

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)

Project Completion Report

August 2011

IC Net Limited

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PCAP2 Activity Pictures



Meta-evaluation Workshop in Oudomxay, June 2008



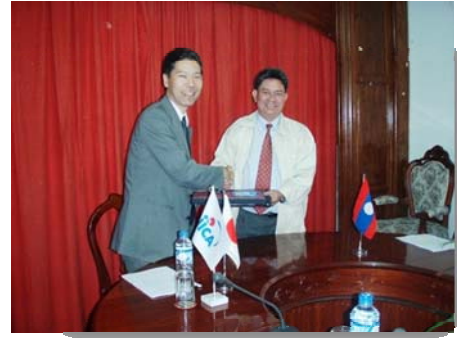
Meta-evaluation Workshop in MPWT, July 2008



PIP Management Training, December 2008



Interview in Saravan. December



JICA Mid-Term Evaluation, December



3rd JCC, August 2009



4th JCC, March 2010



5th JCC, August 2010



PIP Management Training in Phongsaly, January 2010

Financial Management Training for Central, January 2010



TOT for MPI, August 2010



PIP Management Training for Ministry, February 2010



6th JCC, July 2009



PIP Management Seminar in Vientiane Capital, November 2010



PIP Management Training in Vientiane Capital, November 2010



PO Training in Provinces, December 2010



JICA Terminal Evaluation, June 2011



Manual and Handbooks

Abbreviation

DPI	Provincial Department of Planning and Investment
GoL	Government of Laos
LDC	Least Developed Countries
JICA	Japan International Cooperation Agency
JCC	Joint Coordinating Committee
MPI	Ministry of Planning and Investment
MPI-DIC	Department of International Cooperation, MPI
MPI-DOE	Department of Evaluation, MPI
MPI-DOP	Department of Planning, MPI
MPI-DoOP	Department of Organization and Personnel
NSEDP	National Socio-Economic Development Plan
ODA	Official Development Assistance
OJT	On-the-Job Training
PDM	Project Design Matrix
PCAP1	Project for Building Capacity in PIP Management
PCAP2	Project for Enhancing Capacity in PIP Management
PIP	Public Investment Program
PO	Project Owner
POT	Program Objective Tree
TOT	Training of Trainers

Preface

This report discusses the planning process, activities conducted and achievements of the Outputs and the Project Purpose for the Project for Enhancing Capacity in Public Investment Program Management (PCAP2), a Japan International Cooperation Agency (JICA) technical cooperation scheme. The report has the English, Lao, and Japanese versions.

The PCAP2 was implemented with the objective of improving the performance of the Ministry of Planning and Investment (MPI) and the Provincial Department of Planning and Investment (DPI), the MPI's provincial subordinate organization, through new assessment, monitoring and evaluation procedures within designated budget allocations to the relevant organizations. The project started in March 2008 and was completed in August 2011.

Three counterpart organizations under the MPI, i.e., the Department of Evaluation (MPI-DOE), the Department of Planning (MPI-DOP) and the Department of International Cooperation (MPI-DIC), were appointed to conduct the technical cooperation with the PCAP2. The PCAP2 was consigned to experts from IC Net Limited, a Japanese consulting firm.

Summary

The Lao People's Democratic Republic (Lao PDR) aims to graduate from the Least Developed Countries (LDC) status by the year 2020. The Government of Laos (GoL) tries to reach this goal through the National Socio-Economic Development Plan (NSEDP), which is renewed every five years. The GoL is now implementing its Seventh NSEDP from 2011 to 2015. The Public Investment Program (PIP) is the comprehensive public investment scheme managed by the GoL, and is considered an important tool to execute the NSEDP.

The Ministry of Planning and Investment (MPI) has the overall responsibility and authority for managing the PIP scheme. Since many issues were seen in the management of PIP projects, the GoL requested the Government of Japan for technical cooperation, and the Japan International Cooperation Agency (JICA) and the MPI signed an agreement in November 2004 to conduct the Project for Capacity Building in PIP Management (PCAP1). The PCAP1 was successfully completed in October 2007, and the GoL requested the Government of Japan to assist with a continuous technical cooperation phase. The Government of Japan, recognizing the necessity of the cooperation, decided to continue assisting Laos through the Project for Enhancing Capacity of PIP Management (PCAP2).

The PCAP2 was implemented from March 2008 to August 2011. Three departments in the MPI were assigned as counterpart organizations: Department of Evaluation (MPI-DOE); Department of Planning (MPI-DOP); and Department of International Cooperation (MPI-DIC). Under the Project Purpose, i.e., *“The MPI and Department of Planning and Investment (DPI) process PIP projects through a new assessment, monitoring and evaluation procedure within strict budget ceiling and submit them to the National Assembly for approval,”* the project had the following four expected outputs:

- Output 1:** DPI officials of all the provinces and planning department officials of all the ministries and other relevant organizations attain basic and overall PIP management knowledge and skills.
- Output 2:** Fiscal discipline is introduced and institutionalized in PIP management.
- Output 3:** A legal framework of effective and efficient PIP management is developed and strengthened.

Output 4: MPI officials, DPI officials of all the provinces and planning department officials of all the ministries upgrade PIP management knowledge and skills for Official Development Assistance (ODA) counterpart fund management, district-level PIP management and sector program management.

The project was prudent in aligning its activities for the four outputs in the most effective and efficient way. The project was also careful to make itself consistent with the GoL annual PIP budget schedule, since the GoL’s deadlines and performance affect the project activities directly. The project also formulated measures to make its activities sustainable so that the MPI and DPIs would keep the activities going after the project completion.

The PCAP2 implemented the activities according to the plan stated in the Project Design Matrix, and has achieved most of the indicators for the four outputs. The following are the contents of the activities conducted by output, along with their achievement levels:

<p>[Output 1]</p> <p>The project conducted the annual PIP management training and the On-the-Job Training (OJT) targeting organizations related to PIP management from its second year to fourth year. As a result, provincial officials are now capable of PIP management, which implies that one of the two indicators is fully achieved.</p> <p>As for officials in planning departments of government organizations, officials from seven main ministries were trained, and three ministries were able to provide results. Therefore, the second indicator is partially achieved.</p>
<p>[Output 2]</p> <p>The project formulated methods for PIP budget and financial management, and incorporated them in the manual and handbooks. The PIP financial management training and seminar session were held in the course of the project. Therefore, two of the three indicators were fully achieved.</p> <p>The third indicator, <i>“MPI and DPI develop and establish the process of estimating budget, limiting the amount of domestically funded PIP projects and ODA projects within the annual budget ceiling, and planning the budget execution schedule to the estimate and ceiling,”</i> could not be fully achieved. Although the MPI and DPIs gained knowledge on PIP financial management tools, full implementation of the tools in the budget formulation process is not achieved because the MPI has neither authorized nor properly instructed the use of the tools.</p>
<p>[Output 3]</p> <p>The project helped provide technical advice during the formulation of the Public Investment Law, which was enacted in December 2009. The project also helped disseminate the Law nationwide through distribution of booklets and training sessions. The decree on enforcing the Law is being formulated. Therefore, the indicators are expected to be achieved by the completion of the project.</p>
<p>[Output 4]</p> <p>All the three subcomponents of this output, i.e., ODA counterpart fund management, district-level PIP management, and sector program management, were successfully developed, and capacity of officials was developed through training sessions. The number of officials who are capable of managing PIP in DPIs has reached the target, but the number of officials in the (central) government organizations was insufficient. Thus, while one of the three indicators was not fully achieved, the other two indicators were fully achieved.</p>

Among the five indicators of the Project Purpose, one indicator was clearly achieved while the other four were partly achieved. However, since the four outputs have achieved most of their targets, the PCAP2 has progressed towards achieving the Project Purpose to an acceptable but not full extent.

In the terminal evaluation studies conducted in June-July 2011,

Evaluation Criteria	Evaluation Results
Relevance	<ul style="list-style-type: none"> • Relevance to Laos NSEDP targets. • PCAP meets the needs of CPI and the monitor organizations. • PCAP is relevant to Japanese ODA policy and program. • JICA has an advantage in assisting with other countries in the governance field.
Effectiveness	<ul style="list-style-type: none"> • The Project Purpose will be achieved at an acceptable level. • Outputs of the Project have contributed to the achievement of the Project Purpose to some extent. • Some factors have promoted the achievement of the Project Purpose.
Efficiency	<ul style="list-style-type: none"> • The Japanese Experts have fully dedicated themselves to the Project. • C/Ps has been appropriate, as their capability is good enough to conduct activities. • Laotian experts appointed by the Project played an important role in building a good relationship between Japanese Experts and C/Ps. • The results of the third country training were utilized for the Project. • The four outputs have been achieved mostly as planned. The degree of achievement of the outputs is high enough in proportion to the Project Inputs.
Impact	<ul style="list-style-type: none"> • With the introduction of the standard PIP project assessment procedure, the transparency of the selection of the project has increased. • The SPIS form has been incorporated into the ODA database. • The Project has contributed to another JICA Project and to JOCV activities. • The human resources of MPI and DPI efficiently manage other donors' projects.
Sustainability	<ul style="list-style-type: none"> • The standard PIP management process has not been fully adopted by some government agencies, especially in line ministries. • The policy and institutional sustainability, and technical sustainability are sufficient. • Budget sustainability is yet to be improved.
<p data-bbox="277 1538 501 1568">< Recommendations ></p> <p data-bbox="240 1568 485 1597">(1) During the Project</p> <ul style="list-style-type: none"> • The Implementation Decree of the Public Investment Law should be approved and issued ASAP. • Further dissemination of PIP Management Manuals and Handbooks to Ministries and Provinces must be continued. • It is important to monitor and obtain feedback on PIP Management tools from Ministries and Provincial DPI for further improvement of PIP management. • The PCAP2 Project Management Committee of the MPI should consider further action to sustain activities of the Project for improvement. <p data-bbox="240 1854 608 1883">(2) After completion of the Project</p> <ul style="list-style-type: none"> • The MPI should continue to provide training to Ministries and Provincial DPI. The MPI should also facilitate DPI training of POs and district officials. Necessary financial arrangement should be considered to sustain PIP management training. 	

- Further improvement of the district-level PIP management method is needed.
- Further improvement of PIP financial management is needed.
- The linkage with PIP budget and recurrent budget should be strengthened.
- Further integration of SPIS and ODA database is expected.

<Lessons Learned>

- Contribution to the improvement of PIP management based on the existing government regulation is effective.
- A large number of MPI personnel formed an effective task team from different departments actively involved in the Project.
- Combination of training and OJT enhanced their capacity effectively.
- Active involvement and continuous commitment from key personnel of the MPI led to the effective implementation of the Project.

The Japanese experts provided the following recommendations for continuous development in the area of PIP management along with the capacity of officials involved:

- ✧ Approval and diffusion of the Enforcement Decree to the Public Investment Law
- ✧ Continuous PIP management guidance from the MPI to related organizations
- ✧ Further improvement of the PIP budget allocation announcement
- ✧ Further improvement of PIP financial management
- ✧ Further improvement of district-level PIP management
- ✧ Further improvement of ODA project management
- ✧ Further improvement of program management

1. Background of the Project

1.1. Background

The Lao People's Democratic Republic (Lao PDR) aims to graduate from the Least Developed Countries (LDC) status by the year 2020. The Government of Laos (GoL) strives to reach this goal through the National Socio-Economic Development Plan (NSEDP), which is renewed every five years. The GoL is now implementing its Seventh NSEDP from 2011 to 2015.

The Public Investment Program (PIP) is the comprehensive public investment scheme managed by the GoL, and is considered an important tool to execute the NSEDP. The PIP consists of domestically funded public investment projects, as well as projects and schemes under Official Development Assistance (ODA). At present, over 3,000 public investment projects under the PIP are implemented nationwide.

The Ministry of Planning and Investment (MPI) has the overall responsibility and authority for managing the PIP scheme. Under the scheme, the main task of the ministry and its subordinate organizations in provinces and districts is to assess PIP projects and verify their validity in respective sectors. They also conduct periodic monitoring and evaluation to provide instructions and advice for management of PIP projects to their implementation agencies.

However, many issues were seen in the management of PIP projects. Many domestically funded PIP projects lacked proper planning and implementation. It was unclear whether these PIP projects had ever contributed to achieving NSEDP targets. The GoL believed that the reasons for this issue included insufficient instruction methods and capacity in the MPI and its provincial subordinate organizations, the Department of Planning and Investment (DPI).

Under these circumstances, the GoL requested the Government of Japan for technical cooperation. The Japan International Cooperation Agency (JICA) and the MPI signed an agreement in November 2004 to conduct the Project for Capacity Building in PIP Management (PCAP1).

The PCAP1 was implemented from November 2004 for three years to improve the system of appraisal, monitoring and evaluation for PIP projects. The PCAP1 and the MPI jointly

developed a Project Manual, a Program Manual, and a series of handbooks covering project assessment tools in the area of finance, environment and social analyses. The PCAP1 also developed a comprehensive capacity building model for the MPI and DPIs, and conducted technical transfer for dissemination in three monitor provinces, namely Oudomxay, Khammuan and Saravan. Thus the PCAP1 succeeded in developing a capacity building model best suited for the MPI and DPIs by its completion in October 2007.

The PCAP1 terminal evaluation studies, while confirming the high achievement levels of the PCAP1, recommended that the systems for appraisal, monitoring and evaluation be improved, disseminated and institutionalized nationwide and in government agencies. The studies also recommended developing legal and budgetary frameworks for better PIP management. Based on the recommendations, the GoL asked the Government of Japan to assist with a new technical cooperation phase. The Government of Japan, recognizing the necessity of the cooperation, decided to keep assisting Laos through a second phase after the completion of the PCAP1.

1.2. Project Formulation Process

In view of a new project after the PCAP1, an ex-ante evaluation study was conducted in September 2007 to discuss details of the project design with the MPI, DPIs and other relevant organizations. The study team developed the draft Project Design Matrix (PDM) for the new project, consisting of the Project Purpose, Overall Goal, four Outputs and activities and inputs necessary for achieving them. The study concluded that the aim of the new project was to: a) further improve and customize the methods and tools of PIP management by revising the manuals and handbooks developed in the PCAP1; b) disseminate the standard process, methods and tools for PIP management nationwide; and c) help establish a PIP legal framework including the issuance of the Public Investment Law. The new project was named the Project for Enhancing Capacity of PIP Management (PCAP2). The draft PDM was attached in the Minutes of Meeting which was signed on 16 February 2008 as the conclusion of the evaluation study.

The implementation of the PCAP2 was officially agreed between the JICA Laos Office and the MPI with the representatives of the two sides signing the Record of Discussions for the project in February 2008. The PDM was attached to the Record of Discussions as the project design to be achieved by the completion of the project.

2. Project Design

After the formal JICA bidding procedures, IC Net Limited was again assigned to provide the technical expertise for and manage the PCAP2 as the JICA expert team. At the beginning of its assignment, IC Net put together the draft Plan of Operation, which was formulated to achieve the Project Purpose and Outputs indicated in the PDM.

The PDM was modified once during the project period upon approval of the Joint Coordinating Committee (JCC) at the Second JCC Meeting on March 10th, 2009. The Plan of Operation had frequent minor modifications during the project period, and was reported in JCC meetings and reports each time it was modified. The final versions of the PDM (Annex 1) and the Plan of Operations (Annex 2) are attached to this report.

The following subchapters explain the outline of the PCAP2 based on the PDM and the Plan of Operation.

2.1. Basic Information of the Project

Here are the agreed target groups, target areas and period of cooperation for the PCAP2.

Target Group:	MPI-DOE, MPI-DOP, MPI-DIC, DPIS
Target Area:	16 provinces and Vientiane Capital (nationwide), including government organizations
Project Period:	March 2008 to August 2011 (3 years and 5 months)

The above-mentioned target groups can be further broken down into direct and indirect target groups (or beneficiaries) as follows:

Direct Target Group (counterpart organizations)	Officials in MPI-DOE, MPI-DOP, MPI-DIC
Direct Target Group (Trainer Groups)	DPIs, Planning Department officials in government organizations
Indirect Target Group (Trainee Groups)	Provincial sector department officials and sector department officials in government organizations who are assigned as Project Owners (POs)
Indirect Target Group	District planning official officials who receive instructions from DPIS, provincial sector department officials and sector department officials in government organizations who have not received training
Final Beneficiaries	People who benefit from PIP projects

2.2. Project Purpose and the Overall Goal

The Project Purpose and the Overall Goal of the PCAP2 are as follows.

(1) Project Purpose

<p>[Narrative Summary]</p> <p>The MPI and DPIs process PIP projects through a new assessment, monitoring and evaluation procedure within strict budget ceiling and submit them to the National Assembly for approval.</p>
<p>[Objectively Verifiable Indicators]</p> <ol style="list-style-type: none">1. The number 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 the project.2. Reports of every domestically funded PIP project at each stage (planning / appraisal, monitoring, evaluation) are improved.3. The MPI and DPIs set and implement budget ceiling at both central and provincial level together with the Ministry of Finance and the provincial Department of Finance.4. The amount and ratio of debts in annual PIP budgets decrease.5. The MPI together with sector ministries develop sector programs with specific annual, regional targets and the distribution of domestically funded PIP projects and ODA projects.

(2) Overall Goal

The following are the Overall Goals and its Objectives Verified Indicators established at the beginning of the project.

<p>[Narrative Summary]</p> <p>Sector ministries and provincial sector departments effectively and efficiently implement PIP projects on schedule and in accordance with planned budget execution under an upgraded sector program.</p>
<p>[Objectively Verifiable Indicators]</p> <ol style="list-style-type: none">1. Decreased number and ratio of domestically funded PIP projects and ODA projects that are discontinued or suspended due to budget reasons.2. Decreased number and ratio of domestically funded PIP projects and ODA projects that are poorly maintained, or not maintained after completion.3. Decreased number and ratio of domestically funded PIP projects and ODA projects that is underutilized.4. Decreased number and ratio of domestically funded PIP projects and ODA projects that experience unexpected changes in contracted companies.5. Target indicators in each sector program will improve.

