

BENEFICIARY ASSESSMENT OF THE POVERTY REDUCTION FUND PROJECT LAO PDR

FINAL REPORT

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BENEFICIARY ASSESSMENT 2006 DRAFT FINAL REPORT

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ABBREVIATIONS

ADB	Asian Development Bank
EU	European Union
ESP	Economic and Social Plan
FY	Fiscal Year
GOL	Government of Lao PDR
HSQ	Household Sample Questionnaire
IUCN	International Union for Conservation of Nature
IGA	Income Generating Activities
ITE	IGA, Training and Environment (sub-project)
LWU	Lao Women Union
NESP	National Economic and Social Plan
NGPES	National Growth and Poverty Eradication Strategy
NTFP	Non Timber Forest Product
O&M	Operation and Maintenance
PDAQ	Participatory District Assessment Questionnaire
PM	Prime Minister (decree)
PKAQ	Participatory Khet Assessment Questionnaire
PRF	Poverty Reduction Fund
PVAQ	Participatory Village Assessment Questionnaire
SDBAQ	Sub-project Direct Beneficiary Assessment Questionnaire
VDCs	Village Development Committees
VNPA	Village Need and Priority Assessment
SIDA	Swedish Development Agency
TA	Technical Advisory (Team)
WFP	World Food Programme

EXECUTIVE SUMMARY

Introduction

1. The Poverty Reduction Fund (PRF) is an initiative of the Government of Lao PDR (GoL) to contribute to social and economic development of the country, in particular to reduce poverty. The PRF was legally established on 31 May 2002 by a Decree of the Prime Minister (No. 73/PM), which is initially supported by the World Bank in the form of low-interest credit, repayable over a forty-year term. The consented credit amounts to 19.5 million US\$, with government contribution totaling about 1.3 million US\$.
2. The PRF is launched for an initial five-year period from 2002 to 2008. Actually, the project is at its 3rd cycle of activities, has approved, and almost completed 1,212 rural infrastructure projects (sub-projects). In August-November 2006 an independent beneficiary assessment of sub-projects implemented from 2003 was conducted. The main objective of the beneficiary assessment was to assess the level of participation and community satisfaction and the sense of ownership of sub-projects. The Beneficiary Assessment Team of 4 persons conducted 10 weeks assessment to analyze about 130 sub-projects (10% of total approved sub-project) in all provinces (5), all target districts (20), 67 sub-districts (khets), and 82 villages.

Community Organization and Participation

3. Local communities have been organized and trained for the preparation, implementation, and maintenance of sub-projects. Khet facilitators who have participated in two to three sub-project cycles have the capacity to conduct prioritization meetings at village and khet level, to negotiate the allocation of sub-projects and funds at district meetings.
4. Identification of sub-projects is based on that the community real needs. Women have their priorities specified at village, khet, and district levels. The efficiency of focus groups meetings depends largely on the capacity of khet coordinators. It is very variable from places to places depending on their level of education and experience in community development.
5. Sub-project selection follows the prioritization process and rules specified in the manual of operation. All selections are made in relation to PRF's budget allocation per district and per khet. The annual budget provided to districts is not sufficient to cover all "necessities" prioritized by khets. Decision is made at district level on which activity need to come first or which village need to be supported first.
6. Sub-project appraisal is made by the PRF' Technical Team. Sub-projects that cost estimation exceeded original budget are subject to negotiation. The khet and the district decide if the sub-project has to be canceled or be established with additional contribution from the community or with an implementation within a longer period (two cycles). Sub-project survey and design works are appropriate to local condition in general.
7. The assistance agreement is signed between the PRF and the Khet. It defines the

quantity of works to be undertaken by contractors or by small procurement and defines the work and contribution to be made by the community. The agreement gives the khet team full responsibility for the management of funds and the construction/installation of sub-project provided and supported by PRF.

Impact of Sub-projects

8. The sub-projects are very significant for the livelihood of the communities in both economic and social aspect. During the construction of rural infrastructures, local villagers are hired and have generated income from construction companies. PRF provides opportunities for small local entrepreneurs/contractors to be engaged in civil works. PRF provides capacity-building opportunities for government officials and local communities.
9. PRF's sub-projects benefit the most to communities in areas where they lack of rural infrastructures. The benefit from the installation of rural infrastructures is immediate and remarkable especially in non-accessible areas. Benefit from social support in term of primary education and primary health care follows the installation of rural infrastructures. Benefit from income generating activities, training and environment activities are variable and are not noticeable because the activities has just been promoted and there are few results.

Short Term Recommendations

10. During sub-project design and appraisal, it is important for the PRF team to analyze the social composition of villages that have been institutionally re-organized. Support need to be channeled to the group of satellite household in the village that need the most. During the sub-project selection process, in village where group of households are located far from each other it is important that all villagers both male and female are presented in the sub-project identification meetings.
11. It is recommended to keep the population factor for the allocation of Social funds in order to allocate funds for education and health to highly populated areas. In non-accessible areas, focus should be on providing access road and provide "to scale" social support to avoid under-utilization of the rural facilities. Research needs to be made to support rice deficit and increase food security in non-accessible areas that have food insecurity. It is recommended to introduce rice banks and large animal revolving scheme in the menu of option specifically for those locations.
12. It is important that the final evaluation is done properly with proper account reconciliation, which defines clearly the contribution from each village or household. The hand over document shall be made and signed between PRF and the "owner" of the asset with witnesses from districts officials. The handover documents shall summarize the whole sub-project process from its selection to its completion.
13. Targeting principles defined in the manual of operation are relevant. However, at khet level there should be priority to less accessible villages. In term of fund allocation, it is recommended to keep the population factor for the allocation of social funds to education and health in the highly populated areas. In remote areas focus should be on providing access road and provide "limited and to scale" social support to avoid under-utilization of the rural facilities.
14. Efficiency and effectiveness of sub-project delivery depend largely on the capacity of each individual district's PRF team and district's official in assisting and supervising the preparation and implementation of sub-project activities. The coordination between

district team and province authority is crucial. It is remarked that good coordination between PRF and the administration improve changing attitude towards the implementation of rural development project.

15. Sustainability relies on the capacity of local organizations to operate and maintain rural infrastructures delivered by the project. PRF has not yet provided enough capacity building support to village volunteers, village administration committee, village O&M groups. In general, capacity building of villages' O&M is the responsibility of different district offices. Nevertheless, the districts have limited funds, capacity, and limited staff to provide regular support to the communities. It is recommended to review the O&M practice for each type of rural infrastructure and plan additional O&M strengthening activities at village and khet level before the end of the project.
16. It is recommended to PRF to be more careful in developing village saving funds in remote poor areas. Other pro-poor revolving village funds need to be developed instead of the credit funds. Good example can be taken from other donor projects such as the livestock revolving funds, rice bank, NTFP marketing funds, etc.
17. Training in agriculture and livestock productions and handicraft productions were appreciated by villagers but they lack resources and funds to undertake the activities that are initiated by training. However, the project should not be involved directly in farm and household production because PRF intervention process fits well with the delivery of rural infrastructures but is not appropriate for market based agriculture and agro-based production. This will require a more integrated and holistic intervention approach. It is recommended that PRF focus more on developing long-term effectiveness by strengthening the O&M organization and operation of already build rural infrastructure sub-projects.
18. Environment protection and conservation activities need to be pursued because they are highly appreciated by the communities and they have long-term impact to the preservation of natural resources and food. Additional activities such as NTFP management, NTFP domestication and the promotion of NTFP marketing funds could be introduced.
19. PRF intervention covers all villages of the target districts. A large number of donors and NGOs are operating in those districts with similar type of support. However, different rules and mode of operation are applied by each donor- supported projects. The existing mode of operation and participatory rules need to be known by the PRF district team and considered by PRF Team during sub-project appraisal i.e. requirement (%) for community participation.

Long Term Recommendations

20. Asset ownership and the rights to use the rural infrastructure assets need to be clearly defined and understood by the stakeholders. The beneficiaries/users such as the water users, school-children parents, and others need to be provided legal right on the assets so they can operate and maintain the asset and arbitrate dispute by themselves. Issuing operation and maintenance regulations for rural road, schools, dispensary, and irrigation would be not be enough without legal framework.
21. The planning process of the PRF need to be improved in relation to the project cycles of each khet. Sub-projects identified during the first cycles must be considered in longer period of time (3 years covering cycle 1 to 3). Selection of sub-projects need to be made from cycle I to cycle III since the beginning so the communities know which sub-

projects they requested would be implemented. By doing this, there will be more time available for the survey and design of rural infrastructures that are not standardized.

22. Cost effectiveness can be improved by better planning sub-project intervention in a longer period within at least 3 cycles. Therefore, activities are planned in logical sequences i.e. road are build first before other infrastructures are introduced etc.

I. OBJECTIVE AND SCOPE OF THE BENEFICIARY ASSESSMENT

1.1. The Poverty Reduction Fund in Lao PDR

The Poverty Reduction Fund (PRF) is an initiative of the Government of Lao PDR (GoL) to contribute to social and economic development of the country, in particular to reduce poverty, including poverty among ethnic minorities living in remote areas. The PRF is part of the GoL's National Growth and Poverty Eradication Strategy (NGPES). The PRF was legally established on 31 May 2002 by a Decree of the Prime Minister¹ (No. 73/PM), which is initially supported by the World Bank in the form of low-interest credit, repayable over a forty-year term. The consented credit amounts to 19.5 million US\$, with government contribution totaling about 1.3 million US\$. The Prime Minister Decree allows the PRF to receive and use funds from other sources. PRF is established as an autonomous entity overseen by a Board of Directors, and attached to and chaired by the Committee for Planning and Investment.

“The specific objectives of the project are to: (1) assist villagers to develop community public infrastructures and gain improved access to services; (2) build capacity and empower village in poor districts to manage their own public investment planning and subproject implementation in a decentralized and transparent manner; and (3) strengthen local institutions to support participatory decision-making and conflict resolution process at the village, khet (sub-district) and district levels, involving a broad range of villagers, including women and the poor”.

The implementation strategy of PRF is demand-driven based on the request from communities within a menu of possible sub-projects in water supply; transport (access road); education health; irrigation and agriculture; income generating, training, and environment activities. The implementation of the sub-projects is following a participatory process where project staff and selected villagers act as guides, trainers, and monitors for the selection, preparation, construction, and operation of the selected sub-projects that resulted from a participatory planning process with the local communities.

