	-----	-----	-----	-----	-----	0	21	21
<b>Total</b>	<b>3</b>	<b>12</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>19</b>	<b>115</b>	<b>134</b>

(Data source: DPI-DOP)

#### ➤ Main findings

- According to information given by MPI-DOP-Division of Regional Development Planning, the first draft of PIP budget request mentioned on above table was composed of a total of 98 projects.
- The absolute assessment results were recorded in separate forms in Evaluation Division. No comparative



assessment. PIP list with only some but not all absolute assessment results.

- The number of projects is increased from 98 to 129 or 134 based on the discussion results among provincial authorities conducted by Provincial Cabinet Office in Provincial Administration Office.
- There were two PIP budget plan given by the workshop. The first PIP budget plan was consisted of a total of 129 projects with the total amount of 35,000 million kip and the second (reserved) PIP budget plan was consisted of a total of 134 projects with the total amount of 23,300 million kip.
- In the first plan, there were 14 out of 61 on-going projects assessed covering about 23%; and there were 29 out of 42 new projects assessed covering 69%.
- In the second plan, there were 8 out of 54 on-going projects assessed covering about 15%; and there were 11 out of 57 new projects assessed covering 19%.

➤ **Main issues to be considered**

- For convenience to prioritize projects based on prioritized programs, DPI should conduct the comparative assessment workshop. Then, their results should be included in PIP budget request.

**V-3. Results of Met-evaluation of individual PIP type 3 projects requested**

Results of Meta-evaluation of individual PIP projects selected are indicated as table below

Meta-evaluation Format	Group 1		Group 2		Group 3		Group 4		Group 5	
(1) By Assessment Category	106	C	124	B	114	B	113	B	129	B
(2) By General Status	107	B	100	B	122	B	87	C	128	A

➤ **Main findings**

- The project in each working group was done by Meta-evaluation format (1) and (2).
- In 2 out of 5 working groups, each group had a new staff (first time participated in the training course held by MPI/PCAP2). The outputs of these two working groups written in Meta-evaluation formats, some were SPAS and some were Meta-evaluation results.
- Some working groups had finished before timing.

➤ **Main issues to be considered.**

- Trainers should closely explain to the new staffs about the different between the assessment through SPAS and evaluation by Meta-evaluation.
- The formats were done before timing. The trainers should read all the outputs and exchange the experiences to each other e.g. why comments and/or scores provided like that.

**V-4. Results of the usefulness of the PIP management training held in 2007** (Same comments with Vientiane Capital and Salavan Report).

**V: Report on Workshop of Meta-Evaluation & Training Evaluation for Ministries in Vientiane Capital**

<b>Course/ Module:</b>	Meta-Evaluation and Training Evaluation Workshop
<b>Date/ Duration:</b>	July 23 <sup>rd</sup> to 24 <sup>th</sup> 2009 at ICTC.
<b>Trainer's Team:</b>	7 officials from MPI-DOE only.
<b>PCAP2:</b>	Tomoe TAIRA ; Douangchay GNANONG (PCAP2's staff).

**I. Objectives, II. Preparation, III. Main Activities and IV. Agenda\*** \*see the report in the Vientiane Capital DPI

**IV. Team Members and Agenda**

<b>Team Member:</b>	
1. Mr. Phetamphone Houmboun (Team Leader)	2. Mr. Phisit SANASYSAN
3. Mr. Vilaphanh DUANGTHONGKHAM	4. Mr. Viengkham LATSACHANH
5. Mr. Phoutpasong SEANGDALAVONG	6. Ms. Malyvanh PHOMSEANGSAVANH (PCAP2 coordinator)
7. Mr. Bouakheo SYPHONXAY (PCAP2 coordinator)	

**Participants:** The numbers of participants are explained as follows

No. of Ministries/Organizations	Total of Participants	Females
13 Ministries	37	6
23 Organizations	34	9
<b>Total:</b>	<b>71</b>	<b>15</b>

**V. Results of Workshop****V-1. Actual procedures for requesting FY2009/10 PIP budget**

According to information given by MPI-DOP-Division of Economic Development Plan and Division of Social Development Plan, the actual of first submission of 8 main ministries and some organizations to MPI are described as table below:

**Actual date of the first submission of PIP budget request from 8 main ministries and some organizations**

No.	Procedure	Date	Economic Sectors				Social Sectors				Others					
			MOAF	MOPW	MOIC	MOEM	MOE	MOH	MOIC	MOLS	WREA	Post.	Land	Justice	Tech.	Museum
5	*Submission of budget request from Planning Dept. in charge to MPI	**Actual date of the submission	10/4	12/5	29/4	12/2	30/3	18/3	19/3	27/3	20/3	2/2	20/3	27/3	23/3	20/3

\* Submission deadline of FY2009-10 budget request to MPI is Mar 20, 2009 as announced in the Guideline no.300/MPI dated Feb 2009.