The baseline studies in the initial stage of the project revealed that it was difficult to obtain the baseline indicators for the Overall Goal that were raised in the first PDM. Some indicators were also unsuitable for measuring a positive impact of the project after its completion.

Therefore, the project team proposed alternative indicators at the Second JCC Meeting on March 10th, 2009. The following are the changes made in the Objectively Verifiable Indicators for the Overall Goal and the reasons for the changes.

Initial Indicator	1. Decreased number and ratio of domestically funded PIP projects and ODA projects that are discontinued or suspended due to budget reasons.
Reason for Change	Baseline studies showed that no PIP projects were discontinued or suspended in an official manner. Since PIP project management methods and procedures are still not clarified to all projects, the status of some projects remains unclear. Thus it is difficult to judge whether these projects are ongoing, suspended, or discontinued. Through the achievement of the Project Purpose, the status of these PIP projects would become clear. Some projects could be additionally categorized as suspended or discontinued. Therefore, the positive impact of the PCAP2 may not necessarily decrease the numbers of suspended or discontinued PIP projects; it might even increase them. Thus this indicator is not suitable for measuring the positive impact of the PCAP2.
Modified Indicator	1. Increased number and ratio of domestically funded PIP projects and ODA projects that are completed as initially scheduled .

Initial Indicator	2. Decreased number and ratio of domestically funded PIP projects and ODA projects that are poorly maintained, or not maintained after completion.
Reason for Change	The PCAP2 strongly recommends that POs submit an operation and maintenance plan of the completed PIP project results during the planning stage, to ensure effective usage after the project completion. The PCAP2 also ask POs to update the operation and maintenance plan at the time of terminal evaluation. Through the establishment of these procedures, the indicator can be relevant to measuring the impact of the PCAP2. However, since the number of PIP projects that follow these procedures are easier to measure than those that do not, it was decided to measure the number of projects in the former category.
Modified Indicator	2. Increased number and ratio of domestically funded PIP projects and ODA projects that are completed as initially scheduled .

Initial Indicator	3. Decreased number and ratio of domestically funded PIP projects and ODA projects that is underutilized.
Reason for Change	The PCAP2 strongly recommends that POs identify the beneficiaries in the project planning stage so that an appropriate impact can be expected through the project results. However, since the current PIP projects do not specify details of the beneficiaries and benefit levels, it is difficult to identify the baseline of projects that are “underutilized.” Therefore, the indicators should be measured in positive terms.
Modified Indicator	3. Increased number and ratio of domestically funded PIP projects and ODA projects that are utilized and operated as originally planned .

Initial Indicator	4. Decreased number and ratio of domestically funded PIP projects and ODA projects that experience unexpected changes in contracted companies.
Reason for Change	Since external factors such as the management situation of the contracted companies

	and limited budget allocation of PIP budget greatly affect this indicator, the PCAP2 considers this indicator unsuitable for measuring its impact.
Modified Indicator	Deleted

Initial Indicator	5. Target indicators in each sector program will improve.
Reason for Change	Sector programs and their target indicators are set through methods and tools that the PCAP2 develops. Therefore, no indicators will be set as a baseline. The PCAP2 also considers whether SEDP indicators could be utilized as alternative indicators.
Modified Indicator	4. <u>In sectors and provinces,</u> target indicators are utilized as <u>PIP project selection criteria.</u>

2.3. Outputs

The following four outputs were established as means to achieve the Project Purpose.

(1) Output 1

[Output 1 Narrative Summary] DPI officials of all the provinces and planning department official of all the ministries and other relevant organizations attain basic and overall PIP management knowledge and skills.
[Objectively Verifiable Indicators] 1. More than 5 DPI staffs in each province are capable of managing PIP projects in accordance with existing manuals and handbooks. 2. More than 5 planning department officials in each ministry or other relevant government organizations are capable of managing PIP in accordance with existing manuals and handbooks.

The PCAP1 concentrated on developing basic standards for PIP management, and conducted training in three monitor provinces. This means that 14 provinces and central government organizations still need to be covered. While the PCAP1 was successful in enhancing the knowledge and skills of the PIP management personnel through training, the PCAP2 focused on having them utilize the knowledge and skills acquired through training in day-to-day work. The MPI has the primary role to provide training nationwide, but still needs support to develop a training system that enables continuous training with limited resources. Output 1 aims to establish the PIP management system nationwide through a series of training sessions and On-the-Job Training (OJT).

(2) Output 2

[Output 2 Narrative Summary] Fiscal discipline is introduced and institutionalized in PIP management.
[Objectively Verifiable Indicators] 1. "Manual for PIP Project Management" and handbooks are upgraded or developed so as to cover PIP budget planning and management. The manual and handbooks are approved and distributed to all relevant government

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|--|
| <p>personnel.</p> <ol style="list-style-type: none"> 2. More than 2 MPI officials and more than 5 planning department officials in each province, ministry and other relevant government organizations are capable of both managing PIP in accordance with manuals and handbooks that are developed or upgraded and training relevant provincial and district officials. 3. MPI and DPI develop and establish the process of estimating budget, limiting the amount of domestically funded PIP projects and ODA projects within the annual budget ceiling, and planning the budget execution schedule to the estimate and ceiling. |
|--|

Basic standards and methods of PIP management have been gradually developed, but methods of the annual PIP budget allocation have not been covered. The MPI has the responsibility to allocate the domestic PIP budget to all provinces and central government organizations. However, since the method of budget allocation is unclear, delays in announcement are common. Furthermore, the MPI finds it difficult to provide sufficient explanations to provinces and central government organizations during budget negotiations. Therefore, a standardized method and procedure towards annual PIP budget allocation to areas will be developed.

Every year, approximately 10-15% of the domestic PIP budget is allocated for debt repayment. In most cases, debts come from lack of project finance management, project overspending, gaps between budget and disbursement, and expenditure without approval. Therefore, it is necessary to develop a PIP budget disbursement and financial management system to be applied by each individual PIP project. The PCAP2 will develop standard procedures and methods of sound budget disbursement and financial management for individual PIP projects.

(3) Output 3

<p>[Output 3 Narrative Summary]</p> <p>A legal framework of effective and efficient PIP management is developed and strengthened.</p>
<p>[Objectively Verifiable Indicators]</p> <ol style="list-style-type: none"> 1. A PIP management law and relevant specific decrees have been drafted, submitted and approved by the National Assembly. 2. A PIP management law and relevant decrees specify responsible organizations and legal procedures of reviewing, changing, suspending and discontinuing PIP projects including ODA projects, and penalizing relevant organizations and contractors. 3. The PIP management law and relevant decrees authorize manuals and handbooks which are developed and upgraded in the Project, are utilized as a standard PIP management tool and disseminate nationwide.

The Prime Minister Decree 58, issued in June 2002, was the effective legal framework for PIP management when the PCAP2 began. The National Assembly instructed the MPI to renew and upgrade this Decree to a Public Investment Law. The PCAP2 was to provide technical

advice to ensure that the provisions of the Law are in line with the procedures and methods that the PCAP2 would develop.

(4) Output 4

<p>[Output 4 Narrative Summary]</p> <p>MPI officials, DPI officials of all the provinces and planning department officials of all the ministries upgrade PIP management knowledge and skills for ODA counterpart fund management, district-level PIP management and sector program management.</p>
<p>[Objectively Verifiable Indicators]</p> <ol style="list-style-type: none"> 1. “Manual for PIP Project Management” and handbooks are upgraded or developed so as to cover ODA counterpart fund management and District-level PIP management. The manual and handbooks are approved and distributed to all relevant government personnel. 2. “Manual for PIP Program Management” are upgraded, approved and distributed to all government personnel related to PIP management. 3. More than 20 MPI officials and more than 5 planning department officials in each province, ministry and other relevant government organizations are capable of managing PIP in accordance with manuals and handbooks that are newly developed or upgraded, and training relevant provincial and district officials.

Output 4 has three subcomponents: 1) to develop methods, tools and training sessions for *ODA counterpart fund management*; 2) to develop methods, tools and training sessions for *district-level PIP management*; and 3) to develop methods, tools and training session for *program management*.

The methods and tools for each component will be completed and reflected in the appropriate sections in the PCAP2 manuals and handbooks. Two manuals and five handbooks are issued from the PCAP2. The following two manuals and two handbooks were revised from the PCAP1 outputs.

Manuals and Handbooks Revised During PCAP2

Name	Outline
Manual for PIP Project Management (Project Manual)	<p>A manual covering management methods for individual PIP projects. Contents include project management flow, methods and tools for project assessment, monitoring and evaluation, social/environmental analysis, financial/economic analysis. A DVD that explains the manual contents and provides blank formats of tools is also attached.</p> <p>-----</p> <p>< Renewed Contents ></p> <p>In addition to modification to the current contents, the renewed version would incorporate the following contents:</p> <ul style="list-style-type: none"> ➤ PIP project budget disbursement and financial management ➤ ODA counterpart fund management ➤ District-level PIP management

<p>Manual for PIP Program Management (Program Manual)</p>	<p>A manual covering management methods for PIP management from the viewpoint of a sector program. Contents include the methods of developing sector programs through logical, chronological and geographic approaches. Intended for MPI-DoP, DPI and ministry planning departments.</p> <hr/> <p>< Renewal Contents ></p> <ul style="list-style-type: none"> ➤ Development of a sector program through the Action Plan ➤ PIP budget allocation
<p>Handbook for DPI</p>	<p>A handbook designed for DPI staff on their specific duties for PIP management based on the annual PIP budget procedure. Contents include demarcation of work in MPI, DPI and Project Owners (POs), and methods and tools for assessment and quarterly monitoring.</p> <hr/> <p>< Renewal Contents ></p> <ul style="list-style-type: none"> ➤ Provincial-level sector program management ➤ PIP project budget disbursement and financial management ➤ ODA counterpart fund management ➤ District-level PIP management
<p>Handbook for Project Owners¹</p>	<p>A handbook designed for project owners with regard to their specific duties for PIP management on the annual PIP budget procedure, and the project cycle viewpoints. Contents include issuance of the project proposal and progress report, monitoring, and handing over the project to the operating organization upon completion.</p> <hr/> <p>< Renewed Contents ></p> <ul style="list-style-type: none"> ➤ PIP project budget disbursement and financial management ➤ ODA counterpart fund management ➤ District-level PIP management

The following three handbooks were newly developed during the PCAP2.

Handbooks Developed During PCAP2

Name	Outline
<p>Handbook for the MPI</p>	<p>A handbook designed for the staff members of the MPI which describes their specific duties in the PIP project and in program management for three departments: the MPI-DOE, MPI-DOP and MPI-DIC, all of which are related to PIP management.</p> <p>The section written for the MPI-DOP emphasizes the procedural viewpoints of the five-year plan and on an annual basis. The contents include program management, PIP budget allocation, and general PIP project management.</p> <p>The section written for the MPI-DOE includes the procedural viewpoints of the annual PIP budget and the project cycle including PIP</p>

¹ Project Owner (PO): Government official in charge of overseeing a certain PIP project. Normally, a technical department staff member in ministries and provinces responsible of the PIP project is appointed. The PO is responsible for requesting a PIP budget for the project, monitoring to ensure its smooth completion, and handing responsibilities over to people in charge of operation after the project is completed.

	<p>management instruction methods, PIP budget list analysis, assessment for large and mid-size PIP projects, and budget disbursement management.</p> <p>The section written for the MPI-DIC specifies the duties of the ODA project counterpart fund management based on the annual PIP budget procedures and the project cycle viewpoints. The contents include monitoring and information sharing of ODA projects, and counterpart fund allocation methods.</p>
Handbook for the Central Government Planning Departments	<p>A handbook designed for the central government planning department staff on their specific duties for PIP projects, and dealing with program management on the procedural viewpoints of the five-year plan, on an annual basis, and on the project cycle. The contents include PIP project assessment, ODA counterpart fund management, PIP budget disbursement management, program management, and PIP budget allocation.</p>
Handbook for District-Level PIP Management	<p>A handbook designed for the district-level planning staff covering their specific duties for PIP project management based on the procedural viewpoints of an annual basis, and on the project cycle. The contents include planning and drafting a PIP project proposal, and drafting progress reports through project monitoring.</p>

Training sessions for each component are included in the PCAP2 training programs. Validation studies and workshops are conducted along with the training. Methods, tools and training sessions are revised as necessary, based on feedback received through studies and workshops.

The following are the three subcomponents of this output.

1) ODA Counterpart Fund Management

The PCAP2 will develop a standard procedure for selecting and allocating the domestic PIP budget as counterpart funds (or national contribution budget) for ODA projects. Firstly, the current standard procedures of ODA project management are studied, along with the methods of allocating counterpart funds from the domestic PIP budget. The PCAP2 will study the current ODA project management system applied by the MPI-DIC. This avoids any unnecessary duplication of systems and methods currently used by the MPI-DOP and MPI-DOE, to that of the MPI-DIC.

The methods used for the ODA counterpart fund management and its budget allocation must be independent from that of the domestic PIP project management and budget allocation fund for the following reasons. The government's present guidelines indicate that the counterpart funds of the ODA projects must have a higher priority in allocation compared with domestic PIP project requests. However, since the budget comes from the same source, it is

difficult to find the appropriate priority balance between domestic PIP projects and ODA counterpart funds. Also, most ODA projects have an established monitoring and evaluation system, and can be assured of effectiveness. Therefore it is difficult to compare ODA projects directly with domestic PIP projects. Thus it is necessary to separate allocation criteria for counterpart funds and domestic PIP projects.

Since the MPI-DIC is responsible for overseeing ODA projects, training for potential trainers will be conducted mainly using MPI-DIC staff. Training sessions for each component are included in the training program. Validation studies and workshops are conducted along with the training. Methods, tools and training sessions are revised as necessary, based on feedback received through the studies and workshops.

2) District-Level PIP Management

The PCAP2 will develop a standard procedure, including methods and tools for PIP management at the district level. Many of these PIP projects that are implemented at the district level lack the kinds of specific information which is required to ensure effectiveness and efficiency. The PCAP2 will develop report formats so that officials at the district levels are able to complete and request PIP budgets. For DPIs, the PCAP2 will develop assessment sheets that suit the district level formats and their conditions.

The PCAP2 will also develop a training package for district-level PIP management. This package is intended for the DPIs to provide training at the district level. The PCAP2 does not conduct direct training at the district levels. Rather, it conducts Training-of-Trainers sessions for DPI staff to teach them how to use the training package.

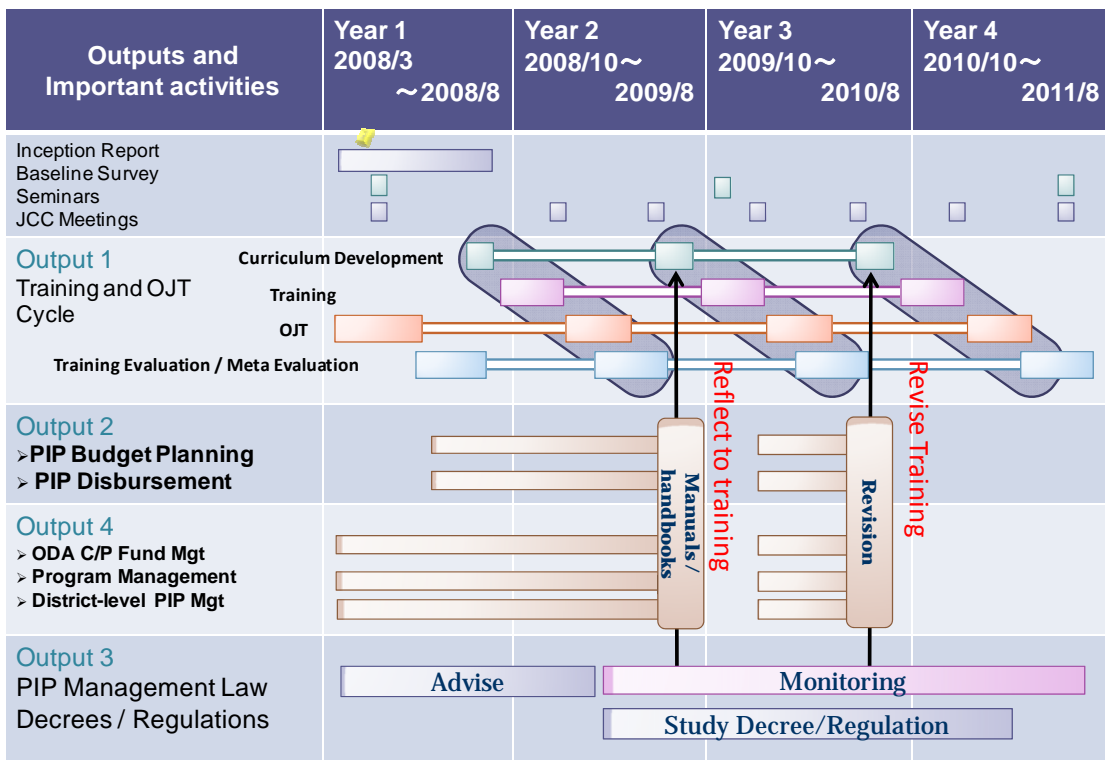
3) Program Management

The main task of program management, or sector program development, is to study possible adaptations of the PCAP1-developed program management methods and tools to the PIP Action Plan announced by the GoL. After studying the contents of the Action Plan, a pilot program/sub-program is to be selected, and the program management methods and tools of PCAP1 are to be applied in it to establish a Sector Program Model. Tools such as the Program Objective Tree (POT), the Chronology Chart, and Mapping are to be tested to see if they suit the program/sub-program. Modifications are to be considered when needed.

2.4. Activities

Since the PCAP2 had four outputs, many activities were conducted simultaneously. Therefore, the project tried to align the activities in the most effective and efficient way. The project was also careful to align with the GoL annual PIP budget schedule, since their deadlines and performance are closely related to the project activities. The project also interweaved sustainable measures so that the MPI and DPIs would be able to follow up after its completion. The following is a diagram of the PCAP2 comprehensive activity plan.