The PRF is launched for an initial five-year period from 2002 to 2008. During the first cycle (FY 2003-2004) of implementation, the project covered 121 khets and 913 villages. In practice, 249 sub-projects were planned and implemented in 558 villages in three provinces: Huaphanh, Savannakhet, and Champasak. A total US\$ 1,069,934 was allocated for Cycle I's sub-projects. In the second cycle the work expanded to 14 districts in the same 3 provinces. During the second Cycle (FY 2004-2005), the sub-projects were launched and implemented in 14 districts, 188 khets and 1,412 villages, with 431 sub-projects planned in 849 villages. A total US\$ 3,101,000 was allocated for Cycle II's sub-projects. In the third cycle (FY 2005-2006) the work extended further to two new provinces: Xiengkhouang and Saravanh, and 6 new districts within those new provinces. During this cycle, the project covered 5 provinces, 20 districts, 239 khets, and 1,913 villages. In December 2005, 533 sub-projects were selected and planned. A total US\$ 4,163,000 was allocated for Cycle III's sub-projects. The implementation of Cycle III sub-projects has begun in January 2006.

1.2. Objective of the Beneficiary Assessment

The objectives of the beneficiary assessment is to appraise the level of participation and

¹ The decree was amended on 22/9/2006 (decree 222/PM) with a new administrative board composition.

community satisfaction in, and the sense of ownership of PRF - supported sub-projects, in order to ensure the sustainability of assets rehabilitated/constructed and process initiated through training and that they meet the priority needs of the communities.

The second objective of the beneficiary assessment is to appraise the procurement process in sub-projects, i.e. the efficiency, transparency, and the accountability of the procurement with external contractors or with community force account. The ToR of the Beneficiary Assessment appears as **Annex 1: ToR of the Beneficiary Assessment**.

1.3. Methodology and scope of work

The assessment used participatory assessment methods in the form of consultation meetings with the different stakeholders and beneficiaries at central-provincial, district, khet and village level. To provide direction to the meetings and interviews, a set of questionnaires were developed and field-tested during the inception period. The following table outlines the methodology of the beneficiary assessment.

Table 1.1: Methodology

Level	Central and provinces	Districts	Khets	Villages and Sub-projects
Activity and Focus groups	Study of project documents and related reports and publications	Focus group interview with district administration (vice-governor, and concerned offices) and PRF team.	Focus group interview with Khet administration and PRF's Khet team members (coordination, procurement, construction supervision, management of project implementation, maintenance)	Focus group interview with village administration and village key informants (15 male + 15 female) Interview of 3 to 6 poor household.
Tools / questionnaires		Participatory District Assessment Questionnaire (PDAQ)	Participatory Khet Assessment Questionnaire (PKAQ)	Participatory Village Assessment Questionnaire (PVAQ) Sub-project Direct Beneficiary Assessment Questionnaire (SDBAQ) Household Sample Questionnaire (HSQ)
Assessment area	Policy and strategy, statistics and M&E information and data	Perception of District administration, participation of district administration, impact of sub-projects, relevance, sustainability issues.	PRF process implementation; Sense of ownership; strength of community organization; efficiency and effectiveness of PRF process; sub-project procurement and delivery; impact of sub-project	Sense of ownership; impact of sub-project; participation level; O&M organization; benefit from sub-project.

An evaluation framework was developed in order to analyze the information and data collected through the meetings and interviews. The syntheses of documents, interviews, and field visits are summarized to analyze the different issues specified in the Terms of Reference, which is described in the evaluation framework as follows.

Table 1.2: Evaluation Framework

Assessment Issues	Terms of Reference	Methodology
Relevance and coherence	<ul style="list-style-type: none"> • Assess how the sub-project implementation/ facility/ new knowledge or skills and practices are perceived by the beneficiary communities; • Assess and determine the level of community satisfaction with the PRF program and its procedures. 	<ul style="list-style-type: none"> • Synthesis of the project document; • Synthesis of NESP, Provincial ESP, District ESP.; • Synthesis of Participatory District Assessment Meetings (PDAM); • Synthesis of Participatory Khet Assessment Meeting (PKAM); and • Synthesis of Participatory Village Assessment Meeting (PVAM).
Efficiency and effectiveness	<ul style="list-style-type: none"> • Review community participation in and management of maintenance of sub-project out-puts; • Review the efficiency, transparency and accountability of the procurement of contracting services by village representatives; • Assess the efficiency, transparency and accountability of procurement of small goods under the community force account by village representatives; • Assess procurement effectiveness and efficiency for contractual and small goods under the community force account. 	<ul style="list-style-type: none"> • Analysis of progress reports, previous beneficiary assessment report, mid-term evaluation and discussion with management team on specific evaluation issues; • Synthesis of Participatory District Assessment Meetings (PDAM); • Synthesis of Participatory Khet Assessment Meeting (PKAM); • Synthesis of Participatory Village Assessment Meeting (PVAM); • Synthesis of specific sub-project focus group (direct beneficiaries) interviews; • Synthesis of household samples interviews.
Impacts	<ul style="list-style-type: none"> • Perception and degree of satisfaction with sub-project cycle: preparation, implementation process and outputs/outcomes; • Sub-project outputs, outcomes, and impacts. 	<ul style="list-style-type: none"> • Analysis of progress reports, previous beneficiary assessment report, mid-term evaluation and discussion with management team on specific evaluation issues; • Synthesis of Participatory District Assessment Meetings (PDAM); • Synthesis of Participatory Khet Assessment Meeting (PKAM); • Synthesis of Participatory Village Assessment Meeting (PVAM); • Synthesis of specific sub-project focus group (direct beneficiaries) interviews; • Synthesis of household samples interviews.
Process analysis	<ul style="list-style-type: none"> • Assess the methods used to promote community participation, contribution, community management and sense of ownership in PRF supported project; • Assess the participation of local institutions and civil society (VDCs, monks, local government, mass and other social organizations); • Assess community management of maintenance. 	<ul style="list-style-type: none"> • Synthesis of Participatory District Assessment Meetings (PDAM); • Synthesis of Participatory Khet Assessment Meeting (PKAM); • Synthesis of Participatory Village Assessment Meeting (PVAM); • Synthesis of specific sub-project focus group (direct beneficiaries) interviews; • Synthesis of household samples interviews.
Sustainability	<ul style="list-style-type: none"> • Utilization of project facilities/services ; • Community and Organizational Capacity Building; • Other Sustainability issues. 	

1.4. Selection of the Survey Samples

The ToR indicated a minimum 120 samples or 10% of approved sub-projects to be selected and assessed. During the inception, the Consultant studied the list of sub-projects, location

maps, and pre-selected khets, villages and sub-projects following the different section criteria defined in the ToR. At the Pre-inception meeting held at the PRF Office in Vientiane on 21/9/2006 the repartition of the sample between the 3 cycles were re-adjusted to cover 30 samples from cycle I, 40 samples from cycle II, and 50 samples from cycle III in all five provinces, instead of reviewing only Cycle III sub-projects in the two new provinces originally designed in the ToRs.

Table 1.3: Survey Samples

Sub-projects	Number of sub-projects	No. of sample as in ToR	No. of samples revised	No. of sample assessed
Cycle I	248	40	30	29
Cycle II	431	40	40	38
Cycle III	553	30	50	63
Total	1212	120	120	130

In practice, the pre-selection list was revised with each PRF's provincial and district coordinators in relation to timing and difficulty to access the villages and sub-projects because the assessment was conducted during the end of the raining seasons and many pre-selected areas were not accessible in the limited time.

Table 1.4: Type of Sub-project Samples

Province	Number				Cycle			Type of Sub-project						
	District	Khet	Village	Sub-project	I	II	III	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Huaphanh	6	14	18	31	8	15	8	5	7	5	8	1	5	0
Xiengkhouang	3	13	18	20	0	0	20	5	4	2	3	3	3	0
Savannakhet	4	14	16	28	8	12	8	7	5	1	8	2	3	2
Saravanh	3	10	14	24	0	0	24	4	1	0	5	8	6	0
Champasak	4	15	15	27	13	10	4	4	6	1	11	2	3	0
Total:	20	66	81	130	29	37	64	25	23	9	35	16	20	2

Sub-project classification by sector:

- (1) Access and transport: bridge, footpaths, culverts, ramps, piers, road repairs and improvement.
- (2) Water systems: wells, gravity water supply, small weirs, ponds.
- (3) Community irrigation and drainage: weirs, canals, bunds, gates, spillways and other structures.
- (4) Market, community halls and sanitation: building, drainage, latrine swells and furnishing.
- (5) Health post or clinic and sanitation facility: building, furniture, latrines, supplies and medicines, allowances for nurses and widwives
- (6) Schools, nurseries and sanitation: building, latrines, allowance for teachers (in cash or kind) supplies, equipment and
- (7) Electricity:

At the completion of the fieldwork, 67 Khets, 82 villages, and 130 sub-projects were assessed. The list of khets, villages, and sub-project surveyed is summarized in **Annex 2: Beneficiary Assessment Samples Summary** and in **Annex 3: Sub-projects in Khets Assessed**.

1.5. Interview Direction – Questionnaires Forms

The synthesis of the participatory evaluation meetings at all 3 levels provided the main elements for the relevance, efficiency, effectiveness and sustainability of all sub-projects; and analyzed the participation and leadership/managerial and ownership capacity in the preparation, construction and O&M of sub-projects. The sub-project specific focus group interviews analyzed similar participatory and ownership aspects for sub-project direct beneficiaries. The set of focus group questionnaires are:

- **Participatory District Assessment Questionnaire (PDAQ)** used for the interview with (1) the District's vice-governor, PRF Coordinators and his administration; (2) Planning and Investment Division; (3) Telecommunication, Post, Transport, and Construction Division; (4) Health Division; (5) Education Division; (6) Agriculture and Forestry Office; and (7) LWU.
- **Participatory Khet Assessment Questionnaire (PKAQ)** used for the interview with PRF Khet Coordinators (16 persons). The same questionnaire was utilized for female and male focus group interviews.
- **Participatory Village Assessment Questionnaire (PVAQ)** used for the interview with village authorities and key village informants (10-15 males and 10-15 females). The same questionnaire was utilized for female and male focus group interviews.
- **Sub-project Direct Beneficiary Assessment Questionnaire (SDBAQ)** used for the interview with sub-project direct beneficiaries. For sub-projects which benefit the whole village the respondents will be the same group of key village informants as for the village female and male group interviews. Specific PDBAQ were designed for sub-projects with lesser group of beneficiaries such as irrigation water users'; IGA's groups etc.
- **Household Sample Questionnaire (HSQ)** used for the interview of selected individual. 3 females and 3 males selected from the village focus group. The 6 persons should represent very poor and average households. The selection of the respondents was made by the village authority.