\*\* Submission dates later than the announcement, Mar 20, 2009, are highlighted

Source: MPI-DOP-Division of Economic Development Plan and Division of Social Development Plan

➤ **Main issues to be considered**

- The division in charge in economic and social sector should coordinate with the MPI Office in order to follow up the announcement or guideline announced to ministries and organizations concerned.
- The division in charge should motivate the ministries and equivalent organizations to submit PIP budget request based on the deadline of the announcement or guideline.

**V-2. Results of Met-evaluation of individual PIP type 3 projects requested**

Results of Meta-evaluation of individual PIP projects are indicated as table below

Group No.	Project's Name	Scores	Meta(1)	Scores	Meta(2)
1	Construction of Financial Office, Information Room and Wall for MOFA	143	A		

Appendix 4: Report on Meta-Evaluation and Training Evaluation

3	FM Equipment Purchasing for Radio Station	85	D		
4	Place Improvement for Nagar Fire Ball Looking	121	B		
5	Promotion and Development of Agricultural Products	145	A		
6	Survey and Improvement of Walking Place for Leader Caves	113	B		
7	Survey and Improvement of Walking Place for Leader Caves	103	C		
8	Survey and Improvement of Walking Place for Leader Caves	113	B		
9	Public Newspaper Improvement	133	B		
11	Construction of Namphouk Irrigation at Tuahay Village, Muang Sangthong	127	B		
12	Construction of Namphouk Irrigation at Tuahay Village, Muang Sangthong	154	A		
13	Survey and Improvement of Walking Place for Leader Caves	121	B		
14	FM Equipment Purchasing for Radio Station	117	B		
16	Place Improvement for Nagar Fire Ball Looking	123	A	126	A

**Remarks:** Didn't have group 2; 10 and 15.

➤ **Main findings**

- Only 1 out of 13 working groups was done by Meta-format (1) & (2) because this group used their own project assessed.
- 12 working groups could finish only Meta-format (1) because these groups were practiced the projects prepared by the trainers' team, they didn't bring their own project assessed.

➤ **Main issues to be considered**

- The team should find the better way in order to motivate the Ministries and Organizations to bring their own projects assessed and PIP project list to practice in the workshop.

**V-3. Results of the usefulness of the PIP management training held in January 2009.**

➤ **Usefulness of the training**

- According to summary session, the Ministries/ Organizations had consensus documents developed by MPI/PCAP such as SPAS/SPES, Project Proposal, Progress Report and Completion Report formats.
- Some Ministries/ Organizations had conducted the assessment by using knowledge obtained from PIP management training course held in January 2009.
- Some staffs trained by MPI/PCAP2 under Planning Departments in charge were moved to new position so nobody can make the assessment of projects proposed.

➤ **Needs for follow-up**

- Before moving to the new position, staff trained by MPI/PCAP should conduct the training course to the new comers.
- Ministries and Organizations should conduct the absolute assessment and comparative assessment to all projects submitted. Then, their results should be included into PIP project list submitted from Planning Department in charge to MPI.