Table 1: PCAP2 Comprehensive Activity Plan



The following specific activities by outputs were planned.

[Activities for Output 1]

- 1) OJT for the MPI
- 2) Evaluation of individual PIP project assessments, monitoring and evaluation results
- 3) Feeding back OJT evaluation results to the three PCAP1 monitor provinces
- 4) Developing the next year's training curriculum
- 5) Training of trainers
- 6) Implementing training part I for ministries and provinces
- 7) OJT for the MPI, provinces and ministries
- 8) Evaluation of individual PIP project assessments, monitoring and evaluation results
- 9) Feeding back OJT evaluation results to the ministries and provinces
- 10) Developing the next year's training curriculum
- 11) Training of trainers
- 12) Implementing training part II for ministries and provinces
- 13) OJT for the MPI, provinces and ministries
- 14) Evaluation of individual PIP project assessments, monitoring and evaluation results
- 15) Feeding back OJT evaluation results towards provinces and ministries
- 16) Developing the next year's training curriculum
- 17) Training of trainers
- 18) Implementing training part III towards ministries and provinces
- 19) OJT for the MPI, provinces and ministries
- 20) Evaluation of individual PP project assessments, monitoring and evaluation results
- 21) Feeding back OJT evaluation results towards provinces and ministries
- 22) Institutionalization of training

The main task of the activities in Output 1 was to implement training. Three annual cycles of trainings were planned. These annual training and OJT sessions were closely linked with the annual PIP budget formulation procedure, to ensure that the training contents were utilized.

[Activities for Output 2]

- (1) Activities related to the PIP budget allocation
 - 1) Studies of the current PIP budget allocation system
 - 2) Analysis of current issues in PIP budget allocation
 - 3) Development of revised standards and insert them into the manuals and handbooks
 - 4) Development of training contents
 - 5) Training of trainers
 - 6) Validation of revised standards
 - 7) Validation of training
- (2) Activities related to PIP financial management
 - 1) Studies of the current PIP project disbursement and financial management
 - 2) Analysis of current issues in PIP budget disbursement
 - 3) Development of revised standards and insert them into the manuals and handbooks
 - 4) Development of training contents

- | |
|--|
| <ul style="list-style-type: none"> 5) Training of trainers 6) Validation of revised standards 7) Validation of training |
|--|

In the planning stages, the activities for Output 2 were broken down into two subcomponents: the annual PIP budget allocation, and the PIP financial management. As the tools and methods were developed, the two subcomponents were combined to achieve overall fiscal discipline.

<p>[Activities for Output 3]</p> <ul style="list-style-type: none"> 1) Advisory of a Public Investment Law draft 2) Third Country Training in Vietnam 3) Continuous advisories on current Public Investment Law drafting 4) Advisory on issuance of implementation decrees and/or regulations 5) Monitoring of Public Investment Law enforcement

Activities for Output 3 were concentrated on the development, support, and diffusion of the Public Investment Law and its implementing decree.

<p>[Activities for Output 4]</p> <ul style="list-style-type: none"> (1) ODA Counterpart Fund Management <ul style="list-style-type: none"> 1) Studies on ODA current project management 2) Analysis of current issues concerning the ODA counterpart fund management 3) Development of methods and adding them to the manuals and handbooks 4) Development of training contents 5) Training of trainers 6) Validation of methods and training courses 7) Third Country Training 8) Validation of methods 9) Validation of training (2) District-Level PIP Management <ul style="list-style-type: none"> 1) Studies on workflow and capacity levels in the District Planning Office 2) Analysis of the appropriate division of labor between the DPI and the District Planning Office 3) Development of methods and tools and add them to the manuals and handbooks 4) Development of a training package and TOT contents 5) Training of trainers in MPI-DOE 6) Validation of procedures, methods, tools and training (3) Sector Program Management <ul style="list-style-type: none"> 1) Review of Action Plan 2) Preparing a draft pilot program 3) Drafting a pilot program 4) Revision of the Program Manual 5) Development of training contents

- | |
|---------------------------------------|
| 6) Training of trainers |
| 7) Validation of methods and training |
| 8) Third Country Training |

The activities of Output 4 had three subcomponents ODA counterpart fund management, district-level PIP management and sector program management. Since they were independent subjects, each set of activities were independent, although they were combined at the time of the manual/handbook development and training.

2.5. Inputs

The demarcation of inputs between the MPI and JICA were specified in the initial Record of Discussions. There were minor modifications to the inputs by both parties, which were agreed upon during discussions. As a result, neither party was critical of or wished to cease or delay the implementation of the project. However, the training costs were not properly shared as agreed upon in the Record of Discussions.

The following shows the inputs of the PCAP2 by both parties.

(1) Project Organization

1) Lao Side

Project Director	Dr. Bounthavy SISOUPHANTHONG, Vice Minister of the MPI
Project Manager	Mr. Vixay XAOVANNA, Director General of the MPI-DOE (March 2008 to June 2010)
	Mr. Bounpone SISOULATH, Director General of the MPI-DOE (July 2010 to June 2011)
	Mr. Phoukong Bannavong, Acting Director of the MPI-DOE (July 2011 to August 2011)
Co-Project Manager	Mr. Ounheane CHITTAPHONG, Deputy Director of the MPI-DOP
Co-Project Manager	Mr. Houmphanh SOUKPRASITH, Deputy Director of the MPI-DIC
Counterpart Officials	Part-time members from the MPI-DOE, MPI-DOP, MPI-DIC are formed through the Project Implementation Committee as instructed by the Project Manager and approved by the Project Director.

2) Japanese Side consigned from JICA to IC Net Limited

Chief Advisor	Mr. Ichiro Okumura, Senior Consultant, IC Net Limited
Program Management	Mr. Hiromi Osada, Senior Consultant, IC Net Limited
Public Finance	Mr. Atsushi Tokura, Senior Consultant, IC Net Limited
Public Accounting	Mr. Hirofumi Azeta, Senior Consultant, Japan Economic Research Institute
Training Development	Ms. Tomoe Taira, Senior Consultant, IC Net Limited

Project Coordinators	Staff from IC Net Limited
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(2) Other Staff Hired by JICA

<ul style="list-style-type: none"> ✧ Lao consultants to support Japanese Experts ✧ Administration and office-keeping staff ✧ Project Driver
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(3) Equipment prepared by JICA

<ul style="list-style-type: none"> ✧ Office supplies and equipment necessary for training ✧ Project van/ project car
--

(4) Facilities prepared by the MPI

<ul style="list-style-type: none"> ✧ Project Office, Meeting Room, Training Room ✧ Facility fees (water, electricity)

(5) Other cost sharing

<ul style="list-style-type: none"> ✧ Salaries for counterpart officials are paid for by the GoL under its salary scheme. ✧ Training costs for part II training is shared between the MPI (33%) and JICA (67%). ✧ Training costs for part III training is shared between the MPI (67%) and JICA (33%). ✧ Other costs sharing are agreed upon on an occurrence basis.

(6) Third Country Training prepared by JICA

<p>Three sessions of Third Country Training in Vietnam were planned. However, due to changes of necessity and period adjustment, the Vietnam training session was conducted once, and another training session was conducted in Malaysia.</p>

3. Achievements of the Project's Outputs and Activities

The PCAP2 fulfilled the activities along with the plan stated in the PDM, and has achieved most of the indicators for the four outputs. The following subchapters describe the contents of the activities conducted by output, along with their achievement levels.

3.1. Output 1

(1) Achievement of Output 1

The PCAP2 conducted the annual PIP management training and the OJT targeting the related organizations every year from the second project year to the last project year. As a result, 485 officials from 16 provinces and the Vientiane Capital DPIs successfully completed the PIP management training courses by the completion of the project. Moreover, six officials from each of the 16 provinces and the Vientiane Capital DPIs respectively were trained as trainers for PIP management training. 16 provinces and the Vientiane Capital DPIs are now capable of assessing and monitoring PIP projects in accordance with the manuals and handbooks. Therefore, it can be said that indicator 1.1 was successfully achieved.

As for the planning departments in the central ministries and other relevant government organizations, 153 officials successfully completed the PIP management training courses by the end of the project. Moreover, five officials from the planning departments in the main ministries² were trained as the trainers for PIP management training³. Three ministries out of the eight main ministries are now capable of assessing and monitoring PIP projects, to some extent, in accordance with the existing manual and handbooks. Therefore, it can be said that indicator 1.2 was partially achieved. Please see Table 2 for the details of the achievement levels of the indicators.

² The MPI considers the following eight ministries to be the main ministries: the MOAF, MPWT, MOEM, MIC, MOE, MOH, MOLS, and MOIC.

³ Excluding the MOH which did not attend the TOT on PIP management.

Table 2: Achievement of the Output 1 Indicators

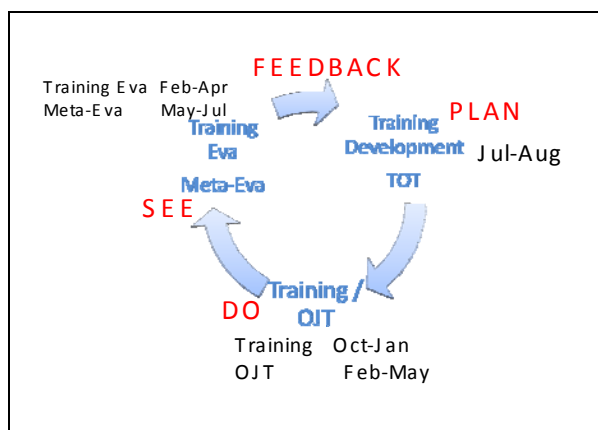
Indicators	Achievement Level																							
<p>1.1 More than 5 DPI staff members in each province are capable of managing PIP projects in accordance with the existing manual and handbooks.</p>	<p>1) Officials from all 16 provinces and the Vientiane Capital DPI successfully completed the PIP management training courses in accordance with the existing manual and handbooks as follows.</p> <table border="1" data-bbox="488 490 1362 913"> <thead> <tr> <th data-bbox="488 490 624 584">Project Year</th> <th data-bbox="624 490 778 584">Training</th> <th data-bbox="778 490 1158 584">Number of Participants from the Provincial DPI</th> <th data-bbox="1158 490 1362 584">Average Number of Participants per Province</th> </tr> </thead> <tbody> <tr> <td data-bbox="488 584 624 685">2nd Year</td> <td data-bbox="624 584 778 685">PIP management training</td> <td data-bbox="778 584 1158 685">178 officials (from the 13 provinces and the Vientiane Capital DPI excluding the 3 monitor provinces)</td> <td data-bbox="1158 584 1362 685">12.7 officials</td> </tr> <tr> <td data-bbox="488 685 624 779">3rd Year</td> <td data-bbox="624 685 778 779">PIP management training</td> <td data-bbox="778 685 1158 779">204 officials (from 16 provinces and the Vientiane Capital DPI)</td> <td data-bbox="1158 685 1362 779">12.0 officials</td> </tr> <tr> <td data-bbox="488 779 624 880">4th Year</td> <td data-bbox="624 779 778 880">TOT on PIP management</td> <td data-bbox="778 779 1158 880">103 officials (from the 16 provinces and Vientiane Capital DPI)</td> <td data-bbox="1158 779 1362 880">6.0 officials</td> </tr> <tr> <td colspan="2" data-bbox="488 880 778 913">Total</td> <td data-bbox="778 880 1158 913">485 officials</td> <td data-bbox="1158 880 1362 913"></td> </tr> </tbody> </table> <p>2) A total of 103 officials from all 16 provinces and the Vientiane Capital DPI (average 6 officials per province) were successfully trained as the trainers on PIP management.</p> <p>3) All 16 provinces and the Vientiane Capital DPI received the annual OJT conducted by the MPI and were instructed on actual work regarding PIP management.</p> <p>4) All 16 provinces and the Vientiane Capital DPI assessed and monitored PIP projects through the Simplified Project Assessment Sheets (SPAS) in accordance with the existing manual and handbooks.</p>				Project Year	Training	Number of Participants from the Provincial DPI	Average Number of Participants per Province	2 nd Year	PIP management training	178 officials (from the 13 provinces and the Vientiane Capital DPI excluding the 3 monitor provinces)	12.7 officials	3 rd Year	PIP management training	204 officials (from 16 provinces and the Vientiane Capital DPI)	12.0 officials	4 th Year	TOT on PIP management	103 officials (from the 16 provinces and Vientiane Capital DPI)	6.0 officials	Total		485 officials	
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Total		485 officials																						
<p>1.2 More than 5 planning department officials in each ministry or other relevant government organizations are capable of managing the PIP in accordance with the existing manual and handbooks.</p>	<p>1) Officials from the planning departments in the central ministries/other relevant government organizations successfully completed the PIP management training in accordance with the existing manual and handbooks as follows.</p> <table border="1" data-bbox="488 1294 1362 1655"> <thead> <tr> <th data-bbox="488 1294 592 1424">Project Year</th> <th data-bbox="592 1294 911 1424">Training</th> <th data-bbox="911 1294 1158 1424">Number of Participants from Ministry Planning Departments</th> <th data-bbox="1158 1294 1362 1424">Average Number of Participants per Ministry</th> </tr> </thead> <tbody> <tr> <td data-bbox="488 1424 592 1491">2nd Year</td> <td data-bbox="592 1424 911 1491">PIP management training</td> <td data-bbox="911 1424 1158 1491">18 officials (from 34 organizations)</td> <td data-bbox="1158 1424 1362 1491">1.9 officials</td> </tr> <tr> <td data-bbox="488 1491 592 1559">3rd Year</td> <td data-bbox="592 1491 911 1559">PIP management training</td> <td data-bbox="911 1491 1158 1559">100 officials * (from 41 organizations)</td> <td data-bbox="1158 1491 1362 1559">2.4 officials</td> </tr> <tr> <td data-bbox="488 1559 592 1626">4th Year</td> <td data-bbox="592 1559 911 1626">TOT on PIP management</td> <td data-bbox="911 1559 1158 1626">35 officials (from 7 main ministries)</td> <td data-bbox="1158 1559 1362 1626">5.0 officials</td> </tr> <tr> <td colspan="2" data-bbox="488 1626 911 1655">Total</td> <td data-bbox="911 1626 1158 1655">153 officials</td> <td data-bbox="1158 1626 1362 1655"></td> </tr> </tbody> </table> <p>*including the PIP project owners</p> <p>2) A total of 35 officials from the planning departments of the 7 main ministries (an average 5 officials per ministry) were successfully trained as the trainers on PIP management.</p> <p>3) 8 main ministries received the annual OJT course conducted by the MPI and were instructed on actual work regarding PIP management.</p> <p>4) The planning departments in the MOAF, MIC, and MOIC assessed and monitored PIP projects to some extent through the Simplified Project Assessment Sheets (SPAS) in accordance with the existing manual and handbooks.</p>				Project Year	Training	Number of Participants from Ministry Planning Departments	Average Number of Participants per Ministry	2 nd Year	PIP management training	18 officials (from 34 organizations)	1.9 officials	3 rd Year	PIP management training	100 officials * (from 41 organizations)	2.4 officials	4 th Year	TOT on PIP management	35 officials (from 7 main ministries)	5.0 officials	Total		153 officials	
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(2) Overall Implementation Review

The PCAP2 conducted all activities related to Output 1 in accordance with the following cycle. The project utilized the PLAN-DO-SEE-FEEDBACK cycle to establish the practical use of PIP management skills among the organizations involved (See Figure 1).

Firstly, the **PLAN** stage develops the training materials which meet the training needs, and conducts the Training of Trainers (TOT). Secondly, the **DO** stage implements the training courses and utilizes the skills gained in practical work through OJT. While training is in the form of a classroom lecture focusing on attaining basic knowledge, OJT focuses on applying the know-how gained through routine work. Thirdly, the **SEE** stage monitors and follows up on the training courses and OJT, and then evaluates

Figure 1 PLAN-DO-SEE-FEEDBACK Cycle



the quality of the PIP annual budget plan and the evaluation results of individual PIP projects that are the output of OJT. Fourthly, the **FEEDBACK** stage further develops the training curriculum and materials by using the lessons learned through the former monitoring and evaluation. The PCAP2, through the project period, ran the PLAN-DO-SEE-FEEDBACK cycle three times to establish the practical use of PIP management skills in day-to-day work.

The PCAP2 training sessions were designed in three steps so that officials involved could learn the necessary knowledge, tools and methods and enhance their capacity in PIP management step by step. As the first training project in the project, Training Part I in the second project year (FY 2008/09) expanded its target from the three monitor provinces⁴ to a nationwide scale, namely all the provinces and ministries, with the training theme of “**Coverage.**” Following this, with the theme of “**Brush up and upgrade,**” Training Part II in the third project year brushed up existing content and also introduced new tools and methods for PIP management. As the last training project, Training Part III in the fourth project year with the theme of “**Upgrade quality**” aimed at upgrading the quality of the management tools and methods used including ones which were newly introduced (See Table 3).

⁴ Oudomxay, Khammouane, Saravan provinces were the monitor or pilot provinces of the PCAP1 with which the PCAP1 developed and validated the tools and methods for better PIP management.

As a result, with the MPI-DOE as a controlling organization, the MPI-DOE, MPI-DOP, and MPI-DIC became capable of conducting the proper PIP management training courses together with the concerned organizations. All 16 provinces and the Vientiane Capital DPIs became capable of assessing and monitoring PIP projects through the Simplified Project Assessment Sheet (SPAS) in accordance with the manual and handbooks. Moreover, they are now capable of conducting PIP management training courses to the sector departments in their own provinces. Sector departments in all 16 provinces and the Vientiane Capital became able to request PIP projects through the use of the project request formats defined in the manual and handbooks (See Table 4).