A pilot test of the questionnaires was conducted in the Xiengkhor district on 27-28/11/2006. After the test, the focus group questionnaires were improved following the comments from the PRF Management Team and Chief Technical Adviser. The questionnaire forms are attached as per **Annex 4: Beneficiary Assessment Questionnaire Forms**.

At the completion of the field interview, questionnaire forms at khet and village level were summarized and beneficiary assessment profiles of the khets and village compiled.

1.6. Case Studies

The report contains six detailed sector case studies selected from the sub-projects assessed. The case studies present how the stakeholders have perceived the process of selecting/designing/implementing/maintaining the projects, and how it modified their livelihood. The study did not describe specific khet/village cases but has analyzed the PRF's process of major projects. The case studies appear as **Annex 5**.

II. PRESENTATION OF FINDINGS / RESULTS

The findings and results presented in this report reflect the observation made by the different stakeholders at khet and district levels. The questionnaire profiles were summarized for the districts and khets. The observations of districts and khets are compiled and appear in **Annex 6: Summary of District Observations** and in **Annex 7: Summary of Khet Observations**.

2.1. The Process for Sub-Project Implementation

2.1.1. Community Organization

Local communities from individual village to group of villages (Khet) are organized in the preparation, implementation, and maintenance of sub-projects. In all khets visited a “PRF’s Khet Team” was established comprising of khet facilitators/coordinators (*PasanNgan Khet*), Khet representative/finance (*Tuathen Khet*), Khet procurement (*Chatsu Chatchang Khet*), Khet construction supervision (*Chattang Pateebat Khet*), and Khet maintenance (*Bualabat Haksa Khet*).

The composition of the team is mixed with an equal portion of male and female volunteers that are designed by the villages located in the Khet area. The number of khet team members varies from 12 to 22 depending of the size of the khet² (number of villages). Leadership and management capacity of the team varies in relation to the level of education and experience of the team members. Large discrepancies in leadership and management capacity are found between urban/sub-urban areas and less accessible remotes minority areas. However, the capacity of the khet team is largely gained in learning by doing through the implementation of sub-projects from cycle I to cycle III.

Large numbers of women in the khet team are illiterate. They are not fully participating in the process and decision-making. In newly supported districts, the khet team has not been given the “full” responsibility in the sub-project selection, procurement, supervision of construction, payment, and evaluation of sub-projects by the PRF team³. This situation hold back the “learning and doing process” developed by PRF.

At village level, local contribution from villagers in term of labor, local material to the construction/installation and maintenance of sub-project is organized through its formal administrative organization. Village units (*Nouais*) are organized to supervise the participation and contribution of each household during the construction work. Maintenance work is assigned to village volunteers and to unit chiefs.

Khet facilitators occupy the key position in the Khet Team one of them is elected as team leader⁴. The role and duty of the facilitators emphasize on sub-project identification by using PRF project identification methods made through village prioritization meetings with male and female focus groups at the beginning of each cycle. They influence the sub-project prioritization process including the prioritization at village level, the pre-selection of sub-project at khet level, and the final selection at district level. They also supervise the other team members in the procurement, implementation, and maintenance of sub-projects. Despite recommendation from the PRF’s manual of operations, many Khet team leaders have a double function as member of village committee or member of the official khet

² The PRF’s manual defined a khet team composition of 16 persons, but in large khet additional members were selected to represent all villages.

³ This situation is further elaborated in the following paragraphs.

⁴ This was not planned by PRF but the selection of the Khet Team Leader was initiated by the members and village authorities to strengthen their communal activities.

administration⁵. It is noted that PRF's Khet Team that are well integrated into the formal Khet administration is performing with better results because of their stronger personality and better link with the district administration. Khet facilitators who have participated in two to three sub-project cycle developments have the capacity to conduct village need and priority assessment meetings (VNPA) and to negotiate the allocation of sub-projects and funds at district meetings. Khet facilitators found difficulties to conduct prioritization meetings in villages that have not received PRF for two consecutive years. Because of budget limitation prioritization of sub-project at khet level is very difficult for the khets with large number of villages because there are villages that will be left out of PRF support after the completion of the project. Activities that have common interest such as access road and bridge, dispensary-health post and secondary school are not always seen by villagers as their direct benefit because Villagers are more concerned in direct support and benefit to their own household and village.

⁵ The PRF "khet system" does not necessary match up with the "koum ban phathana" or "village development cluster" one. The Khet administration was formed recently following the concept of koum ban phathana. In general, the khet administration does not have direct support and incentive (salary and allowance) from the government, because the administration function is retained at village level. The Khet administration is often selected from retired civil servants who have the role and duties to supervise and control the conduct of village administration.

2.1.2. Project Identification and Application

Sub-project identification

Identification of sub-projects is based on the community needs. This was made through male and female focus groups meeting at village, khet, and district levels. The selection and prioritization of sub-project was implemented efficiently by khet coordinators in general. Women have their priorities specified at village, khet, and district meetings. The efficiency of focus group meetings depends largely on the capacity of khet coordinators. It is very variable depending on their level of education and experience in community development.

In areas with high food insecurity where the majority of households have rice insufficiency from 6 to 10 months, food production and food generating activities were prioritized but in many cases, the activities were not recorded as priorities at khet and district levels. Priority set by khets and districts is more on that PRF can provide in term of funding and menu items rather than on what is identified at village level. During the second and third sub-project identification and prioritization cycles⁶ VNPA's conducted by khet coordinators are routines because most of development activities were prioritized during the first cycle. Additional activities prioritized during the second and third cycle are income generation and environment protection activities.

Sub-project selection

Sub-project selection follows the sub-project identification and prioritization process and the PRF's rules specified in the manual of operation. The seven criteria for selection is well understood and applied by khet and district coordinators in general. All selections were made in relation to PRF's budget allocation per district and per khet. The annual budget provided to districts and khets is not sufficient to cover all "necessities" prioritized by khets. Decision is made at district level on which activity need to come first or which village need to be supported first.

There is noticeable influence from district and khet administration. Direction is often provided to khets by districts. For example in Nonghet, focus of first cycle sub-project is on road access. In few⁷ districts, it is common to divert villagers' priorities to districts' priorities. This mostly happen in the first prioritization cycle when the participatory approach of PRF is not fully understood by district and khet administrations. In the community, personality influence of retired or non-retired civil servants who are strong ideologists is prevalent. E.g. in Salo Angkham in Vilabouly, school was selected as priority for the khet when the priority selection at village level was on food production. The chief of khet administration is a professional teacher who has the perception that education should come first.

Influence of large villages to small villages on the selection of sub-projects is remarkable. Large villages have more resources and capacity than small villages and are performing better in project identification and appraisal. There are good probability that large village get the support from the first district's cycle. On the other hands, secondary schools that are serving many villages are mostly located in large villages.

⁶ The author want to differentiate between the PRF's cyles I, II and III, which define sub-project allocated during each fiscal year cycle of the project and the district's prioritization cycles (called first, second and third cycle). i.e. Sub-projects in district's first prioritization cycles can be in PRF cycle II.

⁷ Sampling representatives in this report is specified by: "few", under 20%; "some", 20-40%; "common", 40-60%; "frequent", 60-75%; and "standard", over 75%.

In group of village with different ethnic minorities, the most influential ethnic group⁸ drives on the selection of sub-projects. Among the minorities, language is a big constraint; the need of ethnic villagers is not always well interpreted and in many case selection and priorities is set by the khet for the ethnic villages.

2.1.3. Targeting

PRF's uses available poverty and population data to rank district by poverty. 18 of the 21 targeted districts belong to the 47 NGPES-priority districts but all belong to the 72-poor district list. Classification of poor areas and villages is often made by considering basic poverty indicators such as; all weather accessibility to the area, access to clean water supply, access to primary health care, access to basic education, and food/rice sufficiency.

All district administration claimed that PRF funds were allocated to remote poor areas with only 20% of sub-projects allocated to the district municipality and its surrounding. In their five-year economic and social plans, the districts have identified poverty focal zones in relation to specific geographic and population condition and diversity. All of them are in the process to develop village clusters, and the undeveloped less accessible group of villages are the prime targets for district investment and support. Targeting of PRF's khets or village clusters follows the lines and development strategy of the districts in general.

The allocation per capita committed to the districts and khets has led to allocate more projects in more populated areas, which in some cases are not the least developed and the poorest. Rural infrastructures and social support activities are part of the same menu of option, which allow populated areas (of the group of villages) to prioritize both rural infrastructure and related social support limiting infrastructure support to less accessible areas.

Group of villages frequently comprise different level of accessibility and poverty. As PRF intervention covers all villages in khet there is no specific targeting to poor villages. PRF anticipates that the "empathy for the poor" enhanced in the sub-project identification and selection process will target the poorest villages.

2.1.4. Project Appraisal

Sub-project appraisal is made by the PRF' Technical Advisory (TA) Team at district, provincial and central level after the selection of sub-projects at district level. The TA visit sub-projects' proposed sites and conduct physical survey of sub-projects with the help of the khet team and village administration. Sub-projects are later designed by the district or province depending on each TA capacity following construction and building standards with standard cost estimations. The result of the sub-project appraisal is discussed in a meeting involving stakeholders at khet and district level. All selected sub-projects are reviewed according to the design and cost estimation, before to be finally approved. Sub-projects that cost estimation exceeded original budget are subject to negotiation. At the appraisal meeting, the khet and the district decide if the sub-project has to be canceled or be modified (e.g. less rooms in the school, etc.); or be with additional contribution from the community; or with an implementation within a longer period (two cycles).

Sub-project survey and design work are appropriate to local condition in general. Standard design has been developed and applied for building works. The appraisal implemented by the TA got acceptable participation of khet team and village administration. Villagers participated

⁸ The influence has to do with the number of ethnic population, but there are cases which indicate that the influence has to do with the ethnic representation in the different important administration function of the khet or district. I.e. in Salo Angkham, Vilabouly District two Phouthai villages have more influence than seven Bru villages.

in the physical survey including selection of site, clearing ways and in providing information on geographical and climatic conditions.