**List of Key Informant Interviewees on Meta-Evaluation and Training Evaluation**

<b>No.</b>	<b>Name</b>	<b>Position</b>	<b>Organization</b>	<b>Province</b>	<b>Time</b>
1.	Mr. Bounpone SISOULATH	Director General of Vientiane Capital DPI	Vientiane Capital DPI	Vientiane Capital	28/5/2009. 9:25-10:25 AM.
2.	Mr. Inpeang Mr. Amkha	Head of Administrative Office. Deputy Head of Administrative Office	Department of Public Works and transportation	Vientiane Capital	28/5/2009. 11:00-12:05 AM.
3.	Mr. Bounthiem PHOMMASATHIT	Vice Governor of Salavan Province	Provincial Administration Office	Salavan	2/6/2009. 11:00-12:00 AM.
4.	Mr. Bounmy CHITPANYA	Director General of Provincial Agriculture and Forestry Office	Provincial Agriculture and Forestry Office	Sekong	4/6/2009. 14:15-15:10 PM.
5.	Mr. Thavone PHOMMALAYLUN	Director General of Department of Education	Department of Education	Sekong	4/6/2009. 15:17-16:16 PM.
6.	Mr. Khammany MANKHAMSOUK	Deputy Director General of Cabinet Office	Provincial Administration Office	Khammuan	9/7/2009. 9:30-10:30 AM.
7.	Mr. Sihay KEOKAITHIN	Deputy Director General of Department of Education	Department of Education	Khammuan	9/7/2009. 11:00-12:00 AM.
8.	Mr. Daolay KEODUANGDEE	Deputy Director General of DPI	DPI	Khammuan	10/7/2009. 10:00-11:00 AM.



Lao People's Democratic Republic  
Peace, Independence, Democracy, Unity, Prosperity

# Manual For Public Investment Program (PIP) Project Management

Ministry of Planning and Investment  
August, 2009



**Manual for PIP Project Management  
(Version 2.0)**

**Main Contents**

Abbreviation

Preface

Section 0            General Background of the Manual

Section I            Definition and Flow of PIP Management

Section II           PIP Budget Management Method

Section III          PIP Project Preparation for Project Owners

Section IV          PIP Project Assessment and Evaluation

Section V            Technical Approaches in PIP Management

Section VI          Formats for PIP Project Management

**Manual for PIP Project Management**  
**Section I Definition and Flow of PIP Management**  
**Contents**

<b>1. Definition of PIP</b> .....	2
<b>1.1 Definition of Program and Project in PIP</b> .....	2
<b>1.2 Definition of PIP</b> .....	3
<b>1.3 Classification of PIP Projects</b> .....	3
<b>1.4 Tasks of Organizations in PIP Management</b> .....	4
<b>1.5 Development Plans and PIP</b> .....	8
<b>1.6 Management of PIP as a Program and a Project</b> .....	9
<b>1.7 Definition of PIP Project Management</b> .....	10
<b>1.8 PIP Management and Decision Making Roles</b> .....	13
<b>2. ODA Project and National Contribution Funds</b> .....	14
<b>2.1 Definition of ODA</b> .....	14
<b>2.2 Classification of ODA</b> .....	14
<b>2.3 Prerequisite of ODA</b> .....	15
<b>2.4 Definition of ODA National Contribution Budget</b> .....	15
<b>2.5 Tasks of Organizations in ODA National Contribution Budget Management</b> .....	15
<b>3. Kum-Ban Development and PIP Projects</b> .....	19
<b>3.1 Definition of Villages and Kum-bans in Lao PDR</b> .....	19
<b>3.2 PIP Projects for Villages and Kum-bans</b> .....	20
<b>3.3 PIP Projects through Provincial Requests</b> .....	24
<b>3.4 Kum-ban Development Projects through NLRP</b> .....	25
<b>4. PIP Project Management Flow from the Project Perspective</b> .....	26
<b>4.1 PIP Project Management Flow</b> .....	26
<b>4.2 Project Planning</b> .....	27
<b>4.3 Project Monitoring for Implementation</b> .....	30
<b>4.4 Project Completion</b> .....	33
<b>4.5 Operation and Maintenance</b> .....	35
<b>5. PIP Project Management in the Annual Flow</b> .....	38
<b>5.1 PIP Management Annual Flow</b> .....	38
<b>5.2 Overview of PIP Management Process</b> .....	38
<b>6. Summarize</b> .....	42
<b>7. Approval</b> .....	42
<b>8. Feedback</b> .....	43