As for the ministries, the MOAF, MIC, and MOIC in the eight main ministries became capable of assessing and monitoring PIP projects to some extent, in accordance with the manual and handbooks. Seven ministries became capable of requesting PIP projects to some extent through the use of the project request formats defined in the manual and handbooks (See Table 4).

Table 3: Implementation of PIP Management Training

	Date	Theme	Target	Training Objective	Training Curriculum
2 nd Year	Nov. 2008 –Jan. 2009	<u>Coverage</u>	<ul style="list-style-type: none"> DPIs and sector departments from 13 provinces, the Vientiane Capital. Planning departments and other departments from 34 central ministries/other relevant government organizations. 	<ul style="list-style-type: none"> Provincial DPI and sector departments will learn how to write PIP project proposals and use absolute/comparative assessment methods developed by MPI/PCAP. 	<ol style="list-style-type: none"> How to write a PIP project proposal. How to conduct an absolute/comparative assessment by using methods and formats developed by MPI/PCAP.
3 rd Year	Nov. 2009 –Feb. 2010	<u>Brush up and upgrade</u>	<ul style="list-style-type: none"> DPI and sector departments from 16 provinces and Vientiane Capital. Planning departments and the other departments from 41 central ministries/other relevant government organizations. 	<ul style="list-style-type: none"> Introduce new PIP management methods and improve existing methods. 	<p>PIP Management Method Newly introduced PIP management methods.</p> <ol style="list-style-type: none"> Report writing for debt payments. PIP management at the district level. ODA national contribution budget management. <ul style="list-style-type: none"> Brushing up PIP management methods. Progress report writing for ongoing projects. Project assessments using SPAS for ongoing projects. Sector program management. PIP comparative assessment.
4 th Year	Nov. 2010 –Dec. 2010	<u>Upgrade quality</u>	<ul style="list-style-type: none"> 16 provinces and the Vientiane Capital DPI. Planning departments in 7 main ministries. 	<ol style="list-style-type: none"> Provincial DPI and ministry planning department officials understand the annual PIP budget request procedure and how to use each management method. The above-mentioned officials are able to explain each management method to project owners and district officials.⁵ The above-mentioned officials propose the annual PIP budget direction, proceeding schedule, and budget outline to the directors in their respective organizations. 	<ol style="list-style-type: none"> Public Investment Law. Annual PIP Budget Request Procedure. PIP Financial Management Project Request. Project Assessment Process. ODA-NCB Management. Program Management and Comparative Assessment. <ul style="list-style-type: none"> [For Province Only] <ul style="list-style-type: none"> Meta-evaluation. PIP Management at District Level. [For Ministry Only] <ul style="list-style-type: none"> Project Assessment through SPAS.
	Dec. 2010 –Jan. 2011		<ul style="list-style-type: none"> Sector departments in 16 provinces and the Vientiane Capital. 	<ul style="list-style-type: none"> Project Owners understand the annual PIP budget procedures as well as the key management methods and tools required for PIP management. 	<ol style="list-style-type: none"> Public Investment Law Annual PIP Budget Request Procedure PIP Project Request and Necessary Attachment Reports Program Management and Comparative Assessment ODA-NCB Management

⁵ Explanations to district officials were excluded as part of the Training objectives for ministry planning department officials.

Table 4: Achievement of PIP Management Knowledge and Skills by MPI, Province and Ministry

	MPI	Province/Vientiane Capital		Central ministries/other relevant government organizations																																																	
		DPI	Sector Dept. (Project Owner)	Planning Dept.	Sector Dept. (Project Owner)																																																
Individual Capacity	<p>➤ <u>Officials in the MPI-DOE, DOP, DIC</u> were successfully trained as trainers on PIP management as follows.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>No. of Trainers</th> </tr> </thead> <tbody> <tr> <td>2nd</td> <td>• DOE 14 officials • DOP 1 official • DIC 0 official</td> </tr> <tr> <td>3rd</td> <td>• DOE 14 officials • DOP 2 officials • DIC 2 officials</td> </tr> <tr> <td>4th</td> <td>• DOE 16 officials • DOP 3 officials • DIC 2 officials</td> </tr> </tbody> </table> <p>➤ 2 officials in the MPI-DOOP coordinated and evaluated the training.</p>	Year	No. of Trainers	2 nd	• DOE 14 officials • DOP 1 official • DIC 0 official	3 rd	• DOE 14 officials • DOP 2 officials • DIC 2 officials	4 th	• DOE 16 officials • DOP 3 officials • DIC 2 officials	<p>➤ <u>Officials in all 16 provinces and the Vientiane Capital DPI</u> successfully completed the PIP management training in accordance with the manual and handbooks as follows.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>No. of Participants</th> </tr> </thead> <tbody> <tr> <td>2nd</td> <td>• Provincial DPI: 178 officials • District DPI: 20 officials (13 provinces and the Vientiane Capital)</td> </tr> <tr> <td>3rd</td> <td>204 officials (16 provinces and the V entiane C pital)</td> </tr> <tr> <td>4th</td> <td>103 officials (16 provinces and the Vientiane Capital)</td> </tr> <tr> <td>Total</td> <td>505 officials</td> </tr> </tbody> </table> <p>➤ <u>A total of 103 officials from all 16 provinces and the Vientiane Capital DPI</u> were successfully trained as the trainers on PIP management.</p>	Year	No. of Participants	2 nd	• Provincial DPI: 178 officials • District DPI: 20 officials (13 provinces and the Vientiane Capital)	3 rd	204 officials (16 provinces and the V entiane C pital)	4 th	103 officials (16 provinces and the Vientiane Capital)	Total	505 officials	<p>➤ <u>Sector department officials in all 16 provinces and the Vientiane Capital DPI</u> successfully completed the PIP management training in accordance with the manual and handbooks as follows.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>No. of Participants</th> </tr> </thead> <tbody> <tr> <td>2nd</td> <td>318 officials (13 provinces and the Vientiane Capital)</td> </tr> <tr> <td>3rd</td> <td>558 officials (16 provinces and the Vientiane Capital)</td> </tr> <tr> <td>4th</td> <td>811 officials (16 provinces and the Vientiane Capital)</td> </tr> <tr> <td>Total</td> <td>1,687 officials</td> </tr> </tbody> </table>	Year	No. of Participants	2 nd	318 officials (13 provinces and the Vientiane Capital)	3 rd	558 officials (16 provinces and the Vientiane Capital)	4 th	811 officials (16 provinces and the Vientiane Capital)	Total	1,687 officials	<p>➤ <u>Officials from the planning departments in the central ministries/other relevant government organizations</u> successfully completed the PIP management training in accordance with the manual and handbooks as follows.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>No. of Participants</th> </tr> </thead> <tbody> <tr> <td>2nd</td> <td>18 officials (34organizations)</td> </tr> <tr> <td>3rd</td> <td>100 officials* (41 organizations)</td> </tr> <tr> <td>4th</td> <td>35 officials (7 main ministries)</td> </tr> <tr> <td>Total</td> <td>153 officials</td> </tr> </tbody> </table> <p>*Including PIP project owners</p>	Year	No. of Participants	2 nd	18 officials (34organizations)	3 rd	100 officials* (41 organizations)	4 th	35 officials (7 main ministries)	Total	153 officials	<p>➤ <u>Officials from the other sector departments in the central ministries/other relevant government organizations</u> successfully completed the PIP management training in accordance with the manual and handbooks as follows.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>No. of Participants</th> </tr> </thead> <tbody> <tr> <td>2nd</td> <td>51 officials (34organizations)</td> </tr> <tr> <td>3rd</td> <td>-</td> </tr> <tr> <td>4th</td> <td>-</td> </tr> <tr> <td>Total</td> <td>51 officials</td> </tr> </tbody> </table>	Year	No. of Participants	2 nd	51 officials (34organizations)	3 rd	-	4 th	-	Total	51 officials
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Organizational Capacity	<p>➤ <u>The DOE as a center, DOE, DOP, and DIC in the MPI</u> became capable of conducting the proper PIP management training together for the organizations involved.</p>	<p>➤ <u>All 16 provinces and the Vientiane Capital DPI</u> became capable of assessing and monitoring PIP projects through SPAS in accordance with the manual and handbooks.</p> <p>➤ All 16 provinces and the Vientiane Capital DPI became capable of conducting PIP management training to the sector departments in their own provinces.</p>	<p>➤ <u>Sector departments in all 16 provinces and the Vientiane Capital</u> became able to request PIP projects through the project request formats defined in the manual and handbooks.</p>	<p>➤ <u>The MOAF, MIC, and MOIC in the eight main ministries</u> became capable of assessing and monitoring PIP projects, <u>to some extent</u>, in accordance with the manual and handbooks.</p>	<p>➤ <u>Seven ministries</u> became capable of requesting PIP projects <u>to some extent</u> through the project request formats defined in the manual and handbooks.</p>
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3.2. Output 2

(1) Overall Achievement of Output 2

Among the three objectively verifiable indicators of Output 2, the first indicator, i.e., ***“The Manual for PIP Project Management’ and handbooks are upgraded or developed so as to cover PIP budget planning and management activities. The manual and handbooks are approved and distributed to all relevant government personnel,”*** is achieved. The project manual, revised in August 2010, contains a new chapter regarding PIP budget and financial management. The handbooks that were developed in August 2010 and revised in August 2011 refer to PIP budget and financial management. Both the manual and handbooks have been disseminated to the participants of the training courses and seminars as well as to the other stakeholders.

The second indicator, ***“More than 2 MPI officials and more than 5 planning department officials in each province, ministry and other relevant government organizations are capable of both managing PIP in accordance with the manuals and handbooks that are developed or upgraded; and are capable of providing training to the relevant provincial and district officials,”*** was also achieved. A significant number of officials in the MPI and DPIs have grasped the newly developed financial management tools through the training sessions. They are expected to utilize their newly acquired knowledge and skills by referring to the manual even after the project period is finished. For DPIs, the following training courses were conducted.

1) PIP Financial Management Training

The PIP Financial Management Training sessions were held three times in the Vientiane Capital in January 2010. In-house training in the MPI for its officials was held prior to this, and 11 staff members participated. Additional training was provided for 11 staff members in March 2010. In addition, 10 MPI staff members were trained as trainers. Table 5 summarizes the training courses.

Table 5: Summary of the Financial Management Training Sessions

Name of Training Course	Duration	Target Group	No. of Participants
Training for DPI 1	January 14-15, 2010	DPIs in the central region	20
Training for DPI 2	January 19-20, 2010	DPIs in the southern region	22
Training for DPI 3	January 21-22, 2010	DPIs in the northern region	28

a) PIP Process and Financial Management Seminar

The Seminar was held in November 2011 and four to five people participated from each province and also the Vientiane Capital. Not only the staff members but also the Directors and Deputy Directors of the DPIs were invited, as they are key stakeholders in budget and financial management.

2) PIP Management Training

New content concerning budget and financial management was added in the PIP management training sessions from 2010. For each training session, the PIP budget formulation process for FY 2011/12 and the concept of financial management tools were presented to the DPIs, the sector departments of the provinces, and seven major sector ministries.

The third indicator, i.e., *“The MPI and DPI develop and establish the process of estimating the budget, limiting the amount of domestically funded PIP projects and ODA projects within the annual budget ceiling, and planning the budget execution schedule to the estimate and ceiling,”* has not been fully realized. As mentioned above, DPI officials fully understood how to use PIP financial management tools. However, this does not necessarily mean that the provinces will use the financial management tools from now on. This is because a full implementation of the PIP financial management tools in the budget formulation process has not been established, as it is neither authorized nor instructed by the MPI.

Some provinces are concerned about the decrease in new project costs. During the training courses, they expressed concern that the provinces might not be able to achieve their development goals because of decreases in new project costs. Some provincial governors are more interested in increasing the number of PIP projects than in stabilizing the PIP financial balance. It was difficult for the PCAP2 to touch upon this issue, as it has to do with the decision making system of the nation and its provinces, which is beyond the scope of the project.

(2) Overall Implementation Review

1) Identifying issues and proposing countermeasures

The major issue of PIP budget planning was clarified in the first year of the project: the DPIs receive too many proposals from POs within the limited time period and cannot appraise them adequately. As a countermeasure, the project proposed rationalization of the PIP budget formulation process through the following means.

- The MPI should issue earlier the guidelines on PIP budget formulation for the next fiscal

year.

- The guidelines should indicate the deadline for proposal submissions from the POs to the DPIs.
- The guidelines should also indicate an upper limit of budget requests from the DPIs.

Here are the issues on financial management discovered through interviews.

- Provinces without financial difficulties limit their total project costs by selecting priority projects. In such provinces, payment schedules to contractors are predetermined and are not revised after commencement of the projects. Contractors do not need to be concerned about delays in payments. Thus more contractors enter the bidding process. Eventually, contract amounts can be lower.
- Provinces with financial difficulties tend to approve as many projects as possible. Such provinces commit payment schedules to contractors, but the payments are often delayed from the committed schedule. Because contractors borrow money from banks when conducting PIP projects, the interest costs that the contractors have to bear increases, due to the delays in payments. Therefore, contractors try to make contract prices higher in order to cover such unexpected additional interest expenses.

Learning from well-performing provinces, the project developed a financial management tool which can be applied to provinces with financial difficulties. The project conducted a financial analysis of several pilot provinces, and discussed with the province counterparts if it was possible to improve their financial situations using financial management tools.

2) Development of training programs, content, training for teachers, and conducting training courses

As mentioned in 1), training courses and seminars were conducted. Trainers for financial management training were also nurtured. The following training content was developed.

- ✧ Overview of PIP Financial Management
- ✧ PIP financial analysis and budget planning by the DPI
- ✧ Mid-term PIP financial outlook by the DPI

The first and second pieces of content were developed for the training of DPIs, while the first and the third were being used for the MPI staff training.

3) Development of the manual and handbooks

The PIP budget and financial management component was added to the manual. Handbooks developed in 2011 include budget and financial management components where necessary.

3.3 Output 3

(1) Overall achievements of Output 3

This Output is expected to achieve its targets by the completion of the project. The Public Investment Law was approved in the National Assembly in November 2009 and was made effective from December 2009. A booklet on the Law was printed and distributed to all participants of the Seminar and the training programs.

The formulation of a Prime Minister's Decree for the implementation of the Law is under way. Although the procedures have been delayed, it is expected to be approved soon. The PCAP2 will continue its discussion with the formulation committee in the MPI so that the manuals and handbooks will stay relevant to the decree.

(2) Implementation Review

The activities related to supporting the Public Investment Law formulation were continuous throughout the project period. The PCAP2 provided technical advice on its provisions, and also ensured that the Law and the manuals/handbooks were consistent.

The MPI initially prepared the draft Law to be approved in the November 2008 session of the National Assembly, but it was rejected due to objections from some National Assembly members who misunderstood its background. After the MPI modified the Law and provided additional explanations to the members who made the objections, it was approved in the November 2009 session of the National Assembly. It was signed by the President of the Lao PDR for enactment on December 26th, 2009. The PCAP2 printed booklets of the Law for distribution to government organizations related to PIP management during the training sessions.

The MPI continued studying the development of an implementation decree that would provide further details on the legal framework of PIP management. The decree is expected to incorporate the budget norms that specify the allocation of the PIP budget to provinces and

government organizations. It is also expected to define specific roles and the demarcation for PIP management at the provincial and district levels.

As of early August, the decree is still under discussion in the MPI to modify its details. It is expected to be approved by the Prime Minister after reaching a consensus on the details.

3.4 Output 4

As mentioned in the chapter 2.3 (4), Output 4 has three subcomponents. Therefore, the overall achievements will be explained first, followed by a detailed explanation of the three subcomponents.

(1) Overall Achievements of Output 4

The PCAP2 incorporated the three subcomponents required in Output 4: issues on ODA counterpart fund management along with the introduction of the SPIS format; district-level PIP management and sector program management in the latest version of the Manual for PIP Project Management; and the five handbooks designated for the respective PIP management-related organizations. The manual and the handbooks have been approved by the MPI and have been distributed to the respective officials. Through these manuals and handbooks, the officials have improved their capacity to realize better quality in the management of PIP projects, and to train other officials in related organizations.

The number of MPI officials that are capable exceeds the PDM target of 20, and the number of officials in each of the 16 provinces and the Vientiane Capital exceeds the target of 5. However, although manuals and handbooks were distributed to all ministries and government organizations, the number of ministries that were intensively trained was limited to 8. Therefore, the number of capable officers in the ministries did not reach the PDM target. This was due to a lack of effectiveness and efficiency in the training sessions. Therefore, under these limited training opportunities, the PCAP2 and the MPI have selected ministries that utilize a greater portion of the annual PIP budget. It is necessary to increase the number of trained officers for other ministries and other government organizations through a sustained series of training courses that the MPI will plan and implement after PCAP2 is completed.

(2) ODA Counterpart Fund Management

All the indicators related to the topic of ODA counterpart fund management have been achieved by the completion of the PCAP2. The following table shows the details of the achievements.