TA teams complained that they have limited survey equipment and limited time for the appraisal of project. The physical survey is too short (1-2 months) especially for designing access tracks, bridges, irrigation and water supply works. Standard design is not appropriate for certain region because of different climatic conditions and the difficulties to find specified construction materials (wood species, wood and other construction materials) in each region. There are few cases where the design is not appropriate to the need of the communities (design and size of the facilities, material chosen, and the cost calculation). It is common that supply works survey and design for gravity fed water is made during raining season and not appropriate for connecting water to the right water supply source. In many cases, locations of head works have to be changed and additional costs (including additional piping) required as contribution from villagers.

The TA also pointed that limited budget is a constraint for the design and the final allocation of sub-projects. There are cases where bill of quantity was not properly calculated or intentionally made for the sub-project to be even to the initial budget. I.e. pillars were not accounted in the bill of quantity of the Phou Hua Xang dispensary in Nonghet district.

2.1.5. Contract with the Community and Procurement

After the completion of sub-project appraisal, contract documents are prepared by the PRF Team and an assistance agreement is signed between the PRF and the Khet for the support and investment of each approved sub-project. The agreement defines the quantity of works to be undertaken by contractors or by small procurement and defines the work and contribution to be made by the community. The agreement gives the khet team full responsibility for the management of funds and the construction/installation of sub-project provided and supported by PRF.

In all districts, tender documents for the construction and procurement of goods and services are prepared by the district team. The tender documents consist of standard formatted forms containing contract conditions, bill of quantity and tender conditions. Then after, the tender document is discussed with the khet team who is assigned to operate the tender and selection of construction companies, shops and craftsmen – technicians.

Tender is advertised at khet level with information circulated in all villages and advertisement posted at the khet's information board. At district and provincial level tender are advertised through the radio.

Tender documents (envelop) are sold at khet offices or at the PRF office. There are no restrictions on the number of envelop to be sold but limited numbers of tender documents are printed for the khet. Additional printout would require authorization from the PRF office. Selection of companies and craftsmen – technicians is made following the result of an open tender evaluation meeting organized at the khet or at the district depending on the size of sub-projects. In many cases, contract negotiation is done during the meeting and contract awarded a few days later. For large construction works, evaluation is sent to the province and central offices for approval. If it is the case approval is always made in Vientiane or at the PRF provincial office with limited participation from district and khet team i.e. access road in Nonghet district.

Except for the new supported districts in Xiengkhouang and Saravanh, procurement of construction, good and services is efficiently implemented by the khet committee with support from PRF team. Through learning-by-doing process, khet team gained the knowledge and capacity of tendering and selecting companies for construction works, village craftsmen

and village technician for community based construction works, and shops for purchasing materials and equipment. Khet team has the knowledge and capacity to conduct financial transaction, book keeping and reporting. However, there are shortcomings as follows:

- Decision-making and selections of contractors are not always in the hand of the khet team especially during the district’s first cycle. There are large influences from the PRF’s district, provincial and central offices. Many TAs fears that the khet will do wrong forgetting the importance of the learning by doing process, which aims to enhance community participation and ownership.
- Tender documents prepared by PRF team are not always explained and discussed with the khet team. Bill of quantities and contract conditions are not understood by the khets in many districts. This has resulted in misunderstanding on the items and quantities to be provided by contractors and by the communities during the construction period.
- In many cases, construction companies are not interested because of limited quantity and budget. PRF team has to group similar activity in one tender to increase the tender envelop i.e. for road construction in Huaphanh, hand pumps in Champasak, and school-dispensary in Saravanh. This initiative reduces decision-making and “sub-project owner” status of khets.
- There are frequent difficulties to find local craftsmen or local shops that can provide the required services and goods. On the other hands, there is a tendency to use craftsmen in village where the work is located.

2.1.6. Construction Period

Sub-project delivery by contractors and village craftsmen

Sub-project construction works by contractors or by village craftsmen are implemented according to contractual obligation with few delays. Delays in construction were due to bad weather and road conditions that hamper the mobilization and transport of vehicle, equipment and construction materials to construction sites; the delays in the provision of local materials (wood planks and poles etc.) by the community; modification of construction works that have not be forecasted (roads, bridges, water supply and irrigation works); and the availability of communal labor – timing between agricultural production and sub-project construction. It is standard that contribution by villagers is made as specified in the PRF agreement with large non-recorded surplus. The following was observed:

- Few cases where contractors are not considering khets as project owners especially when the contract cover many khets and districts.
- Contractual works and bill of quantity are unknown by khet and village administration in few villages so they cannot undertake proper evaluation.
- Construction work schedule not always well planned with the work and materials to be contributed by the community. There are many cases that the community cannot deliver local materials (wood, gravel, sand etc.) on time due to approval from the local authority (wood) or the lack of materials in the area (sand and gravel).
- Contractor are not willing to repair or are delaying the repair of works which was wrongly performed i.e. hand pump installation in Champasak.

- Many khets claimed that contractor works is more expensive than work done by communal craftsmen.

Sub-project delivery by small procurement and community labor based

Small procurement and community labor based by village craftsmen is effectively implemented by khet. There are delays in delivery that occurred because of similar constraints and problems as for the work done by contractors. In many khet small procurement and community labor based have not been implemented because of the lack of local entrepreneurs. In many khets contract conditions are similar to those for construction companies and the village craftsmen have limited financial capacity to perform the construction work up-front without advance payment⁹. In khet where small procurement and labor based construction are largely implemented the following was observed:

- Cost effectiveness is higher. The cost of construction is less that construction made by contractor.
- Village ownership is stronger and capacity for maintenance and repair is higher.
- Local entrepreneurship and the use of local labor are promoted.

There are some shortfalls found as follows.

- Procurement of construction material and delivery of local materials is not always properly planned.
- Quality of work is very much diversified and need intensive follow-up by PRF Technical Team.

Procurement management

As specified in previous paragraph, procurement is not the full responsibility of the khets. However, khets that have experienced one procurement cycle are confident and are willing to undertake the procurement by themselves. The procurement management efficiency by the khet is variable and depends largely on the level of education and on the level of “control” by the government authorities. This situation varies depending on district and provinces. The assessment focused on the procurement process and its implementation by the khets. The following was recorded and analyzed in 67 khets¹⁰:

- 64% of khets the procurement officers can explain the PRF procurement and tendering process. None of the khet procurement officers in Xiengkhouang and Saravanh can explain the process correctly. Only in 21%¹¹ of female khet procurement officers can explain the full procurement and tendering process.
- 98% of khet procurement officers are involved in tender document preparation. 62% of khet procurement can explain the content of the tender document.
- 84% of tender are advertised at khet level. 98% of tender are advertised at district and

⁹ Village craftsmen have to work before getting paid until a certain percentage of construction work is completed. In many village craftsmen do not have other income for his/her family so they prefer to be paid as a worker and are employed by construction companies.

¹⁰ Summarized from Annex 9: Summary of Khet Observations

¹¹ In Savannakhet and Champasak

provincial level. 78% of tender are sold in restricted numbers¹². None of the khets set the price of the tender envelop.

- 84% of tender envelop are opened and negotiated at khet level. 43% of khet team approve and inform the winners by themselves. 58% of winners are informed at the tender opening sessions. 98% of contracts are awarded to lowest price. 77% of contracts are awarded to same craftsmen or local technicians. 77% of contracts are awarded to same company.

The main problems raised by the khet procurement officers are:

- Knowledge on procurement is very limited and training provided is too short (98%);
- The contents of the tender documents are too complicated and the Khet team does not know about the meaning of each component (76%);
- 36% of khet teams are concerned that approval on the selection of winning companies are not made at khet level.

Financial management

Financial transactions for construction and procurement work are efficiently managed by khet team following PRF regulations and the terms and conditions specified in the construction/procurement contract. PRF payment process is simple, easy to understand and do not require permanent working time. The financial process follows clear-cut activities that go behind construction completion and evaluation schedule. However, financial documentation and paper work is made with the assistance or by the PRF district team. In all khets, a financial bookkeeping is kept by the persons in charge (general ledger, bank and cash accounts). Payments of administrative funds (2% of the sub-project amount) follow the regulations but in many khets the travel allowance and administrative expenses are adjusted according to the availability of funds¹³. All khets visited complained that administrative funds are not enough to pay for the expenses of the Khet teams.

In area with large ethnic minorities khets have difficulties to find persons that are educated enough to operate financial transaction and bookkeeping. In many khets, women assigned to the work are illiterate. A few districts¹⁴ do not have a bank so transactions have to be performed in a bank located in another district or in the province capital. This situation increase administration costs. Financial documents are not always kept at the khet¹⁵ or if they are, they are not well maintained and classified. Accounting and bookkeeping at khet level is not done properly. In many khet the books are not up-to date. Reconciliation between the budget and real expenses is not made in many khets. There is tendency to take the amount in the agreement between contractor and the khet (after negotiation) as the final expenditure at the completion of the project. Additional works made by the community are not always recorded and reconciliated to the sub-project amount. The assessment recorded the following:

- 64% of males' khet finance officers can explain finance and accounting duties. But only 21% of females' khet finance officers can explain the duties.

¹² Additional tender document can be obtained with approval from district.

¹³ More precisely, the 2% are computed at district level (2% of the district allocation) and then modulated for each sub-project according to criteria of access, nature and volume of work.

¹⁴ I.e. Huaphanh: Add, Sobbao, Huameuang; Saravanh: Samoy, Toumlan.

¹⁵ The complete set of document (contract, payment vouchers, invoices, and bills) is well kept at district level but very few justification elements are kept at khet level.

- 83% of the khet finance officers¹⁶ are operating the finance transactions and reports by themselves¹⁷.
- 64% of khet finance officers are operating administrative expenses¹⁸ (cash).
- 64% of khet finance officers are keeping general ledger book and cash account.

Evaluation of construction work

Evaluation of the construction and procurement works is made with participation of village and district authorities. Khet team and the village administration where the sub-project is located carry out the evaluation after the completion of each stage of construction defined in the contract. Final evaluation at the completion of the sub-project is made with the participation of the district authorities concerned. A meeting is organized with all villages benefiting from the sub-project invited. At the final evaluation meeting, a completion report is read and approved. However, some shortcomings were noticed as follows.

- Khet evaluators have limited knowledge in the control of delivery according to the bill of quantity and on construction practice i.e. the composition of concrete.
- As noted in previous paragraph, contractors are not friendly and do not consider khet as the project owners. They do not inform about time of delivery so bill of quantity is not properly checked.
- Occurred expenses and sub-project amount are not reconciliated properly in many cases additional works and costs were not accounted. I.e. the additional earthwork for the bridge in Outhoum Mai, Sukuma district.
- The completion report is not kept at khet level. At village level, it is recorded by the head of village in his notebook. There is little information provided to other villages in the khet.