# **Manual for PIP Project Management**

## **Section II PIP Budget Management Method**

### **Contents**

<b>1. Overview of PIP Budget Allocation and Financial Management Method .....</b>	<b>2</b>
<b>1.1. Objectives .....</b>	<b>2</b>
<b>1.2. Definition of “PIP budget Management” .....</b>	<b>2</b>
<b>1.3. Overview of PIP budget management process .....</b>	<b>2</b>
<b>2. Guidelines on PIP budget formulation.....</b>	<b>4</b>
<b>2.1. Overview and objectives of guidelines on PIP budget formulation .....</b>	<b>4</b>
<b>2.2. Contents of budget guidelines .....</b>	<b>5</b>
<b>3. PIP financial management method.....</b>	<b>9</b>
<b>3.1. Overview of PIP financial management method .....</b>	<b>9</b>
<b>3.2. Nationwide PIP financial analysis and budget planning by MPI-DOP.....</b>	<b>16</b>
<b>3.3. Provincial PIP financial analysis and budget planning by DPI .....</b>	<b>25</b>



**Manual for PIP Project Management (Version 2.0)**  
**Section III PIP Project Preparation for Project Owners**  
**Contents**

<b>1. Project Framework .....</b>	<b>2</b>
<b>1.1 Narrative Summary .....</b>	<b>3</b>
<b>(1) Project Purpose .....</b>	<b>3</b>
<b>(2) Overall Goal .....</b>	<b>4</b>
<b>(3) Outputs .....</b>	<b>5</b>
<b>(4) Activities .....</b>	<b>5</b>
<b>(5) Inputs .....</b>	<b>6</b>
<b>1.2 Project Indicators .....</b>	<b>7</b>
<b>(1) Objectively Verifiable Indicators .....</b>	<b>7</b>
<b>(2) Means of Verification .....</b>	<b>9</b>
<b>2. Project Proposal for New Projects .....</b>	<b>11</b>
<b>2.1 Project Proposals for Sector Projects (formats I-1, I-2, I-3, I-4) .....</b>	<b>13</b>
<b>2.2 Project Proposal for Revival Projects (Format I-5) .....</b>	<b>16</b>
<b>2.3 Project Proposal for Kum-ban Development Projects (Format I-6) .....</b>	<b>19</b>
<b>3. Progress Report for Ongoing Projects .....</b>	<b>23</b>
<b>3.1 Progress Reports for Sector Projects (II-1, II-2, II-3) .....</b>	<b>25</b>
<b>3.2 Progress Report for Kum-ban Development Projects (II-6) .....</b>	<b>28</b>
<b>3.3 Project Payment Process Report (II-7) .....</b>	<b>30</b>
<b>4. Project Completion Report .....</b>	<b>33</b>

## **Manual for PIP Project Management**

### **Section IV PIP Project Assessment and Evaluation**

#### **Contents**

<b>1. Project Evaluation in General .....</b>	<b>2</b>
<b>1.1. Evaluation in General Terms .....</b>	<b>2</b>
<b>1.2. The 5 Evaluation Criteria .....</b>	<b>2</b>
<b>2. Project Assessment and Evaluation .....</b>	<b>5</b>
<b>3. Absolute Assessment / Evaluation .....</b>	<b>5</b>
<b>3.1. Definition of Absolute Assessment and Evaluation .....</b>	<b>5</b>
<b>3.2. Absolute Assessment and Evaluation Forms .....</b>	<b>6</b>
<b>3.3. Absolute Assessment and Evaluation Methods .....</b>	<b>8</b>
<b>3.4 Evaluation of a Completed Project.....</b>	<b>14</b>
<b>4. Comparative Assessment.....</b>	<b>15</b>
<b>4.1. Definition of Comparative Assessment (CompAss) .....</b>	<b>15</b>
<b>4.2. Comparative Assessment Workshop .....</b>	<b>15</b>
<b>5. Comprehensive Results and Recommendations.....</b>	<b>26</b>
<b>5.1 Comprehensive Rating Results .....</b>	<b>26</b>

## **Section V Technical Approaches in PIP Management**

Section III explains the technical approaches that are required when planning, monitoring and evaluating a PIP project. Technical approaches; Economic / Financial analysis, social analysis and environmental analysis are important to PIP management, and expertise is required to fully understand these aspects. However, for all staff related to PIP management, it is necessary to understand at least the basic knowledge for these aspects.

Basic knowledge required for personnel involved in PIP management are introduced in this manual. By understanding these approaches in the level as described in this manual, it would be possible to understand the outline of analysis results that a person with expertise has compiled. In order to obtain knowledge as to a level that can commit the analysis by its own, it is recommended to study more deeply with specialized books and training.