Table 6: Achievements of ODA Counterpart Fund Management

Indicators	Achievements										
<p>4-1 The Project Manual and handbooks are upgraded or developed so as to cover ODA counterpart fund management. The Manual and handbooks are approved and distributed to all relevant government personnel.</p>	<ol style="list-style-type: none"> 1) The ODA-NCB workflow, SPIS format and the revised comparative assessment workflow, which reflects issues of ODA counterpart fund management, were developed, and incorporated with the MPI's comments into the upgraded Manual and the 1st version of the Handbooks. 2) The upgraded Manual and the 1st version of the Handbooks have been distributed to the relevant government personnel that received the training courses implemented in November-December 2010. 3) The 2nd version of the handbooks were prepared and distributed to the relevant government personnel that received the training courses implemented in November 2010 to January 2011. 4) The training material contents related to ODA-NCB management had been developed and used in the training courses. 										
<p>4-3 More than 20 MPI officials and more than 5 planning department officials in each province, ministry, and other relevant government organization are capable of both managing the PIP in accordance with the Manual and handbook(s) that have been newly developed or upgraded and the training of relevant provincial and district officials is complete.</p>	<ol style="list-style-type: none"> 1) As of the end of January 2011, the training has been completed. The number of officials trained in the training programs is listed in the table below. 2) The manual, handbooks and training materials have been upgraded with this sub-component. 3) The capability of the personnel that had received the training was evaluated to be enough by post-test and ex-post evaluations of the training courses. In addition, the personnel that had received TOT training implemented the other series of training courses for the officials of the provincial and district departments. <p><u>Numbers of trainees who completed the training program 2010-2011</u></p> <table border="1" data-bbox="715 1541 1362 1727"> <thead> <tr> <th data-bbox="722 1552 1038 1574">Training Program</th> <th data-bbox="1046 1552 1355 1574">Number of officials trained</th> </tr> </thead> <tbody> <tr> <td data-bbox="722 1585 1038 1608">TOT for DPI</td> <td data-bbox="1046 1585 1355 1608">103</td> </tr> <tr> <td data-bbox="722 1619 1038 1641">TOT for ministries</td> <td data-bbox="1046 1619 1355 1641">35</td> </tr> <tr> <td data-bbox="722 1653 1038 1709">Project Owners in the provinces</td> <td data-bbox="1046 1653 1355 1709">811</td> </tr> <tr> <td data-bbox="722 1720 1038 1742">Total</td> <td data-bbox="1046 1720 1355 1742">949</td> </tr> </tbody> </table>	Training Program	Number of officials trained	TOT for DPI	103	TOT for ministries	35	Project Owners in the provinces	811	Total	949
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All the related activities have been completed. The following table summarizes the record of the activities.

Table 7: Records of Activities

Activities	Records
1 Study the processes of the ODA national contribution budget management, district-level PIP management, and sector program management.	<p>[Completed]</p> <ol style="list-style-type: none"> 1) The project team exchanged opinions with the officers in charge of ODA in the related departments for initiating the preliminary studies. 2) The roles and responsibilities of the departments involved with ODA in the MPI and the budget application procedures of the PIP/ODA and of the ODA national contribution budgets were analyzed. 3) Existing problems within the budget application procedures were indentified and requisites of countermeasures were analyzed.
2 Verify the process and schedule of ODA national contribution budget management, district-level PIP management and sector program management in accordance with the annual budget formulation process and calendar, starting with Oudomxay, Khammuan and Saravan.	<p>[Completed]</p> <p>The current budget application procedure for the ODA national contribution budget was verified in Oudomxay, Khammuan, Saravan and Bolikhamxay.</p>
3 Upgrade the "Manual for PIP Project Management" and the "Manual for PIP Program Management" with a focus on ODA national contribution budget management, district-level PIP management, and sector program management. Also, develop handbooks on these issues.	<p>[Completed]</p> <ol style="list-style-type: none"> 1) The SPIS workflow, format and revised comparative assessment workflow were developed and incorporated into the Project Manual for upgrading. 2) The contents of the Manual were improved based on the results of the training evaluation in the 3rd phase. 3) The Handbooks were prepared in August 2010.
4 Produce and distribute the manual(s) and handbook(s) to all relevant organizations.	<p>[Completed]</p> <ol style="list-style-type: none"> 1) The Project Manual was upgraded in the 2nd phase and then improved after the training courses of the 3rd phase. 2) The Handbooks were prepared in the 3rd phase and have been distributed to those involved with PIP management in the 4th phase.
5 Assist the MPI with developing the training curriculum and materials.	<p>[Completed]</p> <ol style="list-style-type: none"> 1) The training contents of FY 2009/10 were prepared and then revised for FY 2010/11 under collaboration between MPI trainers and JICA experts. 2) Training curriculum, training contents, and training guides were developed.
6 Assist the MPI in conducting training and workshops for all the provinces and ministries (Implement this activity together with 2-6).	<p>[Completed]</p> <p>All the management processes of the training courses through preparation, implementation and evaluation have been completed through collaboration between the counterpart officers in the MPI and JICA experts.</p>
7 Assist the MPI in conducting OJT for all the provinces and ministries.	<p>[Completed]</p> <p>The counterpart officers in the MPI implemented OJT with assistance from the JICA experts and the local staff of the PCAP2 Project over all of Laos from March to May 2010.</p>
9 Assist the MPI with revising manual(s) and Handbook(s) based on feedback from the activities.	<p>[Completed]</p> <p>The counterpart officers in the MPI with the JICA experts improved the Manual and upgraded the Handbooks based on the feedback from the training evaluation report of the 3rd phase.</p>

(3) District-Level PIP Management

All the indicators related to the topic of district-level PIP management have been achieved by the completion of the PCAP2. Details of the achievement are shown in the following table.

Table 8: Achievements of District-Level PIP Management

Indicators	Achievements								
4-1 The Project Manual and handbooks are upgraded or developed so as to cover district-level PIP management. The manual and handbooks are approved and distributed to all relevant government personnel.	<p>New PIP project proposal and assessment formats were developed for district-level PIP management, and were reflected in the Manual and the Handbook for District-Level PIP Management. Various routes and resources for district-level project applications, including domestic and donor funds for rural development and poverty reduction, were introduced.</p> <p>In the training course, discussions took place among provincial officials on how to support districts in PIP management, as part of the training. Various routes for PIP project applications in the specific areas were also discussed, providing opportunities to study the characteristics of the districts within each province.</p>								
<p>4-3 More than 20 MPI officials and more than 5 planning department officials in each province are capable of both managing the PIP in accordance with the manual and handbook(s) that are newly developed or upgraded and the training of relevant provincial and district officials. (officials of ministries are not directly involved in district-level PIP management)</p>	<p>1) As of the end of January 2011, the training has been completed. The numbers of officials trained in the training programs are listed in the table below.</p> <p>2) The manual, handbooks, and training materials have been upgraded with this sub-component.</p> <p>3) The capability of the personnel that had received the training was evaluated to be sufficient by post-test and ex-post evaluation of the training. In addition, the personnel that had received TOT training implemented the other series of training for the officials of the provincial and district departments.</p> <p><u>Numbers of trainees through the training program 2010-2011</u></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #e1f5fe;">Training Program</th> <th style="background-color: #e1f5fe;">Number of officials trained</th> </tr> </thead> <tbody> <tr> <td>TOT for DPI</td> <td>103</td> </tr> <tr> <td>Project Owners in provinces</td> <td>811</td> </tr> <tr> <td>Total</td> <td>914</td> </tr> </tbody> </table>	Training Program	Number of officials trained	TOT for DPI	103	Project Owners in provinces	811	Total	914
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All the related activities have been completed. The following table summarizes the records of the activities.

Table 9: Records of Activities

Activities	Records
1 Study the processes of the ODA national contribution budget management, district-level PIP management, and sector program management.	<p>[Completed]</p> <p>1) The project team exchanged opinions with the officials in District Planning Offices in Oudomxay and Saravan for preliminary studies.</p> <p>2) The roles and responsibilities of the provincial levels (DPIs and sector departments) as well as the district levels (District Planning Office and district-level sector offices) in the annual PIP budget application procedure were analyzed.</p> <p>3) Existing problems with the annual PIP budget application procedure were identified and requisites</p>

Activities	Records
	of countermeasures were analyzed.
2 Verify the process and schedule of ODA national contribution budget management, district-level PIP management, and sector program management in accordance with the annual budget formulation process and calendar, starting with Oudomxay, Khammuan, and Saravan.	<p>[Completed] The current annual PIP budget request procedures for ODA, provincial projects, Kum-ban development projects, and other PIP projects related to rural development were verified in the three provinces as well as within the central government.</p>
3 Upgrade “Manual for PIP Project Management” and “Manual for PIP Program Management” with a focus on ODA national contribution budget management, district-level PIP management, and sector program management. Also, develop handbooks on these issues.	<p>[Completed]</p> <ol style="list-style-type: none"> 1) District-level PIP management, with focus on its workflow depending on the specific budget source, was explained in the manual and handbooks. 2) A new set of reporting formats, i.e., I-6 Project Proposal, II-6 Progress Report, and II-6 SPAS, were developed and incorporated in the manual. 3) Contents of the Manual were improved based on the results of validation and training evaluations. 4) The first version of the Handbook for District-Level PIP Management was prepared in August 2010.
4 Produce and distribute the manual(s) and handbook(s) to all relevant organizations.	<p>[Completed]</p> <ol style="list-style-type: none"> 1) The Project Manual was upgraded in August 2009 and then further improved in August 2010 as the approved version. 2) The Handbook for District-Level PIP Management was prepared in August 2010 and revised in August 2011.
5 Assist the MPI with developing the training curriculum and materials.	<p>[Completed]</p> <ol style="list-style-type: none"> 1) The training contents of the training part II (2009/10) were prepared and then revised for the training part III (2010/11) with collaboration between MPI trainers and JICA experts. 2) Training curriculum, training contents, and training guides were developed.
6 Assist the MPI in conducting training and workshops for all the provinces and ministries (Implement this activity together with 2-6).	<p>[Completed] All the management processes of the training through preparation, implementation, and evaluation have been completed through collaboration between the counterpart officials in the MPI and JICA experts.</p>
7 Assist the MPI in conducting OJT for all the provinces and ministries.	<p>[Completed] The counterpart officials in the MPI implemented OJT with assistance from JICA experts and the local staff of the PCAP2 nationwide from March to May 2010.</p>
9 Assist the MPI with revising manual(s) and Handbook(s) based on feedback from the activities.	<p>[Completed] The counterpart officials in the MPI, working with JICA experts, improved the Manual and the handbooks based on the feedback of the training evaluation report of the training part III.</p>

(4) Sector Program Management

All the indicators related to sector program management have been achieved by the completion of the PCAP2. Details of the achievement are shown in the following table.

Table 10: Achievements of Sector Program Management

Indicators	Achievements										
4-2 The Program Manual is upgraded, approved, and distributed to all government personnel related to PIP management.	The Program Manual was revised by including cases of program tools and challenges on sector program management.										
4-3 More than 20 MPI officials and more than 5 planning department officials in each province, ministry, and other relevant government organization are capable of managing the PIP in accordance with the Manual and handbooks that are newly developed or upgraded. The training of relevant provincial and district officials takes place.	<p>1) As of the end of January 2011, the training has been completed. The numbers of officials trained in the training programs are listed in the table below.</p> <p>2) The manual and training materials have been upgraded with this sub-component.</p> <p>3) The capabilities of the personnel that had received the training were evaluated to be sufficient by post-test and ex-post evaluation of the training.</p> <p>4) The personnel that had received TOT training implemented the other series of training for the officials of the provincial and district departments.</p> <p>Numbers of trainees through the training program 2010-2011</p> <table border="1"> <thead> <tr> <th>Training Program</th> <th>Number of officials trained</th> </tr> </thead> <tbody> <tr> <td>TOT for DPI</td> <td>103</td> </tr> <tr> <td>TOT for ministries</td> <td>35</td> </tr> <tr> <td>Project Owners in provinces</td> <td>811</td> </tr> <tr> <td>Total</td> <td>949</td> </tr> </tbody> </table>	Training Program	Number of officials trained	TOT for DPI	103	TOT for ministries	35	Project Owners in provinces	811	Total	949
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All the activities to achieve sector program management have been completed. The following table summarizes the record of the activities. The series of training in the second and third years focused on introducing case studies of the program tools in the three monitor provinces. The following fourth-year training emphasized provision of useful lessons in preparing for the next five-year development plan in the respective government organizations.

Table 11: Records of Activities

Activities	Records
1 Study the process of ODA national contribution budget management, district-level PIP management, and sector program management.	<p>[Completed]</p> <p>The five-year national development plan, the model sector development plan, the sector-wide development plan of the 3 monitor provinces, and the action plan of the national plan were analyzed to be structured.</p>
2 Verify the process and schedule of ODA national contribution budget management, district-level PIP management, and sector program management, in accordance with the annual budget formulation process and calendar, and starting with Oudomxay, Khammuan, and Saravan.	<p>[Completed]</p> <p>1) A preliminary study was implemented to specify a model sector.</p> <p>2) Structural analysis of the current 5-year development plans of the model sector in the 3 monitor provinces was implemented.</p> <p>3) Case study examples of the program tools of the model sector in the 3 monitor provinces were implemented.</p> <p>4) Issues regarding the development plans were identified by the analysis mentioned above.</p>
3 Upgrade the "Manual for PIP Project Management" and the "Manual for PIP Program Management" with a focus on ODA national contribution budget management, district-level PIP management, and sector program management.	<p>[Completed]</p> <p>1) Program tools and challenges were included in the Program Manual as a revision in the 2nd phase.</p> <p>2) The Manual was improved incorporating the results of the training evaluation from the 3rd phase.</p>

Activities	Records
Also, develop handbooks on these issues.	3) The handbooks were prepared in August 2010 of the 3 rd phase.
4 Produce and distribute the manual(s) and handbook(s) to all relevant organizations (Implement this activity with 2-4).	[Completed] 1) The Program Manual had been upgraded in the 2 nd phase, and improved after the training of the 3 rd phase. 2) The handbooks had been prepared and distributed in the 3 rd phase, and then they were upgraded and distributed after training of the 4 th phase.
5 Assist the MPI with developing the training curriculum and materials (Implement this activity together with 2-5).	[Completed] The training curriculum, training contents, and training guide have been developed through collaboration between counterpart officials of the MPI and JICA experts.
6 Assist the MPI with conducting training and workshops for all the provinces and ministries (Implement this activity together with 2-6).	[Completed] All the management processes of the training, i.e., preparation, implementation, and evaluation, have been shared by counterpart officials of the MPI and JICA experts.
7 Assist the MPI with conducting OJT for all the provinces and ministries (Implement this activity together with 2-7).	[Completed] Counterpart officials from the MPI implemented a series of OJT courses with JICA experts and local staff from March to May 2010.
8 Assist the MPI with conducting meta evaluations for PIP projects assessed and evaluated, and with the monitoring indicators in a sector program.	[Completed] Meta evaluations have been conducted every year since July 2010. The indicators monitored in the evaluations are used in the next year's training.
9 Assist the MPI with revising manual(s) and Handbook(s) based on the feedback from activities 4-6 and 4-7 (Implement this activity together with 2-9).	[Completed] Counterpart officials from the MPI improved the program manual with the assistance of JICA experts based on the feedback from the training evaluation study conducted during the 3 rd phase.

3.5 Joint Coordinating Committee Meetings and Seminars

The PCAP2 conducted two JCC meetings every year. The project also conducted a series of Mid-Term Seminars nationwide during the period of November-December 2009 to explain its progress. It plans to conduct the final seminar under the name "PCAP2 Wrap-Up Convention" on August 24th, 2011. The following two subchapters explain details of the JCC meetings and seminars.

(1) Joint Coordinating Committee Meetings

The PCAP2 has held six JCC meetings and plans to hold the seventh and final one on August 24th, 2011. The following are the contents of each meeting held as well as the plan for the final meeting.

< First JCC Meeting >

Date: May 21 st , 2008
Place: International Cooperation Training Center, Vientiane Capital
Attendees: 37 people including the following:

<p>Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI Mr. Vixay XAOVANNA, Director General of MPI-DOE Mr. Koichi TAKEI, Deputy Resident Representative of JICA Laos Office PCAP2 members from MPI-DOE, MPI-DOP, and MPI-DIC Representatives from Oudomxay, Khammuan, and Saravan Provinces</p>
<p>Contents of the Meeting:</p> <ul style="list-style-type: none"> • Opening Remarks by Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI and PCAP2 Project Director • Presentation of PCAP1 Outcomes and PCAP2 Contents by Mr. Ouneheuane CHITTAPHONG, Deputy Director General of MPI-DOP • Introduction of First Year Operation Plan by Mr. Phoukhong BAHNAVONG, Deputy Director General of MPI-DOE • Q&A Session hosted by Mr. Vixay XAOVANNA, DG of MPI-DOE • Speech by Mr. Koichi TAKEI, Deputy Resident Representative of JICA Laos Office
<p>Conclusion and Follow-Up:</p> <ul style="list-style-type: none"> • Consensus on the PCAP2 contents and activities. • A Kick-Off Meeting inviting representatives from ministries and donors was held in the morning session.

< Second JCC Meeting >

<p>Date: March 10th, 2009</p>
<p>Place: MPI 1st Floor Meeting Room</p>
<p>Attendees: 37 people including the following: Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI Mr. Vixay XAOVANNA, Director General of MPI-DOE Mr. Koichi TAKEI, Deputy Resident Representative of JICA Laos Office PCAP2 members and counterpart staff from MPI-DOE, MPI-DOP, and MPI-DIC Representative of the Embassy of Japan as an observer</p>
<p>Contents of the Meeting:</p> <ul style="list-style-type: none"> • Opening Remarks by Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI and PCAP2 Project Director • Nationwide PIP Management Training and OJT Results, by Mr. Phetamphone HOUAMBOUN, MPI-DOE • Progress in Development of New Process and Methods for PIP Management, by Mr. Ichiro OKUMURA, Chief Advisor of PCAP2 • Upcoming Activities and Draft Contents of Manual & Handbooks, by Mr. Vixay XAOVANNA, Director General of MPI-DOE • Proposal on the Overall Goal Indicators and its Baseline, by Mr. Ichiro OKUMURA • Q&A Session hosted by Dr. Bountavy SISOUPHANTHONG • Speech by Mr. Koichi TAKEI, Deputy Resident Representative of JICA Laos Office • Handover of JICA mini-bus • Closing Remarks by Dr. Bountavy SISOUPHANTHONG
<p>Conclusion and Follow-Up:</p> <ul style="list-style-type: none"> • Consensus on the PCAP2 contents and activities. • The JICA mini-bus was presented to MPI for usage in PIP Management Training in Provinces.