2.2. Short Term Impact and relevance of Sub-Projects

The sub-projects in the sites visited are very significant to the livelihood of the communities in both economic and social aspect. During the construction of rural infrastructures, local villagers are hired and that generated income from construction companies. On the other hand, PRF provides capacity-building opportunities for small local entrepreneurs/contractors in localities to be engaged in civil works, contributing to their development. PRF provides capacity-building opportunities for government officials and local communities. This is made through a re-organization of the community at khet level and through a learning by doing process following sub-project development cycles. As mentioned in the previous paragraph, khet identify, appraise, undertake the procurement, negotiate contracts, follow-up construction, undertake financial transaction, evaluate construction and installation, and organize operation and maintenance of sub-project. The sub-project identification and

¹⁶ The remaining 27% represent khets located in Samoy, Taoy, and Toumlan districts of Saravanh. Because there are no banks in districts the PRF teams prepare and process financial transaction. The payment vouchers and checks are signed by the khet.

¹⁷ Preparing payment vouchers, paying contractors according to contract conditions, keeping records of bank transaction, prepare reports to PRF.

¹⁸ Prepare payment vouchers, paying administrative expenses for khet committee and keeping record of payment.

prioritization process entails that sub-projects selected are in general responding to the real needs of the communities. PRF's sub-projects benefit the most in areas where there is lack of rural infrastructures. The benefit from the installation of rural infrastructures is immediate and remarkable especially in remote non-accessible areas. Benefit from social support in term of primary education and primary health care follows the installation of rural infrastructures. Benefit from income generating activities, training and environment activities are variable and is less noticeable because the activities has just been promoted and there are few concrete results.

2.2.1. Rural Infrastructures and Related Social Support

Access road and bridge

Access roads, bridges, and culverts are highly appreciated by district officials and the local communities especially by all villages with poor access. Rural roads are most relevant to poverty eradication because of its large and multiple impacts on household food security, income generation, health, and education. Rural roads often bring economic and social benefit to the communities and the impacts stated during the interviews were:

- More opportunities were created for people to sell and buy products and commodities outside their village. The farm gate's prices of village products have increased (maize, cash crop, livestock, and NTFPs) as well as the village agriculture area and production.
- Public transport increased and transport cost from and to major local agglomerations and towns reduced. Number of village transport vehicles (hand tractors, motorbike, and bicycle) increased rapidly. Women claimed that rural roads and the increased utilization of hand tractors have reduced the workload of women and children in the transport of farm products and fuel wood.
- For villages that do not have a primary school (grade 4 and 5) and secondary school (grade 6 to grade 10), rural road reduces traveling time and improve security for children going to school outside the village. It allows more girls to enroll in secondary school.
- Rural roads reduce time to travel to dispensary or hospital and allow district medical staff to access easily to people for vaccination and primary health care.
- Rural roads facilitate the provision of public extension and support services. There are more visits from the district agriculture extension. Better village and khet accessibility encourages teachers and medical staff to enroll and work in remote areas.

Water supply

Piped gravity fed, deep hand pump and open well provide all year round easy access to clean water supply, either for drinking and domestic use. Water supply sub-projects are most appreciated by villagers and are most relevant to poverty eradication because of its social impact on health and women. Women expressed that having water supply nearby save more time for them or their children to do other household productive activities or study. Water supply also helps a lot in term of hygiene and sanitation, and it facilitates the introduction of latrines.

Water supply sub-projects are less appreciated in areas where there are alternative sources of water and less water shortage. The quality of water from deep and open well is not always good. In Pathoumphone Champasak the district informed about arsenic contamination of few deep wells (hand pumps) that obliged villagers to use their original source of water. However,

in the khets assessed there were no sign of contamination.

School building and school materials

District officials and the communities express satisfaction about all sub-project regarding education especially elementary school (grade 1 to 3) that provide the venue for children basic education. Villagers expressed high degree of appreciation for all education sub-projects from the construction or rehabilitation of elementary, primary and secondary schools' facilities to the provision of school furniture equipment, teaching materials, teaching aids, and lecture books. The benefits expressed by the people are:

- Children do not need to travel far in order to go to school, that saves food and money. Moreover, children save time to travel so they can help the family after school hours in household production activities, thus encouraging poor families to send their children to school.
- Children have access to primary and secondary education. There is increased enrollment in all school visited especially for girls.
- Teachers can easily follow-up the learning of children because of their home nearby.

In ethnic minority villages, school is not a priority of many villagers but it is put as a “must” by officials who have strong belief that education will change the livelihood of ethnic minority people. There are some constraints as follows.

- In ethnic minority villages, Lao language is not the mother language and the language is not spoken at home. Education practiced in Lao Language takes more time for the children to assimilate. Moreover, in young grades children go to school to socialize and meet other children rather than learning.
- In poor families, girls are not allowed to school because they have to baby sitting their younger brothers or sisters when the parents are working in the field, collecting NTFPs or scrap metal e.g. in Vilabuly.
- In villages with high food insecurity, children have to collect food or NTFPs' commodities in the forest and work in the field with their parents.
- In many village girls are also marrying very young (12-13 years) so they cannot continue their study to primary and secondary schools.
- For newly established school during the first year as temporary issue¹⁹ all children in the village are enrolled in grade 1. The difference in age from 8 to 18 is found and teachers have difficulties to teach. Drop out is usually among the oldest fellows.

Health dispensary

Construction and rehabilitation of health dispensary is appreciated by the communities and the officials because it provides nearby health care services. Health dispensaries that are in operation provide service to all villages and to many villages outside the khet i.e. Taveuy dispensary in Toumlan is providing service outside its khet including services to patients from Thaphanthong District of Savannakhet. The benefits expressed by the people are:

¹⁹ PRF's anticipate that after the first year, children will enter according to their age.

- People save time and money to go to district or provincial hospital. In many areas people claimed that the cost of hiring trucks to transport very sick person to the hospital is very expensive so they have use their saving or sell family assets (livestock). Poor family cannot afford to pay so they just let the person to die.
- Poor people can be hospitalized and have access to primary health care.
- Medical staff informed that it is easy for them to conduct vaccination and disease prevention and provide preliminary health care to the villages. However, it is not known if vaccination is provided regularly by the medical staff.

In minority areas it is frequent that some ancient traditions and customs do not allow people to use modern medicine. People perform ritual healing to cure pain and illness rather than going to the health post. In many, ill and dying persons with not chance of survival are brought to the health post after traditional healing. In some place mothers have to give birth in the forest so birth assistance in the health post is under utilized. However, in the dispensaries visited increasing number of frequentation is noticed and the above traditional/cultural constraints are not more than a matter of access/availability and confidence that the people are having on modern medicine.

Market facilities and farm halls

The construction and rehabilitation of market facilities in urban and sub-urban areas are appreciated by the officials and the people in the areas. They have an impact to poverty eradication because they provide location for villagers to sell farm, handicraft, NTFP products, and commodities thus enhance household income generation. Villagers expressed that the market halls provides location for them to sell farm and forest products and to buy household commodities (salt, sugar, cooking ingredients, cloths etc.). When the market is located nearby, it is reducing the cost of transport and increase household revenue. Official pointed out that development of market facilities also developed the rural monetary economy.

Irrigation system

In areas where there are potential for irrigation, the construction and rehabilitation of irrigation system is highly appreciated by the communities. PRF support gravity fed irrigation systems that mostly utilized to regulate water during wet season production. Few irrigation schemes are having a second cropping during the dry season. If it is the case, the area is very limited. However, irrigation sub-projects provides food security to the majority of villagers especially when irrigation is communal with irrigated land allocated to all household in the village. Benefit expressed from water users are:

- Before farmers have to work on shifting cultivation field and are subject to drought. There was rice insufficiency from 3 to 9 months.
- Irrigation provides enough water for production during wet season and prevents paddy and crops against drought. Harvesting is enough for the family and there is some surplus to sell.
- During dry season, irrigation water is utilized to grow crops and vegetables increasing income for the family.

Unless there is communal irrigation where a parcel of irrigated land is provided to each household, irrigation development has an impact on poverty eradication because the poor landless farmers are benefiting for it. It is current that irrigation development support rich

land owners at the detriment of poor land less villagers who have to lease the land at high cost. Communal irrigation is commonly practiced in the PRF's supported scheme in Huaphanh but not practiced in Savannakhet and Champasak.

2.2.2. Income Generating Activities – Training – Environment

Income Generating Activities

The major IGA introduced by PRF is the development of Village Saving Funds. The activity is widely introduced during cycle II and III and is highly appreciated by villagers in urban and sub-urban areas. Many districts consider the development of village saving funds as their priority to develop household income. The activity is relevant to poverty eradication because of its impact on household income generation and household saving. Benefits from the village saving funds expressed are:

- Funds are available in the village for household emergency such as for hospitalization, death etc.
- Funds are available in the village for household expenses i.e. school expenses
- Funds are available in the village for household production such as for crop production, livestock production, trading, shop etc.

Because the activity was introduced during cycle II and III there are no clear results yet. A review and provisional assessment of village saving group experiment was conducted in parallel to this study by the PRF's Community Development Unit. The review recommended revising PRF contribution to Village Saving Group (VSG).

Training

Training in crop and handicraft production was widely made during cycle II and III. The training aims at enhancing production and developing income-generating activities in the villages. The activities are appreciated by villagers that benefited from the training. There are few direct impacts from the training except for training in handicraft because training was mostly introduced during cycle 3. Many villagers do not have the means (funds, materials, and equipments) to perform the new techniques.

Environment

Aquatic resource and forest conservation were widely introduced during cycle II. The activity is highly appreciated by the communities and officials. Villagers see this activity as a long-term perspective for securing food and preserving their surrounding environment. In few village conservation of aquatic and forest resource is considered as communal savings to be utilized in case of communal emergencies. The activity has enhanced the awareness and knowledge of natural resource conservation and would definitely preserve and sustain the resource allocated to the villages or group of village. There is no direct impact yet but in many locations, aquatic conservation areas showed sign of fish abundance.

2.3. Perception, Satisfaction of the Beneficiaries

Findings during interviews with the different stakeholders vary from district to district and from sub-project to sub-project. In general, the quality of sub-project delivery is satisfying by both beneficiaries and local authorities.

The level of community satisfaction varies between the northern (Huaphanh and Xiengkhouang) and central-southern (Savannakhet, Champasak and Saravanh) areas and between urban/sub-urban and remote areas as shown in the table below.