### **Contents**

#### **V-1 Reference Material for Social Analysis**

#### **V-2 Reference Material for Environmental Analysis**

#### **V-3 Reference Material for Economic and Financial Analysis**

## Manual for PIP Project Management Section VI Formats for PIP Project Management

Section VI provides sheets and formats that are utilized in PIP project management. The sheets and formats can be divided in 2 objectives; firstly application of PIP projects and its budget, and secondly assessment and evaluation of the PIP projects.

### 1. Project Proposal / Progress Report / Completion Report Formats

Application of PIP projects and its budget are done by the Project Owner. Details of application are indicated in *Section III*. The application form varies depending on the project type and its current status. There are 15 formats in total;

[ PIP Format Numbers for Application]

Project Type	New Projects	Ongoing Projects		Project Completion
		Implementation	Payment Only	
Report Type	Project Proposal	Progress Report	Payment Report	Completion Report
Technical Promotion	I-1	II-1	II-7	III-1
F/S and Design	I-2	II-2		III-2
Construction	I-3	II-3		III-3
F/S & Construction	I-4	-	-	-
Revival	I-5	-	-	-
Kum-ban Devt.	I-6	II-6	II-7	III-6

### 2. Project Assessment and Evaluation Formats

Absolute assessment through Simplified Project Assessment Sheet (SPAS) formats, and evaluation through Simplified Project Evaluation Sheet (SPES) formats are conducted by MPI/DPI and sector planning departments. Details of assessment and evaluation are indicated in *Section IV*. The sheet varies depending on the project type and its status, and it synchronizes to the abovementioned application forms. There are 15 forms in total.

[SPAS & SPES Format Numbers for Assessment and Evaluation]

Project Type	New Projects	Ongoing Projects	Project Completion	Operation Post Eva.
		Implementation		
Format Type	SPAS		SPES	
Technical Promotion	I-1	II-1	III-1	IV
F/S and Design	I-2	II-2	III-2	
Construction	I-3	II-3	III-3	
F/S & Construction	I-4	-	-	
Revival	I-5	-	-	
Kum-ban Devt.	I-6	II-6	III-6	

As an extra feature, a blank sheet of a comparative assessment chart is attached.

## **Contents**

### **1. Forms for Application of PIP Projects**

- **Flowchart for Application Format Selection (New projects)**
  - I-1 Project Proposal for Technical Promotion
  - I-2 Project Proposal for F/S and Designing
  - I-3 Project Proposal for Construction
  - I-4 Project Proposal for F/S and Construction
  - I-5 Project Proposal for Revival Projects
  - I-6 Project Proposal for Kum-ban Development
- **Flowchart for Application Format Selection (Ongoing projects)**
  - II-1 Progress Report for Technical Promotion
  - II-2 Progress Report for F/S and Designing
  - II-3 Progress Report for Construction
  - II-6 Progress Report for Kum-ban Development
  - II-7 Project Payment Progress Report
  - III-1 Completion Report for Technical Promotion
  - III-2 Completion Report for F/S and Design
  - III-3 Completion Report for Construction
  - III-6 Completion Report for Kum-ban Development

### **2. Forms for Assessment and Evaluation of PIP Projects**

- I-1 SPAS for NEW Technical Promotion
- I-2 SPAS for NEW Feasibility Study and Designing
- I-3 SPAS for NEW Construction
- I-4 SPAS for NEW F/S and Construction
- I-5 SPAS for Revival Projects
- I-6 SPAS for NEW Kum-ban Development
- II-1 SPAS for ONGOING Technical Promotion
- II-2 SPAS for ONGOING F/S and Designing
- II-3 SPAS for ONGOING Construction
- II-6 SPAS for ONGOING Kum-ban Development
- III-1 SPES for Technical Promotion
- III-2 SPES for F/S and Designing
- III-3 SPES for Construction
- III-6 SPES for Kum-ban Development
- IV SPES for ex-post evaluation

### **3. Comparative Assessment Chart**



**Lao People's Democratic Republic**

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Program Management  
(Version 2.0)**

August 2009

**Ministry of Planning and Investment**



Manual for PIP Program Management

Section I Definition and Management Flow of PIP as a Program

Contents

<b>1</b>	<b>Definitions</b> .....	<b>2</b>
1.1	Three Major Aspects of Development Target Achievement .....	2
1.2	Public Investment Program .....	3
1.3	Relations between NSEDP and PIP as a Program .....	4
<b>2</b>	<b>PIP Program Unit</b> .....	<b>5</b>
2.1	Variation of PIP Program Units.....	5
2.2	Concept of PIP Program Unit Management.....	6
2.3	Three Perspectives of PIP Program Unit Management.....	7