< Third JCC Meeting >

Date: August 31 st , 2009
Place: NOVOTEL Meeting Room
Attendees: 37 people including the following: Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI Mr. Vixay XAOVANNA, Director General of MPI-DOE Mr. Hiroaki TAKASHIMA, Resident Representative of JICA Laos Office PCAP2 members and counterpart staff from MPI-DOE, MPI-DOP, and MPI-DIC Representative from the Embassy of Japan, as an observer
Contents of the Meeting: <ul style="list-style-type: none"> • Opening Remarks by Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI and PCAP2 Project Director • Presentation of New Manuals and Handbooks, by Mr. Ichiro OKUMURA, Chief Advisor, PCAP2 • Presentation of the Second Nationwide PIP Management Training, by Mr. Vixay XAOVANNA, Director General of MPI-DOE • Speech by Mr. Hiroaki TAKASHIMA, Resident Representative of JICA Laos Office • Closing Remarks by Dr. Bounthavy SISOUPHANTHONG
Conclusion and Follow-Up: <ul style="list-style-type: none"> • Consensus on the PCAP2 manuals and direction of handbooks, along with the plans for the Second Nationwide PIP Management Training. • Dr. Bounthavy announced during his opening and closing comments that PCAP2 activities and results were confirmed and approved. He congratulated the MPI-PCAP2 team for completing the Manuals that incorporates new and upgraded methods and tools that will further improve PIP management in the future. He also observed the training evaluation results and instructed continuation of the training cycle towards its new nationwide training series, which was to begin in November 2009. • Mr. Takashima confirmed the approaches and activities conducted jointly by PCAP2 and MPI, and expressed his appreciation of MPI for its efforts in successfully completing the nationwide training during the 2008/2009 PIP budget preparation period. He expects that the draft manual along with the new training series will further help staff in provinces and ministries for better PIP management. He agreed with PCAP2's and MPI's approach in trying to involve the Department of Organization and Personnel (MPI-DoOP), in seeking further sustainability and strengthening of staff capacity in PIP management. • No major comments or questions were raised from the attendees, and the meeting ended as planned at 10:30 a.m.

< Fourth JCC Meeting >

Date: March 31 st , 2010
Place: Lao Plaza Hotel Meeting Room
Attendees: 41 people including the following: Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI Mr. Vixay XAOVANNA, Director General of MPI-DOE Mr. Masato TOGAWA, Chief Representative of JICA Laos Office Representative from the Ministry of Finance PCAP2 members and counterpart staff from MPI-DOE, MPI-DOP, and MPI-DIC
Contents of the Meeting: <ul style="list-style-type: none"> • Opening Remarks by Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI and PCAP2 Project

<p>Director</p> <ul style="list-style-type: none"> • Presentation of the new Public Investment Law, by Mr. Phoukhong BANNAVONG, Deputy Director of MPI-DOE • Presentation of the results of the Second Nationwide PIP Management Training, by Mr. Vixay XAOVANNA, Director General of MPI-DOE • Presentation of results of the PIP Financial Management Training, by Mr. Ounheuang CHITTAPHONG, Deputy Director of MPI-DOP • Presentation of the development ODA national contribution budget management methods, by Mr. Khamphay VILAYHONG, Deputy Head of Aid Effectiveness Division, MPI-DIC • Presentation of the Mid-Term Review and upcoming events for April-August 2010, by Mr. Ichiro Okumura, Chief Advisor of PCAP2 • Speech by Mr. Masato TOGAWA, Chief Representative of JICA Laos Office • Closing Remarks by Mr. Vixay XAOVANNA
<p>Conclusion and Follow-Up:</p> <ul style="list-style-type: none"> • Shared results on the series of training, methods of ODA national contribution budget management, and the activity plan for April-August 2010. • Dr. Bounthavy, while sharing success of the promulgation of the Public Investment Law, stressed the importance of its enforcement, and expects that MPI and PCAP2 will jointly strive in dissemination, and also stressed processes and methods that support its implementation. He concluded by congratulating MPI's hard work during the series of training, and expressed his appreciation of the JICA Laos Office and the PCAP2 members for their strong support. • Mr. Togawa confirmed the approaches and activities conducted jointly by PCAP2 and MPI, and expressed his appreciation of MPI for its dedication to the Project. He believed that the Public Investment Law will further help to realize better PIP management, and at its point, PCAP2 will continue to provide support for enhancing capacity of PIP management in Laos. • In the closing remarks, Mr. Vixay XAOVANNA confirmed the results and upcoming activities for PCAP2. While congratulating the efforts of MPI staff and PCAP2, he urged further enhancing the efforts for PIP management. • The meeting ended at 11:30 a.m.

< Fifth JCC Meeting >

Date: August 26 th , 2010
Place: International Cooperation Training Center (ICTC)
<p>Attendees: including the following:</p> <p>Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI</p> <p>Mr. Bounpone SISOULATH, Director General of MPI-DOE</p> <p>Mr. Yoshiharu YONEYAMA, Senior Representative of JICA Laos Office</p> <p>Representative from the Ministry of Finance</p> <p>Ms. Akemi ISHIKAWA from the Embassy of Japan</p> <p>PCAP2 members and counterpart staff from MPI-DOE, MPI-DOP and MPI-DIC</p>
<p>Contents of the Meeting:</p> <ul style="list-style-type: none"> • Opening Remarks by Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI and PCAP2 Project Director • Presentation of the results for PCAP2 third year (October 2009 to August 2010) by Mr. Bounpone SISOULATH, Director General of MPI-DOE and PCAP2 Project Manager • Presentation of the Meta-Evaluation 2010 results by Mr. Lamphanh PHANHPHOMSANA, Head of Division

<p>of Economic Sector</p> <ul style="list-style-type: none"> • Presentation of the new manuals and handbooks by Mr. Vilaphanh DOUANGTHONGKHAM, Deputy Head of Division of Administration and General Affairs • Presentation of the Activity Plans for PCAP2 fourth year (October 2010 to August 2011), by Mr. Bounpone SISOULATH • Presentation of the expected PCAP2 outputs, by Mr. Ichiro Okumura, Chief Advisor of PCAP2 • Presentation of the further steps in improving PIP management, by Mr. Bounpone SISOULATH • Speech by Mr. Yoshiharu YONEYAMA, Senior Representative of JICA Laos Office • Closing Remarks by Mr. Bounpone SISOULATH
<p>Conclusion and Follow-Up:</p> <ul style="list-style-type: none"> • Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI, commented in his opening remarks that the current implementation of the Project is smooth, and outputs such as training and manuals are seen as having high quality. He strongly requested MPI officials and the Project to make the best use of these outputs, and ensure that true effectiveness and efficiency can be seen in PIP in the coming years. He also instructed MPI officials and the Project to ensure development of a sustainable system, so that PIP will become the key achievement means of the NSEDP targets. • Mr. Bounpone SISOULATH, Director General of MPI-DOE, commented during his presentation that further improvements are to be developed and disseminated in the form of new procedures and methods in the coming steps, such as human resource development, formulation of a mid-term PIP plan, development of project completion and handover procedures, and a comprehensive ODA project management method. He has reported that MPI is requesting JICA technical cooperation through formal government procedures. • Mr. Yoshiharu YONEYAMA, Senior Representative of JICA Laos Office, congratulated the joint efforts by MPI and PCAP2, with excellent leadership from the new Project Manager. He commented on the challenges for the PCAP2 final year through the 2011/12 PIP budget formulation process, along with the appropriate implementation of the Seventh NSEDP 2011-2015. • Some participants commented that it is necessary to provide further opportunities to exchange project experience among the provinces and government organizations, along with a sustainable system, including a human resource development approach. There was a request that the Project should consider conducting third-country training to some neighboring country, since the training planned this year was cancelled. There was another request for more opportunities to visit project sites, since during PCAP2 most opportunities were to visit provincial capitals for training. • The JCC Meeting was closed by Mr. Bounpone SISOULATH at 5:00 p.m.

< Sixth JCC Meeting >

Date/time: March 25 th , 2011, 2:00 p.m. to 4:00 p.m.
Place: MPI Meeting Room
<p>Attendees: including the following:</p> <p>Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI</p> <p>Mr. Bounpone SISOULATH, Director General of MPI-DOE</p> <p>Mr. Masato TOGAWA, Chief Representative of JICA Laos Office</p> <p>Representative from the Ministry of Finance</p> <p>Ms. Akiko TOMITA from the Embassy of Japan</p> <p>PCAP2 members and counterpart staff from MPI-DOE, MPI-DOP, and MPI-DIC</p>
<p>Contents of the Meeting:</p> <ul style="list-style-type: none"> • Opening Remarks by Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI and PCAP2 Project Director

<ul style="list-style-type: none"> ● Presentation of the results of the Nationwide Training 2010/11 (training part III) by Ms. Somphath SOUVANNAVONG, Head of Social Division, MPI-DOE ● Presentation of the remaining activities and the expected achievement levels of the outputs and the Project Purpose toward completion of the PCAP2 by Mr. Ichiro Okumura, Chief Advisor of PCAP2 ● Presentation of the further steps in improving PIP management, by Mr. Bounpone SISOULATH ● Speech by Mr. Masato TOGAWA, Chief Representative of JICA Laos Office ● Closing Remarks by Mr. Bounpone SISOULATH
<p>Conclusion and Follow-Up:</p> <ul style="list-style-type: none"> ● Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI, expressed his appreciation for the great achievement of PCAP2 in his opening remarks. He also expressed high anticipation for further development of PIP management through the future JICA cooperation project that has been requested by the Lao Government. ● Mr. Bounpone SISOULATH, Director General of MPI-DOE, commented during his presentation on the idea of further steps for improving PIP Management. He mentioned that the development cycle must link to the NSEDP 5-Year Plan and SEDPs to ensure full effectiveness, and mid-term financial stability aligned with development strategy is needed to ensure efficiency. He presented the idea and expectations of an extended JICA technical cooperation project. ● Prior to his speech, Mr. Masato TOGAWA, Chief Representative of the JICA Laos Office, thanked the attendees for their donations and words of sorrow for the earthquake in Japan. He praised the achievements of PCAP2, such as disseminating PIP financial management to the DPI officials, nationwide training and OJT program, enforcing the Public Investment Law in 2009, and promoting the Prime Minister Decree for implementation. He also expressed higher expectations for continuous and close cooperation between MPI and JICA towards the end of the project. ● There were many comments from the floor, most of them related to the specific needs in PIP management as components of the potential extended technical cooperation project. There were many requests related to district and village level PIP management, requiring more training to district levels to utilize knowledge, tools, and manuals of PIP management, and giving them ownership. There was also a request to improve data collection in districts, for better evaluation. ● The JCC meeting was closed by Mr. Bounpone SISOULATH at 4:00 p.m.

< Seventh JCC Meeting (plan)>

Date/time: August 24 th , 2011, 9:00 a.m. to 12:00 p.m.
Place: International Cooperation and Training Center
<p>Expected Attendees: including the following:</p> <p>Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI</p> <p>Mr. Masato TOGAWA, Chief Representative of JICA Laos Office</p> <p>Representative from the Ministry of Finance</p> <p>Representative from the Embassy of Japan as an advisor</p> <p>PCAP2 members and counterpart staff from MPI-DOE, MPI-DOP, and MPI-DIC</p>
<p>Expected Contents of the Meeting:</p> <ul style="list-style-type: none"> ● Opening Remarks by Dr. Bounthavy SISOUPHANTHONG, Vice Minister of MPI and PCAP2 Project Director ● Presentation of the achievements of PCAP1 through to PCAP2, including the PCAP2 terminal evaluation results. ● Sharing session of recommendations and lessons learned. ● Sharing information on the preparation of the next possible technical cooperation phase

(2) PCAP2 Mid-Term Seminar

The objective of the PCAP2 Mid-Term Seminars was to share common views on the progress of PIP management in terms on legal framework and upgraded processes/methods developed by the PCAP2 at that time. Onward activity plans were also introduced as part of schemes for further improvement in PIP management. Half-day seminar sessions were conducted on the first day of the Nationwide Training 2009/10 in each province. Contents were as follows:

- Introduce the newly approved Public Investment Law.
- Introduce the new methods and tools developed by the PCAP2.
- Request for application of the Law and the PCAP2 methods/tools.
- Announce the PCAP2 ongoing activities along with the training schedule.

The seminars were hosted by representatives from the MPI. High-ranking officials in each of the provinces were invited to ensure that all levels understand the current situation of PIP management.

(3) PCAP2 Wrap-Up Convention (plan)

To confirm and appreciate the positive steps taken in the field of improving PIP management among government organizations, the MPI and the PCAP2 plan to jointly host the PCAP2 Wrap-Up Convention on August 24th, 2011. The objectives of the PCAP2 Wrap-Up Convention are to:

- ✧ Share the progress of improved PIP management among related government organizations;
- ✧ Obtain feedback on PIP management methods from government organizations for further improvement and follow-up;
- ✧ Introduce further steps of improving and diffusing PIP management methods nationwide; and
- ✧ Introduce the roles of the MPI as the key organization for continuous dedication to better PIP management.

Here are the main contents of the program.

Presentation of the activities and achievements from the PCAP1 to the PCAP2: The Chief Advisor of the PCAP2 explains the activities conducted during the projects, along with their achievements. Visual presentations (videos and interviews) created during the two projects will also be shown.

Feedback from guests on PIP management: A brief feedback session will be held by asking comments from provinces and government organizations. The MPI side will request some representatives for comments in advance.

Presentation of future visions towards yet better PIP management: A representative from the MPI will give a presentation on the future vision on PIP management, including its sustainability measures and the potential approaches for the next phase.

Certification of PIP management achievements: The MPI and the PCAP2 will jointly present certificates and mementoes to representatives of provinces and government organizations for the achievement of improved PIP management.

4. Achievement of the Project Purpose

The achievement of the Project Purpose was determined through the performance of the MPI, DPIs, government organization planning departments, and Projects Owners, in view of the levels of accomplishing their roles in the preparation of the annual PIP budget for fiscal year 2011-2012.

Among the five indicators of the Project Purpose, one indicator showed clear achievement while the other four were partially achieved. As seen in the previous section, many of the outputs have been achieved. This implies that the designed indicators to measure the degree of achievement of the Project Purpose in the PDM were strict. This is due to the point that the Project Purpose expectations were of the same level that the MPI has to ideally achieve as its mandate. Although some external assumptions were taken into consideration, the assumptions to achieve the mandate of the MPI were more complicated and diverse than originally expected. Therefore, considering the high achievement levels of the outputs, it can be said that the project has contributed to an acceptable level of achievement of the Project Purpose.

The following shows the achievement levels of each indicator:

[Objectively Verifiable Indicator 1]					
The number of domestically funded PIP projects and the counterpart fund portion of ODA projects, that are assessed, monitored, and evaluated within the annual budget ceiling with a specific budget execution schedule, increase to 100% by the end of the project.					
[Achievement level]					
The PCAP2 has developed a standard annual PIP budget procedure, which was disseminated nationwide through manuals, handbooks, and training sessions. As a result, the ratio of PIP projects that were processed through this standard procedure within the designated deadline in the 2011/12 PIP budget reached just over 60%. This means that the expected target was not achieved, although the target itself required high expectations. The following indicates the reports submitted and assessment conducted in the provinces.					
Projects on PIP List	Reports Submitted by		Projects Assessed by DPI		
	PO	% vs. PIP List		% vs. PIP List	% vs. Reports
3,845	2,856	74.3%	2,228	60.7% ⁶	83.1% ⁷
This shows that as compared with the number of projects on the PIP List, the ratio of projects submitting required reports totaled 74%, and the ratio of projects assessed was 60.7%. Since the assessment ratio as compared with the number of submitted reports totaled 83.1%, it can be said that one of the main reasons for non-achievement					

⁶ The ratio excludes the number of reports that are not required to conduct project assessment.

⁷ The ratio excludes the number of reports that are not required to conduct project assessment.

was the low submission rate of reports by POs.

[Objectively Verifiable Indicator 2]

Reporting of every domestically funded PIP project at each stage (planning, appraisal, monitoring, and evaluation) is improved.

[Achievement level]

Meta evaluation studies were conducted by the MPI and the PCAP2 after the annual PIP budget request procedure for 2010/11 and 2011/12. As a result, it was clear that since the introduction of the formats developed by the PCAP2, the quality of reports and assessments for PIP projects has improved. Therefore, it is clear that this indicator was fully achieved.

[Objectively Verifiable Indicator 3]

The MPI and DPIs set and implement budget ceilings at both the central and provincial levels together with the Ministry of Finance and the provincial Department of Finance.

[Achievement level]

The PIP budget norm, indicating the allocation amount for provinces and sectors, along with the ratio of debt repayment, was fixed for the annual PIP budget 2011/2012. The said PIP budget norm concept is indicated in the Public Investment Law, and the specific formula is expected to be incorporated in the implementation decree. However, since the final results of whether the budget norm was accurately utilized in the PIP budget 2011/2012 are not clear, and since the implementation decree itself is not yet approved, the achievement level of this indicator is partial.

[Objectively Verifiable Indicator 4]

The amount and ratio of debts in the annual PIP budget decrease.

[Achievement level]

The project calculated the due amount and the payment duration of the PIP budget, and suggested reducing both amounts to avoid increase of debts. Although these approaches and suggestions were appreciated, the provinces and government organizations were not able to reduce debt in the final year; therefore, the indicator was not achieved.

According to the changes in both figures from 2006/2007 to 2010/2011, although the tendency showed positive decrease until 2009/10, fiscal year 2010/11 did not show a decrease, but rather turned back to increase. This was largely due to fiscal year 2010/2011 being the first year of the new 2010-2015 five-year plan where new development projects were planned and implemented for its kick-off. Considering this point, further development may have been prioritized over financial stability in the first year of the five-year plan, but there are potentials for future consideration of financial stability when the development plan implementation is underway.

In million kip (due amount) / years (payment duration)

		2006/07	2007/08	2008/09	2009/10	2010/11
Provinces	Due amount	2,890	4,516	5,364	1,077	566
	Payment duration	11.92 yrs	14.87 yrs	14.59 yrs	13.58 yrs	14.44 yrs
Ministries	Due amount	1,643	1,453	1,734	2,014	3,963
	Payment duration	12.05 yrs	7.55 yrs	8.16 yrs	7.95 yrs	19.98 yrs

[Objectively Verifiable Indicator 5]

MPI, together with sector ministries, develops sector programs with specific annual, regional targets and the distribution of domestically-funded PIP projects and ODA projects.