Table 2.1: Level of community satisfaction²⁰

Northern (Huaphanh & Xiengkhouang)	Central-Southern (Savannakhet, Champasak & Saravanh)
<p><u>Urban & Sub-urban areas:</u></p> <ul style="list-style-type: none"> ■ Secondary & primary school (construction-repairs-materials) ■ Water supply ■ Irrigation / Income Generating Activity (Saving Funds, resource management) <p><u>Remote areas:</u></p> <ul style="list-style-type: none"> ■ Access (tracks & bridges) ■ Water supply ■ Secondary & primary school (construction-repairs-materials) ■ Irrigation / Income Generating Activity (Saving Funds, resource management) 	<p><u>Urban & Sub-urban areas:</u></p> <ul style="list-style-type: none"> ■ Secondary & primary school (construction-repairs-materials) ■ Water supply / Electricity ■ Income Generating Activity (Saving Funds) <p><u>Remote areas:</u></p> <ul style="list-style-type: none"> ■ Secondary & primary school (construction-repairs-materials) ■ Water supply ■ Dispensary – village drug bag ■ Income Generating Activity (Saving Funds, resource management)

The level of satisfaction of the beneficiary does not depend of the type of sub-project but depend mostly on the specific needs of particular communities, which depend on many factors that are further elaborated in the following paragraphs. The implementation prioritization process by the khet team and the final selection of sub-project at district level is the key element of the community satisfaction.

2.4. Sense of Ownership and Participation

Sub-project cycle development involved the communities at all level from the identification, prioritization, design, appraisal, procurement, implementation, operation and maintenance. The participatory process is simple and easy to initiate because it follows sequence of activities of the sub-project cycle.

Community participation in all stages of sub-project development especially in the management of procurement and finance may have developed a certain level of ownership of the sub-projects. Contract agreement between PRF and the community clearly stipulates that the khet is the sub-project owner and responsible for the implementation and operation of sub-project. During the interviews, khet teams expressed their ownership on the rural infrastructures but there are some reserves related to their capacity to maintain and repair of large rural facilities. The sense of ownership on rural infrastructure varies from district to district and from sub-project to sub-project. It was noted that the level of participation and ownership at khet and village administration level is high during the sub-project identification and prioritization stage and is average during all stages of the sub-project cycle. On the other hand participation of villagers is high during sub-project implementation. The following table outlines the participation level in all stage of the sub-project cycle.

²⁰ It is a ranking of sub-project by level of community satisfaction. The difference between the two columns is the geographic dichotomy relevant for northern – central / southern, urban – sub-urban and remote areas.

Table 2.2: Participation level

Sub-Project Delivery	Level of Participation	
	Khet & village administration	Villagers
Sub-project Identification and prioritization	High	Average
Sub-project design (survey and costing)	Average	Low
Sub-project procurement	Average	Low
Sub-project implementation <input type="checkbox"/> Labor <input type="checkbox"/> Local material <input type="checkbox"/> Fund (money)	Average	High High Average
Sub-project Operation and Maintenance	Average	Average

There are factors that influence community participation:

The first factor is the PRF policy which requires a certain percentage of community participation²¹. In many khets the community is obliged to participate in order to get the PRF funds. In Saravanh community participation is less than 12% as in few other districts community participation exceed 50% i.e. electricity installation in Phin District.

The second factor as emphasized previously is the strong participatory approach of the PRF's sub-project development cycle, which promotes gender equality in sub-project selection and has efficiently organized khet team to implement sub-project. The PRF process is easy to implement and look similar to ordinary government interventions²² which are implemented with less resources and participatory manners.

The third factor is the philosophy of PRF to address the need and necessity of the community. Sub-projects are prioritized and selected from the community; therefore, delivery of sub-projects is satisfied by the community in general. All sub-project selected are well integrated in districts' social and economic development plan and district rural development priorities. PRF intervention covers all villages in target districts and focus on remote areas and poor villages. On the other hand, it is standard that PRF budget represent more than 80% of district public investment in all target districts.

Despite the high level of participation, there are some constraints as follows:

- In areas where shifting cultivation is largely practiced, villagers have moved their families to new village clusters following new development policy of the government. In the new village clusters, people have the perception that the government has the task and responsibility to support the community because they followed the public policies and the district/province official promises, therefore people do not want to contribute.

²¹ There is no quantitative objective for community participation in PRF's manual of operation except for recurrent costs (i.e. nurse/teacher allowance) for which the participation much reaches 25%.

²² The ordinary government development process start with consensus within the community, a menu of option for rural infrastructures is proposed and negotiated with village authorities, and construction/installation made with participation from villagers.

- Government official and PRF staff have limited skill in participatory methods. Their perception on villagers' ignorance is high. Staff and official avoid participation methods because it takes time. There are limited dialogue with the community i.e. in survey, design, and appraisal of sub-project.
- Wrong message are given to villagers. Promises on wages and provision of saving funds are made before sub-projects are selected.
- Different development policies and rules are used by other donor assistance projects and multinational companies next door. The difference creates confusion among officials and in the community i.e. rules of food for work (WFP), daily wages of Sepon Gold and Copper Mine in Vilabuly, rural facilities built for free by many donors, etc.
- There has been some bad experience of participatory projects in the past such as the National Pump Irrigation Management Program, which keep villagers to be more prudent in term of contribution and participation.

2.5. Sustainability of Sub-projects

Sustainability issues are related to the long-term effectiveness of sub-project operations. This largely depends on the capacity of the village, khet, and district to organize and manage the operation and maintenance of rural infrastructures after the completion of the PRF project.

PRF provided capacity building through human resource development and organization development during the preparation and implementation of sub-projects but limited support is made after the completion of sub-project construction and installation. Operation and maintenance of sub-projects and their sustainability relies largely on the capacity and strength of established operation and maintenance organizations at village and khet level and of the local authorities at district and provincial level.

2.5.1. Access Road and Bridge

In general khet and village maintenance team are organized. In many khet discussion on road maintenance fee collection is made but the fees are not yet been collected. Villagers are organized carry out small maintenance and repairs after the raining season by communal voluntary labor assigned to each household. In few khets, villagers are fencing the road during the wet season. There are some major constraints that some implications on the sustainability of rural roads as follow:

- Villagers have no resources (labor and funds) to undertake large repairs (large land sliding, culvert washed, etc.) and the district has very limited budget for road maintenance.
- Villagers cannot halt heavy logging and merchandise trucks passing through their newly constructed road i.e. in Muong Kham, Xiengkhouang.
- It is not clear who own the road and bridges structures if the roads and bridges are utilized by many villages or khets.
- Community road maintenance is a new issue is new and there is little public support to develop and implement it.

2.5.2. Water supply

Khet and village maintenance team is organized for the maintenance of the water supply system. Villagers are organized by water distribution blocks divided per head posts or by village administrative units (the nouais) to clean, maintain the water supply head works, pipes, structures and head posts. Water regulation is set and water fee is collected for small repairs. During dry season when water is scarce water distribution is regulated. In all visited water supply site maintenance and small repairs are made regularly with the supervision of the District Health Office. The following was observed:

- In locations where villages are located in upper location than water source, there are difficulties to design and install efficient water supply system. The systems installed are not providing enough water during dry season.
- Deep well pumps are not properly installed and cannot be utilized in Champasak.
- There is arsenic contamination in deep well pumps in some areas of Champasak.
- In many visited sites drainage of wastewater is not done properly. There are high risks for health and water born diseases.

2.5.3. School building and school materials

In most of the school visited a parent association is or in the process to be organized. The school parent association is responsible for collecting student fees and funds for the repairs and maintenance of the school. In many schools, maintenance fee is collected and rules established for the maintenance of school materials and lectures books. Teachers receive a small food allowance from villagers. However, there were some short falls found:

- In remote areas²³, many school facilities are not fully utilized. There are excess of classroom only one of 3 classrooms utilized. This is due to the limited number of students²⁴ and the lack of teachers.
- Teachers' allowances are not always provided for new elementary schools so few teachers enrolled to remote areas. In some areas, there are delays in paying teachers' allowance from the PRF. E.g. in Nonghet.
- Many parent associations established are not functioning so school are not well maintained.

2.5.4. Health dispensary and materials

The operation and maintenance of all health dispensaries is organized by the district health office. Responsibly for the cleaning and maintenance of the health dispensaries premises, material and equipment is on the hands of the nurses assigned to the post. In practice, the nurses are asking support from all villages benefiting from the health post to help in large cleaning and repairs. The following was observed:

- There are few dispensaries with no medical staff. This is because the district health office

²³ In some places in Saravanh or Savannakhet, it seems to be the contrary. There are not enough rooms.

²⁴ Building elementary school in new areas would start with enrollment in grade one but planning school construction is for 3 grades. It is anticipated that within 3 cycles elementary schools will be fully utilized. However, in many cases it is not the case because of the lack of teachers.

cannot provide enough medical staff due to the lack of budget or lack of personnel. PRF is not supposed to provide full equipment. When it is the case, it is only on a transitory basis, up to 75% for three years maximum.

- There are few dispensaries with electrical equipment but no electric city available i.e. in Sobbao district.
- There are few dispensaries with no water supply system.
- District health office has very limited budget for maintenance and repairs. They highly depend on external supports.

2.5.5. Irrigation

There are few water user groups organized and water management is not well organized. In few areas, water fee is collected by the district per hectare for water management and general tax according to government regulation. A limited part of the water fee collection is allocated to the water user groups (if established). In Huaphanh, communal irrigation is practiced with land allocation made equally to all households. In other provinces irrigation development is benefiting few landowners.

2.5.6. Income Generating Activities

Sustainability of income generating activities also depends on the strength and capacity of the communal organizations (saving Groups and production groups) that operate the activity.

In area with commercial potential, the sustainability of IGA will be depending on the capacity of the village administration to manage and develop the existing village funds to become vibrant micro-credit schemes providing enough funds for developing production and trading.

In less accessible areas, there are difficulties to develop saving deposit because of poor livelihood conditions and cultural belief. Village saving funds established by PRF would be sustainable if the funds are allocated to production groups for production of livestock and trading of NTFP.

Finally, sustainability of IGA relies on the capacity of the district to provide effective extension services to the production, marketing, and delivery of the products as well as to provide micro-credit support to the village saving funds.