Manual for PIP Program Management

Section II Management Flow and Methods of PIP as a Program

Contents

<b>1. Management Flow of PIP as a Program</b> .....	2
<b>2. Formulation of PIP as a Program</b> .....	3
<b>2.1. Analysis of SEDP</b> .....	3
<b>2.2. Formulation of PIP Program Units</b> .....	6
(1) Identification of PIP Program Units.....	6
(2) Formulation of Program Objective Tree.....	7
(3) Formulation of Chronology Chart .....	10
<b>2.3. Formulation of PIP Map</b> .....	13
(1) Formulation of a PIP Map.....	14
(2) Conclusion and Outputs .....	15
(3) Using GIS.....	16
<b>3. Monitoring PIP Program Units and PIP Maps</b> .....	17
<b>3.1. Monitoring PIP Program Units</b> .....	17
(1) Project Objective Tree .....	17
(2) Chronology Chart .....	17
<b>3.2. Monitoring PIP Map</b> .....	19
<b>3.3. Reflection of Monitoring Results to Individual PIP Projects</b> .....	20
(1) Reflection to Absolute Assessment/Evaluation .....	20
(2) Reflection to Comparative Assessment .....	21
<b>4. Evaluation of PIP Program Units</b> .....	21
<b>4.1. Achievements and Progress of PIP Program Unit Targets</b> .....	22
<b>4.2. Evaluation Through 5 Evaluation Criteria</b> .....	22
(1) Relevance .....	22
(2) Effectiveness .....	23
(3) Efficiency .....	23
(4) Impact .....	23
(5) Sustainability.....	23
<b>4.3. Conclusion and Recommendations</b> .....	24
<b>4.4. Reflection of Evaluation Results</b> .....	24
(1) To Evaluation of SEDP .....	24
(2) To New SEDP Through Project Effects.....	24



## ANNEX

### Examples of PIP tools in Monitor Provinces of PCAP2 Project

#### ANNEX1. Summary Table of development Plan Analysis

- (1) Oudomxay Province
  - 1) 5 year Provincial Socio Economic Development Plan 2006-2010-
  - 2) 5 year Public Works and Transportation Sector development Plan 2006-2010-
- (2) Khammuane Province
  - 1) 5 year Provincial Socio Economic Development Plan (PSEDP) 2006-2010
  - 2) 5 year Public Works and Transportation Sector development Plan 2006-2010
- (3) Saravane Province
  - 1) 5 year Provincial Socio Economic Development Plan 2006-2010
  - 2) 5 year Public Works and Transportation Sector development Plan 2006-2010

#### ANNEX 2. Program Objective Tree

- (1) Oudomxay Province
  - 1) 5 year Provincial Socio Economic Development Plan 2006-2010
  - 2) 5 year Public Works and Transportation Sector development Plan 2006-2010
- (2) Khammuane Province
  - 1) 5 year Provincial Socio Economic Development Plan (PSEDP) 2006-2010
- (3) Saravane Province
  - 1) 5 year Provincial Socio Economic Development Plan 2006-2010
  - 2) 5 year Public Works and Transportation Sector development Plan 2006-2010

#### ANNEX 3. Chronology Chart

- (1) Oudomxay Province
  - 1) 5 year Public Works and Transportation Sector development Plan 2006-2010
- (2) Saravane Province
  - 1) 5 year Public Works and Transportation Sector development Plan 2006-2010

#### ANNEX 4. Mapping

- (1) Oudomxay Province
  - 5 year Public Works and Transportation Sector development Plan 2006-2010
- (2) Khammuane Province
  - 5 year Public Works and Transportation Sector development Plan 2006-2010
- (3) Saravane Province
  - 5 year Public Works and Transportation Sector development Plan 2006-2010

Note: The PCAP study team could not obtain the theoretical document of 5 year Public Works and Transportation Sector Development Plan 2006-2010 in Khammuane Province, except project list. Therefore, this manual could not prepare Program Objective Tree and Chronology Chart of the plan in Khammuane province.