[Achievement level]

The PCAP2 has developed a sector program management approach for the selection of appropriate PIP projects at the provincial level. Provincial sector departments are beginning to utilize the tools as the criteria in the comparative assessment of PIP projects. However, it is not yet known to what extent the approach has been adopted. Therefore, the indicator has been only partially achieved.

Overall, since the four outputs have all progressed smoothly, and have achieved most of their targets, the PCAP2 has progressed towards achieving the Project Purpose, i.e., ***MPI and the DPI process PIP projects through a new assessment procedure introduced by the Project within a strict budget ceiling, and the conducting of monitoring and evaluation***, although the achievement has not reached the fullest extent possible.

5. Results of the Terminal Evaluation Studies

The PCAP2 received the JICA terminal evaluation study mission from June 19th to July 2nd, 2011. The mission investigated and verified the PCAP PDM. Then, the mission evaluated the project at its completion point from the DAC five evaluation criteria. In addition, they verified the implementation process of the project. When they completed their study, they provided a report including recommendations and lessons learned from the project, and JICA and the MPI signed M/M for the accomplishment of the study. The following are the evaluation results by evaluation criteria, along with recommendations and lessons learned provided by the mission.

Evaluation Criteria	Evaluation Results
Relevance	<ul style="list-style-type: none"> • Relevance to Laos NSEDP targets. • PCAP meets the needs of CPI and the monitor organizations. • PCAP is relevant to Japanese ODA policy and program. • JICA has an advantage in assisting with other countries in the governance field.
Effectiveness	<ul style="list-style-type: none"> • The Project Purpose will be achieved at an acceptable level. • Outputs of the Project have contributed to the achievement of the Project Purpose to some extent. • Some factors have promoted the achievement of the Project Purpose.
Efficiency	<ul style="list-style-type: none"> • The Japanese Experts have fully dedicated themselves to the Project. • C/Ps has been appropriate, as their capability is good enough to conduct activities. • Laotian experts appointed by the Project played an important role in building a good relationship between Japanese Experts and C/Ps. • The results of the third country training were utilized for the Project. • The four outputs have been achieved mostly as planned. The degree of achievement of the outputs is high enough in proportion to the Project Inputs.
Impact	<ul style="list-style-type: none"> • With the introduction of the standard PIP project assessment procedure, the transparency of the selection of the project has increased. • The SPIS form has been incorporated into the ODA database. • The Project has contributed to another JICA Project and to JOCV activities. • The human resources of MPI and DPI efficiently manage other donors' projects.
Sustainability	<ul style="list-style-type: none"> • The standard PIP management process has not been fully adopted by some government agencies, especially in line ministries. • The policy and institutional sustainability, and technical sustainability are sufficient. • Budget sustainability is yet to be improved.
<p>< Recommendations ></p> <p>(3) During the Project</p> <ul style="list-style-type: none"> • The Implementation Decree of the Public Investment Law should be approved and issued ASAP. • Further dissemination of PIP Management Manuals and Handbooks to Ministries and Provinces must be continued. • It is important to monitor and obtain feedback on PIP Management tools from Ministries and Provincial DPI for further improvement of PIP management. 	

- The PCAP2 Project Management Committee of the MPI should consider further action to sustain activities of the Project for improvement.

(4) After completion of the Project

- The MPI should continue to provide training to Ministries and Provincial DPI. The MPI should also facilitate DPI training of POs and district officials. Necessary financial arrangement should be considered to sustain PIP management training.
- Further improvement of the district-level PIP management method is needed.
- Further improvement of PIP financial management is needed.
- The linkage with PIP budget and recurrent budget should be strengthened.
- Further integration of SPIS and ODA database is expected.

<Lessons Learned>

- Contribution to the improvement of PIP management based on the existing government regulation is effective.
- A large number of MPI personnel formed an effective task team from different departments actively involved in the Project.
- Combination of training and OJT enhanced their capacity effectively.
- Active involvement and continuous commitment from key personnel of the MPI led to the effective implementation of the Project.

6. Recommendations by Project Experts

JICA's technical cooperation through the PCAP1 to the PCAP2 in the area of PIP management has certainly been effective in improving the process, methods, and tools, as well as in developing the capacity of government officials who have related duties. The PCAP1 successfully introduced the basic concept of PIP management in the context of the GoL, and further clarified the roles of the MPI and DPIs. The PCAP2 contributed in institutionalizing the PIP management concept and diffusing it nationwide, government-wide. Both projects were considered successful for the GoL independently, and as a comprehensive scheme.

The Japanese experts involved in the PCAP2 share in the success, and provide the following recommendations for continuous development in the area of PIP management along with the capacity of officials involved.

(1) Approval and diffusion of the Implementation Decree

After the successful enactment of the Public Investment Law, the MPI began its tasks on the development and approval of its implementation decree. However, the decree was not materialized by the completion of the PCAP2. Urgent approval of the decree is needed, so that specific guidance in PIP management can be further provided. It is also strongly requested that the development of the implementation decree take careful steps in following the spirit of the Public Investment Law, as well as the procedures and methodologies that have already been materialized through manuals and handbooks.

(2) Continuous PIP management guidance from the MPI to related organizations

The PCAP1 and the PCAP2 have continuously provided training sessions that were set at the beginning of the procedures for preparing the annual PIP budget, with the intention of providing updated knowledge and information, and sharing the preparation steps with all organizations involved in the preparation process. As mentioned in the PCAP2 terminal evaluation study, sustainability of these approaches is vital for the MPI to maintain its tasks, as they are the central organization to provide guidance in the area of PIP management. The means of maintaining guiding roles are to provide continuous training sessions in the most efficient way. Training budget constraints would always become an issue when attempting to conduct such annual training sessions, but utmost efforts to secure such budget under the limited budget resources is a vital task for maintaining this role.

(3) Further improvement of the PIP budget allocation announcement

Clarifying the methods of PIP budget allocation has always been a difficult issue, due to the evolving economy and the change of development policy to adjust to its growth. However, certain steps were taken in these few years that clarified the allocation of PIP budget to provinces and organizations concerned.

However, although the allocation methods were discussed continuously, the measures to inform such allocation at the appropriate timing were comparatively untouched. Since the announcement of the PIP budget allocation is very late in the annual process, the provinces and organizations that request the annual PIP budget submits its PIP list without knowing their budget ceiling. For this reason, budget negotiations among the MPI and organizations are very troublesome, and this is the ultimate reason for the delay in the preparation of the budget in its final stages. Therefore, it is strongly recommended that the estimated budget allocations be announced to related organizations in the early stages of the annual PIP budget process.

Since the comprehensive budget ceiling is decided among the MPI and the Ministry of Finance, further communication channels among the two parties are essential. Sharing the process of each ministry and finding out an accurate estimated PIP budget allocation at the early stages in the annual PIP budget preparation is essential.

(4) Further improvement of PIP financial management

The PCAP2 has provided methods and tools that contributed toward acknowledging the current status in the PIP financial management for organizations concerned. Realization of the current financial status through concepts such as “due amount” and “payment duration” is gradually becoming common. However, the organizations still face the dilemma of whether they should place priority on development or financial stability. The common concept in the past was to continue development, which as a result sacrificed financial stability and increased debt. However, they must now face financial stability, but still not tone down development.

Continuous discussions among the MPI and related organizations to find the appropriate balance between these two competing issues must be continued, to ensure that “healthy” development can be assured while gradually reducing debt. Both factors cannot be solved within a single year, so they may involve estimations and simulations in multiple years. Therefore, in order to face this contradiction, a mid-term PIP budget planning concept along with financial stability measures is essential.

(5) Further improvement in district-level PIP management

The GoL is now considering a clarification in the demarcation of roles in districts and provinces. Based on this decision, further steps to adjust PIP management process based on the new demarcation must be considered. Based on a new process, methods and tools must be developed.

Furthermore, a comprehensive scheme to diffuse the new district-level PIP management nationwide must be planned well and implemented. Therefore, a capacity development structure based on the new demarcation should be considered. With the comprehensive guidance of the MPI, provincial levels take the important role of directly providing on-site guidance to district levels.

(6) Further improvement in ODA project management

Currently, MPI-DIC has been developing the ODA database system under a technical assistance scheme of UNDP. In the official meeting between the Ministry of Finance and the MPI members with the UNDP consultant in May 2010, it was agreed that the SPIS workflow should be adopted for collecting ODA information. The system interface of the database was designed based on SPIS format structure. The workflow of SPIS submission has been developed under the purpose of a) supporting the budget application process for ODA counterpart fund, and b) collecting information for the preparation of the ODA Annual Report by MPI-DIC. In this context, this coordination between the system and the SPIS workflow is consistent with the purpose b) mentioned above. In order to make effective use of the SPIS in the ODA database, the Japanese expert team recommends the following.

1) Thoroughly informing the target project of SPIS workflow

According to the abovementioned purpose a), submission of completed SPIS formats is required specifically for ODA projects that require counterpart fund, and they must be further considered in the comparative assessment workshop. Meanwhile, the abovementioned purpose b) needs all ODA projects including those not requesting for ODA counterpart funds to submit completed SPIS formats. Therefore, the MPI should well instruct all the related parties managing ODA projects that they must submit completed SPIS formats of all the ODA projects.

2) Selection of information to be collected through SPIS

The SPIS format has been developed based on analysis of the ODA Annual Reports up to 2009, and is designed so that essential information can be obtained to prepare for future annual reports. Moreover, SPIS incorporates countermeasures to the problems faced by other, similar

formats that required too much information, resulting in difficulties in collection. In this regard, SPIS must avoid returning to a complex format by requesting too much information.

(7) Further improvement in program management

Sector program examples introduced in the PCAP2 Program Manual are consistent with NSEDP 2006-2010 that had been valid during its preparation period. However, the officials who had received training are already capable of formulating sector programs in the following years. It is desirable that the MPI and related parties to PIP management in the GoL make practical use of the manual and start formulating new sector programs in their respective sectors.

[Appendices]

Appendix 1

PCAP2 Project Design Matrix (PDM)

Appendix 2

Expert Schedule from First Year to Fourth Year

Appendix 3

Plan of Operation

Appendix 4

PCAP2 Top Management Convention Concept Paper

Project for Enhancing Capacity of Public Investment Program (PIP) Management (PCAP II), Lao PDR : Project Design Matrix (PDM)

Project Title: Laos, Project for Enhancing Capacity of PIP Management (PCAP II)
Project Period: 01/2008-07/2011 (3 years and 6 months)

Target Group : MPI-DOP/DOE/DIC, DPI, the planning department of all the ministries
Target Area : All the provinces of Laos

Version : 2.0
Date : February 2010

Narrative Summary	Objectively Verified Indicators	Means of Verification	Important Assumptions
<p><Overall Goals></p> <p>Sector ministries and provincial sector departments effectively and efficiently implement PIP projects on schedule and in accordance with planned budget execution under an upgraded sector program.</p>	<p>1. Increased number and ratio of domestically funded PIP projects and ODA projects that are completed as initially scheduled.</p> <p>2. The number and ratio of domestically funded PIP projects and ODA projects that are poorly or not maintained after completion decrease.</p> <p>3. The number and ratio of domestically funded PIP projects and ODA projects that are underutilized decrease.</p> <p>4. Target indicators in each sector program will improve</p>	<p>1. Annual monitoring by the project, DOP and/or DOE</p> <p>2. Annual monitoring by the project, DOP and/or DOE</p> <p>3. Annual monitoring by the project, DOP and/or DOE</p> <p>4. Sector program evaluation</p>	<p>•NGPRS, NSEDP and the 2020 goal continue to be the national strategy.</p>
<p><Project Purpose></p> <p>MPI and DPI process PIP projects through a new assessment, monitoring and evaluation procedure within strict budget ceiling and submit them to National Assembly for approval.</p>	<p>1. The number 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, increases to 100% by the end of the project.</p> <p>2. Reports of every domestically funded PIP projects at each stage (planning / appraisal, monitoring, evaluation) is improved.</p> <p>3. MPI and DPI set and implement budget ceiling at both central and provincial level together with MOF and DOF.</p> <p>4. The amount and ratio of debts in annual PIP budgets decrease.</p> <p>5. MPI together with sector ministries develop sector programs with specific annual, regional targets and the distribution of domestically funded PIP projects and ODA projects.</p>	<p>1. Annual monitoring by the project, MPI, MOF, DPI and/or DOF</p> <p>2. Meta-evaluation reports on the performance of each province and ministry</p> <p>3. Annual monitoring by the project, MPI, MOF, DPI and/or DOF</p> <p>4. Annual monitoring by the project, MPI and/or DOE</p> <p>5. Sector programs</p>	<p>•The current structure and procedure of PIP including ODA projects would not change drastically.</p> <p>•No major political accident such as sudden change of National Assembly schedule, which significantly affects the annual budget formulation process, will not occur.</p>
<p><Outputs></p> <p>1. DPI officials of all the provinces and planning department officials of all the ministries and other relevant organizations attain basic and overall PIP management knowledge and skills.</p>	<p>1-1 More than 5 DPI staffs in each province are capable of managing PIP projects in accordance with existing manuals and handbooks.</p> <p>1-2. More than 5 planning department officials in each ministry or other relevant government organizations are capable of managing PIP in accordance with existing manuals and handbooks.</p>	<p>1-1 Staff Performance Chart (to be created by the project)</p> <p>1-2 Staff Performance Chart (to be created by the project)</p>	<p>•Sector ministries and DPI are willing to cooperate for this Project.</p>
<p>2. Fiscal discipline is introduced and institutionalized in PIP management.</p>	<p>2-1 "Manual for PIP Project Management" and handbooks are upgraded or developed so as to cover PIP budget planning and management. The manual and handbooks are approved and distributed to all relevant government personnel.</p> <p>2-2 More than 20 MPI officials and more than 5 planning department officials in each province, ministry and other relevant government organizations are capable of both managing PIP in accordance with manuals and handbooks that are developed or upgraded and training relevant provincial and district officials.</p> <p>2-3 MPI and DPI develop and establish the process of estimating budget estimate, limiting the amount of domestically funded PIP projects and ODA projects within annual budget ceiling, and planning budget execution schedule according to the estimate and ceiling.</p>	<p>2-1 Distribution list of manuals and handbook, managed by the project</p> <p>2-2 Staff Performance Chart (to be created by the project)</p> <p>2-3 Interviews with MPI, MOF, DPI and DOF. Documents on annual revenue estimate, budget ceiling, budget execution plan</p>	
<p>3. A legal framework of effective and efficient PIP management is developed and strengthened.</p>	<p>3-1. A PIP management law and relevant specific decrees have been drafted, submitted and approved by National Assembly.</p> <p>3-2 A PIP management law and relevant decrees specify responsible organizations and legal procedures of reviewing, changing, suspending, and discontinuing PIP projects including ODA projects, and penalizing relevant organizations and contractors.</p> <p>3-3 The PIP management law and relevant decrees authorize manuals and handbooks, which are developed and upgraded in the Project, are as a standard PIP management tool and disseminate nationwide.</p>	<p>3-1 Newly formulated PIP Management Law and relevant specific decrees</p> <p>3-2 Newly formulated PIP Management Law and relevant specific decrees</p> <p>3-3 Newly formulated PIP Management Law and relevant specific decrees</p>	
<p>4. MPI officials, DPI officials of all the provinces and planning department officials of all the ministries upgrade PIP management knowledge and skills of ODA counterpart fund management, district-level PIP management and sector program management.</p>	<p>4-1 "Manual for PIP Project Management" and handbooks are upgraded or developed so as to cover ODA counterpart fund management and District-level PIP management. The manual and handbooks are approved and distributed to all relevant government personnel.</p> <p>4-2 "Manual for PIP Program Management" is upgraded, approved and distributed to all government personnel related to PIP management.</p> <p>4-3 More than 20 MPI officials and More than 5 planning department officials in each province, ministry and other relevant government organizations are capable of both managing PIP in accordance with manuals and handbooks that are newly developed or upgraded and training relevant provincial and district officials..</p>	<p>4-1 Upgraded "Manual for PIP Project Management" and/or newly developed handbooks</p> <p>4-2 Distribution list of the manual managed by the project</p> <p>4-3 Staff Performance Chart (to be developed and managed by the project)</p>	<p>•Sector ministries and DPI are willing to cooperate for this Project.</p>