III. RECOMMENDATIONS

3.1. Implication of Public Policies

3.1.1. Shifting Cultivation and Opium Eradication

The government policies and measures to reduce shifting cultivation and eradicate opium production enhanced movement of population to accessible areas along side rural roads and in the low lands in many districts. Land and forest demarcations were made and land allocated to each village in order to preserve or conserve forest resources. However, the movement of population to more progressive areas impacted on the livelihood of original villagers. Land previously allocated to villages are suddenly not enough and there are trends to increase more land for paddy and crop production thus again encroaching preserved forest resources.

The movement of population along side rural roads also impacted on utilization of rural infrastructure facilities for example the number of children increased and schools facilities are suddenly not enough. Water supply was designed for the original numbers of households are suddenly providing not enough water because of the increased population. The movement of population also have good effect i.e. in the case on Muong Kham because it provide labor and increase the capacity of agricultural production in accessible areas.

Recommendation for Cycle V

During sub-project design and appraisal, it is important for the PRF team to analyze the growth and movement of population and consider each situation. PRF has to keep the main factor that is related to the size of population in each khet to define the allocation of funds. The number of population taken into account should not be made according to official population census that is not up-dated. Population counting can be made by the khet team by summarizing and updating the population of each village in the khet. Information on possible merging of villages need to be obtained with district authorities.

3.1.2. Re-organization of Village Administration

To strengthen the decentralization process of the government a concept for the development of village clusters was elaborated²⁵ in 2004. The concept defines the size of villages in relation to their population. Rural villages in mountainous areas shall have more than 200 inhabitants, rural villages in low land areas shall have more than 500 inhabitants and urban villages shall have more than 1,000 inhabitants. In all target districts, villages have been or are in the process be administratively merged, small group of village with less than 200 habitants were encourage to move close to the new village's administrative center. However, in many locations villages comprise of many group of satellite households that could be far from each other and in few cases group of households are from different ethnic groups. This situation has implication on the identification, prioritization, and selection of sub-projects. There are high risks that selected sub-projects are or will be supporting part of the village.

Recommendation for Cycle V

During sub-project design and appraisal, it is important for the PRF team to analyze the social composition of villages that have been instructionally re-organized. Support need to be channeled to the group of satellite household in the village that needs the most.

²⁵ Reference to instruction paper N0. 9 of the Politic Bureau of the Lao People's Revolutionary Party dated 8 July 2004.

During the sub-project selection process, in village where group of households are located far from each other it is important that all villagers both male and female are presented in the sub-project identification meetings.

3.1.3. Village Development Clusters

The village development cluster concept aims at developing political stability, strengthen security, developing economic, social and cultural conditions in remote rural areas. The targets of this policy are the development of productive areas: to eradicate opium production; to stop shifting cultivations; to create better accessibility (rural road) between villages and district centers; to provide clean water and sanitation to the rural population (gravity fed water supply, deep well, open well); to provide access to electricity to rural areas; and to develop village funds or village poverty reduction funds or cattle/buffalo bank, or village saving funds, etc.

Long term recommendation

The concept consists at organizing the rural communities by grouping villages into development or production clusters based on potential land, water, and natural resources of each locality. PRF development strategy follows similar concept. The following step is to institutionalize the PRF concept and process into the ordinary khet administration.

3.2. Targeting

Recommendation for Cycle V

PRF should continue the targeting principles defined in the manual of operation. However, at khet level there should be priority to less accessible villages. In term of fund allocation, it is recommended to keep the population factor for the allocation of social funds to education and health in the highly populated areas. In remote areas focus should be on providing access road and provide “limited and to scale” social support to avoid under-utilization of the rural facilities.

Additional research needs to be made to support rice deficit in remote areas where food security is a big issue. It is recommended to introduce rice banks, large animal revolving scheme, domestication, and marketing of NTFPs in the menu of option specifically for those critical areas.

3.3. Building Effectiveness of PRF

3.3.1. Community Sense of Ownership

Ownership firstly happens when the sub-project could address the real needs and priority of the community. In PRF, the feeling of project ownership has been build through a participatory process, which begins with the identification and prioritization of needs and project necessities by all villagers (both male and female). Then, the communities are being organized and trained to prepare and undertake procurement of construction works, materials and equipment, to follow-up construction works, to operate finance transaction and accounting, and to evaluate projects. After the completion of sub-projects, the communities are organized and trained for the maintenance and repairs.

PRF team at all levels that are working in the promotion and support of sub-project need to know and make sure that ownership development factors are considered and met as follows:

Recommendation for cycle V

- The real need of villagers is prioritized. In many cases, this is constrained by the influence from public policies and the limited PRF's budget allocation.
- The strength of community organizations in PRF such as the khet team depends largely on the “learning by doing” curve following the whole sub-project development. Therefore it is essential that the khet team are “in charge” of all sub-project development activities from the beginning first cycle. As outlined earlier this is not always the case. In Xiengkhouang and Saravanh, very little decision-making is made at khet level on the selection and procurement of sub-projects thus disrupting the community learning process.
- It is important that the final evaluation after the completion of construction work is done properly with proper account reconciliation that defines clearly the contribution from each village or household. The hand over document shall be made and signed between PRF and the “owner” of the asset with witnesses from districts officials. The handover documents shall summarize the whole sub-project process from its selection to its completion. Contract documents including PRF, contractors, village craftsmen and other financial justification should be attached to the hand over agreement and kept at khet administrate office.

Long-term recommendation

- Ownership of assets and the right to use the rural infrastructure assets need to be clearly defined and understood by the stakeholders. Legal ownership of sub-projects needs to be clearly defined from the beginning, before construction and installation and the right to use the asset legalized. The owners of the sub-project infrastructures assets or funds are formal/legal organizations, and the village. The beneficiaries/users such as the water users, schoolchildren parents, and others need to be provided legal right on the assets so they can operate and maintain the asset and arbitrate dispute by themselves. Issuing village specific villages or multi-village operation and maintenance regulations for rural road, schools, dispensary, and irrigation would be not enough. There need to be specific agreement between the asset owners and non-formal organizations representing the direct beneficiaries of each sub-project.

3.3.2. The PRF Process

The sub-project delivery process implemented by PRF is participatory and very efficient. The process is simple and involves the local community from sub-projects identification to their completion.

The process has few shortfalls related to the time constraints and capacity in sub-projects' survey and design for rural road, gravity fed water supply and irrigation. On the other hand, Sub-projects identification and prioritization meetings organized after cycle 1 are just routine and there are few participation of village that have not got support from PRF. Villagers argued that activities they have proposed previously were not delivered so why identifying new projects, which also are not sure to be allocated.

Long-term recommendation

It is recommended to improve the planning process of the PRF in relation to the project cycles of each khet. Sub-projects identified during the first cycles must be considered in longer period of time (3 years covering cycle 1 to 3). Selection of sub-projects need to be made from

cycle I to cycle III since the beginning so the communities know which sub-projects they requested would be implemented. By doing this, there will be more time available for the survey and design of rural infrastructures that are not standardized.

3.3.3. Efficiency and Effectiveness of Sub-project Delivery

The delivery of sub-projects has been effective and efficient for all rural infrastructures despite the few short falls outlined in the previous paragraphs. The recommendation is to really involve the khet team in all stage of sub-project development. This is not always the case especially during project appraisal and project procurement.

Recommendation for Cycle V

The administrative cost allocated to the khet team is too little for them to perform all activities especially if sub-project allocated have small budget. On the other hands, khet team extra time and expenses are not accounted and reconciliated as contribution. It was proposed during the mid-term review to increase the administrative cost from 2% to 3% in districts that do not have a bank. However, the importance is for PRF to support minimum administrative expenses and get the time and expenses of the khet and village administration accounted, recorded, and rewarded. Supporting administrative costs risk developing dependency on money/wages of the khet team.

Efficiency and effectiveness of sub-project delivery depends largely on the capacity of each individual district's PRF team and district official in assisting and supervising the preparation and implementation of sub-project activities. Therefore, the coordination between district team and province authority is crucial.

Coordination and Participation of the district administration is different in each district. It is remarked that good coordination between PRF and the administration develop changing attitude towards the implementation of rural development project.

3.3.4. Cost efficiency of sub-projects

The beneficiary assessment has not conducted detailed cost effectiveness assessment but it was remarked that many factors influence the costs of sub-projects as follows:

Recommendation for Cycle V

- Budget allocation influence the cost of sub-projects and in areas where there are “enough funds” people do not look too much in saving construction costs. As in areas where budget is limited, the cost of construction is a big issue and in many cases, the communities opted to construct rural infrastructure by small procurement in order to save costs. As an example rural infrastructure project in the North are more expensive than those in the south.
- Road conditions and transport costs influence on the cost of rural infrastructure. In areas where accessibility is a problem, companies tend to increase their overhead costs or are just not participating in the tender i.e. in Samoy District any company from Saravanh submitted bids for the construction of schools and dispensary. On the other hands the company from Vientiane that win the bid stopped construction because the cost of transport was too high than expected and because the delivery of construction materials was too dangerous.
- Construction costs are largely influenced by poor survey and design especially of non-

standardized rural infrastructures. Sub-project cost and budget are being increased during construction because the design was not complete i.e. The Phouhuasang dispensary the pillars were not calculated in the bill of quantity; and in Nonghet Tai, the rural road design has not accounted additional work for dynamiting rocks. This all generated large extra costs of sub-projects and additional contribution were put as a burden to the communities.

Long-term recommendation

- Cost effectiveness can be improved by better planning sub-project intervention in a longer period within at least 3 cycles. Therefore, activities are planned in logical sequences i.e. road are build first before other infrastructures are introduced etc.

3.3.5. Capacity Building for Operation and Maintenance of Sub-projects

Long-term effectiveness relies on the capacity of local communities to operate and maintain rural infrastructures delivered by the project. It is obvious to say that PRF has not provided enough capacity building support to village volunteers, village administration committee, village O&M groups.

In general, capacity building of villages' O&M is the responsibility of different district offices such as the Transport, Communication, Post and Construction Office for rural road infrastructures and bridges; the Health Office for dispensary, water supply and other health support activities (village drug kit, latrine etc); the education Office for schools and school materials, teaching aids; the Agriculture and Forestry Extension Office for irrigation systems. In all surveyed districts, the administrations have limited funds, capacity and limited staff to provide regular support to the communities.

Recommendation for Cycle V

It is recommended to review the O&M practice for each type of rural infrastructure and plan additional O&M strengthening activities at village and khet level before the end of the project. It is anticipated that strong villages' or khets' O&M organization would guarantee the sustainability of sub-projects.