Annex1 PDM

<Activities>	<Inputs>		
	<JAPAN>	<LAOS>	
1.1 OJT towards MPI. 1.2 Evaluation of individual PIP project assessment, monitoring and evaluation results. 1.3 Feeding back OJT evaluation results to the three PCAP monitor provinces. 1.4 Developing the next year's training curriculum. 1.5 Training of trainers. 1.6 Implementing the training part I for ministries and provinces. 1.7 OJT towards MPI, provinces and ministries. 1.8 Evaluation of individual PIP project assessment, monitoring and evaluation results. 1.9 Feeding back OJT evaluation results to the ministries and provinces. 1.10 Developing the next year's training curriculum. 1.11 Training of trainers. 1.12 Implementing the training part II for ministries and provinces. 1.13 OJT towards MPI, provinces and ministries. 1.14 Evaluation of individual PIP project assessment, monitoring and evaluation results. 1.15 Feeding back OJT evaluation results towards provinces and ministries. 1.16 Developing the next year's training curriculum. 1.17 Training of trainers. 1.18 Implementing the training part III towards ministries and provinces. 1.19 OJT towards MPI, provinces and ministries 1.20 Evaluation of individual PIP project assessment, monitoring and evaluation results. 1.21 Feeding back OJT evaluation results towards provinces and ministries.	<p style="text-align: center;">Experts : 1 Japanese and 1 Lao</p> Chief Advisor Project Management (Lao Local Consultant) <p style="text-align: center;">Experts : 4</p> Public Finance/Revenue and Budget Planning Public Accounting/Budget Execution Project and Program Management Training Development and Management <p style="text-align: center;">Other Personnel</p> Local Consultants (Laotian) Secretary and Administrative Staff (Laotian) Driver (Laotian) <p style="text-align: center;">Counterpart Training</p> Short term training in a third country (3 persons per year)	<p style="text-align: center;">Counterpart Personnel</p> •Project Director : Mr. Bounthavy SISOUPHANHTHONG (Vice Minister of MPI) •Project Manager: Mr. Bounpone SISOU LATH (Director-General of MPI-DOE) •Deputy Project Manager: 2 Mr. Ounheune CHITTAPHONG Deputy Director-General of MPI-DOP Mr. Houmphanh SOUKPRASITH Deputy Director-General of MPI-DIC •Core Counterpart Members	•Provinces are not defined as restricted areas (by Japan Government and / or JICA) •The bureaucracy of the Lao Government will not delay or prevent the activities and outputs of this Project.
2.1.1 Studies on current PIP budget allocation system. 2.1.2 Analysis of current issues in PIP budget allocation. 2.1.3 Develop revised standards and reflect into manuals and handbooks. 2.1.4 Develop training contents. 2.1.5 Training of trainers. 2.1.6 Validation of revised standards. 2.1.7 Validation of training. 2.2.1 Studies of current PIP project disbursement and financial management. 2.2.2 Analysis of current issues in PIP budget disbursement. 2.2.3 Develop revised standards and reflect into manuals and handbooks. 2.2.4 Develop training contents. 2.2.5 Training of trainers. 2.2.6 Validation of revised standards. 2.2.7 Validation of training	<p style="text-align: center;">Equipment</p> Office supply and other necessary equipment, etc.	<p style="text-align: center;">Facility</p> Project Office Meeting Room Training Room <p style="text-align: center;">Local Cost</p> Government Staff Salaries Administration Cost (Basic Office Supply and Utilities) Training cost for formulating the budget for the 2009/10 and 2010/11 fiscal years Other necessary cost	<p style="text-align: center;">Pre-Conditions</p> •All the provinces, sector ministries, MOF and DOF are prepared to cooperate for the Project •The Project will not duplicate activities of other donors.
3.1 Advisory of Public Investment Law draft. 3.2 Third Country Training in Vietnam 3.3 Continuous advisory on current Public Investment Law drafting 3.4 Advisory on issuance of implementation decrees and/or regulations. 3.5 Monitoring of Public Investment Law enforcement.			
4.1.1 Studies on ODA current project management. 4.1.2 Analysis of current issues in ODA counterpart fund 4.1.3 Development of methods and their reflection in manuals and handbooks 4.1.4 Development of training contents 4.1.5 Training of trainers. 4.1.6 Validation of methods and training. 4.1.7 Third Country Training in Vietnam 4.1.8 Validation of methods 4.1.9 Validation of training 4.2.1 Study on workflow and capacity levels in District Planning and Statistics Office (DPSO) 4.2.2 Analysis on appropriate division of labour between DPI and DPSO 4.2.3 Development methods and tools and its reflection in manuals and handbooks 4.2.4 Development of training package and TOT contents 4.2.5 Training of trainers in MPI-DOE			

Annex1 PDM

4.2.6	Validation of procedure, methods, tools and training			
4.3.1	Review of Action Plan			
4.3.2	Preparation of pilot program drafting			
4.3.3	Drafting of pilot program			
4.3.4	Revision of the Program Manual			
4.3.5	Development of training contents			
4.3.6	Training of trainers			
4.3.7	Validation of methods and training			
4.3.8	Validation of methods and training			
4.3.9	Third Country Training in Vietnam			


PCAP2 JAPANESE EXPERT SCHEDULE (First Year)

Position	Name	First Year						M/M		
		2008						Laos	Japan	
		March	April	May	June	July	August			
Chief Advisor	Ichiro Okumura	3/28 ████████████████████	████████████████████	95	6/30 ████████████████████	████████████████████	8/1 ████████████████████	8/30 ████████████████████	4.17	0.00
Program Management	Hiroshi Osada	3/28 ████████████████████	4/29 ████████████████████	████████████████████	████████████████████	████████████████████	████████████████████	████████████████████	1.10	0.00
Financial Management/ Budget Planning	Atsushi Tokura	████████████████████	████████████████████	████████████████████	6/17 ████████████████████	7/16 ████████████████████	████████████████████	████████████████████	1.00	0.00
Public Accounting/ Budget Execution	Hirofumi Azeta	████████████████████	████████████████████	████████████████████	6/14 ████████████████████	7/31 ████████████████████	8/5 ████████████████████	8/31 ████████████████████	2.50	0.00
Meta Evaluation / Training Development	Tomoe Taira	3/28 ████████████████████	████████████████████	102	████████████████████	7/7 ████████████████████	████████████████████	████████████████████	3.40	0.00
Project Coordination	Kazumi Nakamura	████████████████████	4/19 ████████████████████	5/18 ████████████████████	████████████████████	████████████████████	8/1 ████████████████████	8/30 ████████████████████	(2.00)	0.00
Total M/M								12.17	0.00	

PCAP2 JAPANESE EXPERT SCHEDULE (Second Year)

Position	Name	SECOND YEAR											M/M	
		2008			2009								Laos	Japan
		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG		
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	0.00
				74	Self-Funding		136			Self-Funding	30	Self-Funding		
Program Management	Hiromi Osada	(10/24-12/22)			(1/28-2/26)					(6/2-7/1)			3.00	0.00
				60		30				30				
Financial Management/ Budget Planning	Atsushi Tokura				(1/11-2/9)			(4/20-6/18)					3.00	0.00
					30					60				
Public Accounting/ Budget Execution	Hirofumi Azeta		(11/16-2/16)				(3/15-4/4)	(5/9-6/13)					5.00	0.00
							21	36						
Meta Evaluation/Training Development	Tomoe Taira	(10/27-1/19)						(4/27-6/15)		(7/1-8/29)			6.50	0.00
								50			60			
Project Coordination	Kazumi Nakamura	(10/19-11/2)		(12/2-12/21)		(2/15-3/1)					(8/3-9/1)		(2.00)	0.00
		15		Self-Funding		15					30			
											TOTAL M/M	25.50	0.00	

PCAP2 JAPANESE EXPERT SCHEDULE (Third Year)

Position	Name	Third Year											JICA M/M
		2009			2010								
		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	
Chief Advisor	Ichiro Okumura	(10/19-1/21)					(3/20-6/22)			(6/23-30)		(8/1-30)	7.33
		[Solid]					[Solid]			[Solid]	[Solid]		
				95					95	(8)		30	
Program Management	Hiromi Osada		(11/16-1/14)						(5/23-6/22)		(6/22-24)		3.00
			[Solid]						[Solid]		[Solid]		
				60					30	(3)			
Financial Management/Budget Planning	Atsushi Tokura		(11/24-12/8)						(5/29-6/12)				1.00
			[Solid]						[Solid]				
				15					15				
Public Accounting/Budget Execution	Hirofumi Azeta		(11/29-12/5)		(1/4-1/30)		(3/21-3/24)		(5/29-6/19)				2.00
			[SOE]		[Solid]		[SOE]		[Solid]				
				7	27			4		22			
Meta Evaluation/Training Development	Tomoe Taira		(11/8-2/5)						(5/6-6/20)		(7/3-8/25)		6.33
			[Solid]						[Solid]		[Solid]		
					90				46			54	
Project Coordination	Kazumi Nakamura/ Mana Ishigaki	(11/9-11/23)		(11/24-12/26)	(1/7-1/21)	(1/22-4/4)						(8/1-30)	(2.00)
		[Solid]		[Dotted]	[Solid]	[Dotted]						[Solid]	
				15	(33)	15	(73)					30	
													

PCAP2 JAPANESE EXPERT SCHEDULE (Fourth Year)

Position	Name	Affiliation	Fourth Year											M/M			
			2010			2011								Lao	Japan		
			OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG				
Chief Advisor	Ichiro Okumura	ICNet	10/13 █	12/7 █	12/13 █			3/26 █	3/31 █		6/19 █	7/19 █	8/1 █	8/30 █	9.00	0.00	
				56	(5)	57		47	(5)	80		(30)	30				
Program Management	Hiromi Osada	ICNet				12/26 █	1/7 █					7/13 █	8/28 █		2.00	0.00	
						13						47					
Financial Management/Budget Planning	Atsushi Tokura	ICNet	10/20 █	11/3 █									8/13 █	8/27 █	1.00	0.00	
			15										15				
Public Accounting/Budget Execution	Hirofumi Azeta	ICNet	10/27 █	11/6 █									8/9 █	8/27 █	1.00	0.00	
			11										19				
Meta Evaluation/Training Development	Tomoe Taira	ICNet	10/13 █			12/31 █						7/22 █	8/30 █		4.00	0.00	
				80									40				
Project Coordination	Chihiro Nakamura	ICNet	10/18 █	11/8 █	16 █	11/23 █	12/8 █			3/6 █	4/5 █		6/15 █	6/29 █	8/30 █	(2.00)	0.00
			22	8	(15)			15	(16)			15	(62)				
			ICNet funded period									TOTAL M/M		17.00	0.00		

Period	2008												2009												2010												2011											
	Month												Month												Month												Month											
	JICA Year												JICA Year												JICA Year												JICA Year											
	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8						
	1st JICA Year												2nd JICA Year												3rd JICA Year												4th JICA Year											
(1) Inception Report																																																
-1 Collection and analysis of data and information																																																
-2 Completion and submission of the Inception Report																																																
(2) Baseline Survey																																																
-1 Baseline Survey and Analysis																																																
(3) Seminars																																																
-1 Kick-Off Seminar at Vientiane Capital																																																
-2 Mid-Term Seminar at 4 locations (North/Mid/South and Vientiane Capital)																																																
-3 Wrap-Up Seminar at Vientiane Capital																																																
(4) JCC(Joint Coordination Committee) Meetings																																																
(5) Activities for Training and OJT [Output 1]																																																
-1 OJT towards MPI																																																
-2 Evaluation of individual PIP projects assessment, monitoring and evaluation results																																																
-3 Feeding back OJT evaluation results to the three PCAP monitor provinces																																																
-4 Developing the next year's training curriculum																																																
-5 Training of Trainers																																																
-6 Implementing the Training PART I for ministries and provinces																																																
-7 OJT towards MPI, provinces and ministries																																																
-8 Evaluation of individual PIP projects assessment, monitoring and evaluation results																																																
-9 Feeding back OJT evaluation results to the ministries and provinces																																																
-10 Developing the next year's training curriculum																																																
-11 Training of Trainers																																																
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-16 Developing the next year's training curriculum																																																
-17 Training of Trainers																																																
-18 Implementing the Training PART III towards ministries and provinces																																																
-19 OJT towards MPI, provinces and ministries																																																
-20 Evaluation of individual PIP projects assessment, monitoring and evaluation results																																																
-21 Feeding back OJT evaluation results towards provinces and ministries																																																
-22 Consultation for Training Institutionalization																																																
(6) Activities for PIP Budget and Financial Management [Output 2]																																																
1) PIP Budget Allocation																																																
-1 Studies of current PIP budget allocation system																																																
-2 Analysis of current issues in PIP budget allocation																																																
-3 Develop revised standards and reflect into manuals/handbooks																																																
-4 Develop training contents																																																
-5 Training of trainers																																																
-6 Validation of revised standard																																																
-7 Validation of training																																																
2) PIP Project Budget Disbursement and Financial Management																																																
-1) Studies of current PIP project disbursement and financial management																																																
-2 Analysis of current issues in PIP budget disbursement																																																
-3 Develop revised standards and reflect into manuals/handbooks																																																
-4 Develop training contents																																																
-5 Training of trainers																																																
-6 Validation of revised standard																																																
-7 Validation of training																																																
(7) Activities on PIP Management Law Advisory Support [Output 3]																																																
-1 Advisory on current PIP Management Law draft																																																
-2 Third Country Training in Vietnam																																																
-3 Continuous advisory on current PIP Management Law drafting																																																
-4 Advisory on issuance of application decrees/regulations																																																
-5 Monitoring of PIP Management Law enforcement																																																
(8) 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 their reflection in manuals and handbooks																																																
-4 Development of training contents																																																
-5 Training of trainers																																																
-6 Validation of methods and training																																																
-7 Third Country Training in Vietnam (Cancel)																																																
-8 Modification of methods and training																																																
2) District-level PIP Management																																																
-1 Study on workflow and capacity levels in District Planning and Statistics Office																																																
-2 Analysis on appropriate division of labour between DPI and DPSC																																																
-3 Development of methods and tools and its reflection in manuals/handbooks																																																
-4 Development of training package and TOT contents																																																
-5 Training of Trainers in MPI-DoE																																																
-6 Modification of PIP Management, Monitoring Training for Manual																																																
-7 Modification of PIP Management, Monitoring Training for Handbook																																																
3) Program Management																																																
-1 Review of Action Plan																																																
-2 Preparation for pilot program drafting																																																
-3 Drafting of pilot program																																																
-4 Revision of the Program Manual																																																
-5 Development of training contents																																																
-6 Training of Trainers																																																
-7 Modification of PIP Management, Monitoring Training for Manual																																																
-8 Modification of PIP Management, Monitoring Training for Handbook																																																
-9 Third Country Training in Malaysia																																																

Annex 4

August 2011

Concept Paper for the
PCAP2 Wrap-up
PIP Top Management Convention,
August 23rd, 2011

Ichiro Okumura
Chief Advisor, PCAP2

1. Background

Almost seven years have passed since the first of the two JICA technical cooperation projects; ‘Project for Capacity Building in PIP Management (PCAP1)’ was launched in November, 2004, aiming to improve PIP management and develop capacity to officers concerned. The ‘Project for Enhancing Capacity in PIP Management (PCAP2)’ which started in March 2008 as the second phase to take further steps for improving PIP management, will complete its assignment in August, 2011. To confirm and appreciate the positive steps taken in the field of improving PIP management among government organisations, the Ministry of Planning and Investment and PCAP2 plans to jointly host the “PCAP2 Wrap-Up Convention” on the 23rd of August, 2011.

2. Objectives

The Convention has the following objectives;

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| <ul style="list-style-type: none">✧ To share the progress of improved PIP management among related government organisations,✧ To obtain feedback on the PIP management methods from government organisation for further improvement and follow-up,✧ To introduce the further steps of improving and diffusing PIP management methods nationwide, and,✧ To introduce the roles of the Ministry of Planning and Investment as the key organization to continuously dedicate in better PIP management. |
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3. Outline

The Convention will be conducted with the following outline;

Date; Tuesday, 23 rd August, 2011
Venue; International Cooperation and Training Centre, Vientiane Capital
VIP Guests; The Vice Minister of Planning and Investment Chief Representative of JICA Laos Office
Participants; <ul style="list-style-type: none">➤ Directors from DPI in Provinces and Vientiane Capital➤ Head of Divisions from DPI in Provinces and Vientiane Capital➤ Directors from Planning Departments in government organisations➤ Head of Divisions from Planning Departments in government organisations
Outline of Contents; <ul style="list-style-type: none">➤ Presentation of the activities and achievements from PCAP1 through to PCAP2

- Presentation of future visions toward yet better PIP management
- Feedback from guests on PIP management
- Certification to representatives of provinces and government organisations on their PIP management achievements

The tentative program is as follows

Time	Contents
1300-1330	Reception
1330-1345	Opening Remarks by Dr. Bountavy SISOUPHANTHONG Vice Minister of the Ministry of Planning and Investment, Project Director
1345-1430	Presentation of the activities and achievement from PCAP1 through to PCAP2 Mr. Ichiro Okumura, Chief Advisor, PCAP2
1430-1445	Presentation of future visions towards yet better PIP Management (representative from MPI)
1445-1500	Break & Separation into small room (Province / Government Organisations)
1500-1600	PIP Management Awareness Session (Province / Government Organisation)
1610-1615	Assemble to large room
1615-1630	Ice-breaking session : Evaluation Song
1630-1645	Certification of PIP management achievements
1645-1655	Speech from Mr. Masato Togawa Chief Representative of JICA Laos Office
1655-1710	Closing Remarks by Dr. Bountavy SISOUPHANTHONG

4. Contents

Main contents of the program are as follows;

(1) Presentation of the activities and achievements from PCAP1 to PCAP2

The Chief Advisor of PCAP2 explains the activities conducted during the projects, along with their achievements. Visual presentations (videos and interviews) made during the two projects will also be shown.

(2) Presentation of future visions towards yet better PIP management

A representative from the MPI will make a presentation on future vision on PIP management including its sustainability measures and the potential approaches for PCAP3.

(3) PIP Management Awareness Session

An awareness session for PIP management methods and tools is conducted. Its objective is to have common awareness in the topics of a) annual PIP budget process, and b) PIP financial management. The session will be divided into two groups; provinces and government organisations.

(4) Certification of PIP management achievements

The MPI and the PCAP will jointly present certificates and mementoes to representatives of

provinces and government organisations on the achievement of improved PIP management.

5. Preparations

The following preparations must be made;

- ✧ Venue is ICTC. One large room and two small rooms are booked.
- ✧ Expected participants; total 128 participants
 - VIP guests; 2 persons
 - DPI guests; 2 from each province (Director/Division Head), 34 in total
 - Government Organisation Planning guests; 1 from each organisation, 35 in total
 - MPI staff; 40 staff
 - JICA Office; 5 persons (including JOCV)
 - PCAP2; 11 staff including Japanese experts
- ✧ Distribution material;
 - Presentations
 - Handbooks (DPI/PO/Ministry/District)
 - Memento (commemoration plates, USB with contents, bag)

Other standard meeting preparations are required. The final JCC Meeting for PCAP2 is planned in the morning session. Therefore, lunch is to be prepared for 50 persons (MPI staff and PCAP2).