3.3.6. Development of Income Generating Activities, Training and Environment

PRF embarked in the development of village saving funds, which are at its early stage of development. It is recommended to PRF to be more careful in developing the village funds in remote poor areas. Other pro-poor revolving village funds need to be developed instead of the credit funds. Good example can be taken from other donor projects²⁶ such as the livestock revolving funds, rice bank, NTFP marketing funds etc.

Training in agriculture and livestock productions and handicraft productions were introduced as PRF activities during cycle II and III. The trainings are appreciated by farmers and villagers but they lack resources and funds to undertake the activities that are initiated by training. Therefore, in many villages, training has not generated production activities. Many

²⁶ I.e. The Micro-Project Development through local communities financed by the EU has large experience in developing village credit funds, pig revolving to poor family. The Phongsaly District Development Project has experience on institutionalization of village credit funds to formal district institution and experience in cattle revolving to poor families that are still revolving after the completion of the project.

khet try to relate the activities generated from training with village credit lending. However, the issue is more complicated because there are many additional factors involved in agriculture and handicraft production such as: the market and business environment, the availability of input-supplies, the availability of agriculture and handicraft extension services.

Recommendation for Cycle V

PRF shall not fall into the trap by being involved directly in farm and household production because PRF intervention process fits well with the delivery of rural infrastructures but is not appropriate for developing market based agriculture and agro-based production. On the other hand, the result will not be noticeable and the project's scope and development process do not allow extra efforts and expenses for the promotion of agricultural and household production. It is recommended that PRF focus more on developing long-term effectiveness by strengthening the O&M organization and operation of already build rural infrastructure sub-projects. In pro-poor areas food assistance projects delivered on the model of WFP and other donors and NGOs need to be further developed.

On the other hands, environment protection and conservation activities need to be pursued because the activity is highly appreciated by the communities and will have long-term impact on preserving local environment and food. Additional activities such as NTFP management, NTFP domestication and the promotion of NTFP marketing funds²⁷ could be introduced.

3.3.7. Coordination and Partnership with other Agencies.

PRF intervention covers all villages of the target districts. A large number of donors and NGOs are operating in those districts with similar type of support. However, different rules and mode of operation are applied by each donor supported projects. The existing mode of operation and participatory rules need to be known by the PRF district team and considered by PRF Team during sub-project appraisal i.e. requirement (%) for community participation. In few areas other projects rules contradict with PRF development and participatory process such as the level and percentage of contribution from the communities.

Recommendation for Cycle V

The major potential donors and NGOs operating in the target districts are; World Food Program (WFP) food for work project, Swedish International Development Agency (SIDA) rural road development, ADB's Community Managed Irrigation, World Bank Agriculture Development Project (ADP); Luxemburg Development; World Vision; Oxfam.

There are areas of intervention that need to be coordinated at district level in khet where other donor projects have remarkable support i.e. the Luxemburg Development in Nong in term of areas and type of rural infrastructures to be constructed in the same khet. And WFP in Xiengkhouang and Saravanh in term of rural road access construction.

²⁷ In the model of bitter bamboo natural forest management and marketing of Ban Namthae, Namou District, Oudomxai Province (supported by IUCN); or the model of sugar palm forest management and marketing in Viengkhoukha District, Luangnamtha Province (Supported by EU).

POVERTY REDUCTION FUNDS

BENEFICIARY ASSESSMENT 2006

FINAL REPORT

ANNEX 1: TERM OF REFERENCE

Terms of Reference for the Beneficiary Assessment

I. Background

The Poverty Reduction Fund Project (PRF) of Lao PDR is engaged in assisting the development of small-scale, community-based infrastructure and other activities to reduce poverty in poor rural villages. From an initial 10 districts in three provinces in the first cycle (year) of its work in 2003-2004 the work expanded to 14 districts in the second cycle in 2004-2005. The PRF disbursed USD 3,101,000 million for sub-projects in the water, transport, education, health, agricultural and other sectors in the first two cycles. The third cycle of its work commenced in June 2005 with the addition of six more districts in two more provinces and an additional sub-project budget of about USD 4 million. Grants are made to village communities for infrastructure and other activities following a menu of options. The villagers make the key decisions on the type of sub-projects for which they are entrusted to manage allocated budgets by themselves.

The Poverty Reduction Fund Project is based on a credit to the Government of the Lao PDR, represented by the PRF, of about USD 19,345,000 million over 5 years from the International Development Association (the World Bank Group). The PRF is a semi-autonomous organization with an administrative board composed of senior government figures, an executive director, and 138 staff based at three levels of the urban hierarchy. Several operational manuals have been prepared and all staff have received thorough training in the methods of the Project.

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

Specifically the project objectives are to:

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

The PRF is demand-driven in such a way that its project portfolio is based on the requests it receives from communities within a menu of possible sub-projects. The project staff and selected villagers act as guides, trainers and monitors for eligible projects. Whilst technical assistance is provided through the use of standard designs, appraisal and supervision, the PRF does not implement sub-projects itself. In this respect, the PRF depends heavily on the participation of the applicants to both plan and implement projects. For infrastructure sub-projects village communities may chose to construct the project themselves or hire a contractor. Funds are dispersed directly to communities through 'khet' accounts opened at district banks.

II. Objectives of the Beneficiary Assessment

The main objective of the Beneficiary Assessment is to appraise the level of participation and community satisfaction in, and the sense of ownership of PRF-supported sub-projects, in order to ensure the sustainability of assets rehabilitated/constructed and processes initiated through training and that they meet the priority needs of the communities.

The second objective of the Beneficiary Assessment is to appraise the procurement process in sub-projects, *i.e.* the efficiency, the transparency and the accountability of the procurement with external contractors or with community force account.

III. Schedule

The Beneficiary Assessment shall be carried out in ten weeks, starting on mid September 2006 and to be completed by end-November 2006.

IV. Definition of the Sample

In order to achieve its objective, the Beneficiary Assessment shall analyze at least 10% of different sub-projects approved in total (1.200 subprojects will be 120 samples, the first 40 samples should be in the three initial province and in the first cycle (2003-2004), the second 40 samples should be in the three initial provinces and in the second cycle (2004-2005) and last 40 samples should cover in two new provinces (2005-2006 Saravanh and Xiengkhouang). The selected samples of sub-projects shall be carried out using a random sampling method, giving due attention to following criteria:

- a. Geographical distribution by three different regions in the country
- b. Distribution of sub-projects by sector type
- c. Projects implemented under community and contractor
- d. Location of project sites (remote areas will form at least 50% of the sample with the remaining from the non-remote areas) and its environmental impact
- e. Completed sub-projects will form the selected sample

The assessment will utilize four main approaches:

1. reading relevant documents
2. semi-structured interviews with beneficiary-communities, civil society, PRF staff, government, contractors and any other stakeholders;
3. focus group discussions with select beneficiary-groups; and
4. site visits, observation and the recording of details in a pre-determined format.

Parallel to this Beneficiary Assessment, a technical assessment of the same sample of sub-projects will be undertaken by other people. The results are expected to be complementary. The team leaders for both assessments must choose the sub-projects to be assessed together.

V. Scope of the Work

In line with the primary objective elaborated above, the coordinator of this assignment will develop an appropriate structured questionnaire for data gathering, pursue field work at the 120 selected sites and shall assess the variables/indicators elaborated below through site analysis and interviews with the main stakeholders (beneficiaries, applicants, local authority, representative of local social organization and external supervisors at the site in the case of projects currently under implementation). Prior to the com-

mencement of the field work, a tentative time-schedule for the assignment and draft of the questionnaire will be presented to the PRF for discussion.

Specifically, the assessment will:

1. Assess how the sub-project implementation/facility/new knowledge or skills and practices are perceived by the beneficiary communities and ascertain the degree of community satisfaction with and use of the sub-project. Issues to be covered would include the following:
 - Did the sub-project meet the priority needs of the community (from the perspective of the beneficiaries and stakeholders?)
 - How do communities perceive the quality of sub-project work completed or in progress?
 - What are the perceived benefits of the sub-project and the extent to which they correspond to the priority needs of the various groups within the communities (men, women, minorities in the village, disabled people, chronically sick, poorer households, the young and old and any other vulnerable groups)
 - Levels of utilization of the sub-project output and degree of satisfaction of beneficiaries with such?
2. Assess the methods used to promote community participation, contribution, community management and sense of ownership in PRF-supported sub-projects. The review would focus on the role of key players and provide specific recommendations on ways and means of promoting wider participation, contribution, a greater sense of ownership and local management.
 - The level of measurable villager contribution to the sub-project. What are the influence of the village community (*e.g.* culture, history, *etc.*) and the influence of external factors (*e.g.* administration/PRF pressures, other projects, *etc.*) upon the building up of the village contribution?
 - The role of outside stakeholders such as local government staff, contractors, line ministries, and other organizations in facilitating/promoting/hindering community participation and ownership.
 - How communities themselves have participated in the management of sub-project implementation and their sense of ownership; the role of the khet and village organizations, village authorities and leaders, formal and informal.
 - The role of PRF staff and impact of the PRF on community participation, contribution, community management and developing a sense of ownership.
3. Determine the level of community satisfaction with the PRF programme and its procedures, in particular focusing on such issues as transparency, accountability, and community involvement in relation to information flows, application processes, procurement processes and other key aspects. The assessment would provide clear proposals for areas for improvement to enhance the efficacy and impact of the overall PRF programme.
4. Review community participation in and management of maintenance of sub-project outputs. Areas to be covered include level of awareness of communities on maintenance issues; type of maintenance activities conducted by communities; extent of reliance on government or other agencies for maintenance. The assessment would provide suggestions on how to bring about project sustainability through greater community responsibility for and maintenance of the facility. For this purpose, a menu of maintenance activities for various types of sub-projects and ways in which these can be organized should be proposed
5. Assess the participation of local institutions and civil society (*e.g.*, VDCs, monks, local government,

mass and other social organizations) in PRF sub-projects; the level of coordination of PRF sub-projects with other development programmes carried out in the village and/or nearby and propose ways and means of ensuring clearer lines of responsibility and greater coordination and understanding between various development actors and programmes to maximize impact and cost-effectiveness.

6. Review the efficiency, transparency and accountability of the procurement of contracting services by village representatives. Assess the level of compliance with project procurement rules. Evaluate the awareness of villagers of the contracting process, their capacity to manage the procurement process, especially their understanding of the need to make a fair selection based on wide advertising, accurate description of the job and the selection process, allowing adequate time for bid preparation, reviewing multiple bids, concurrent public opening of bids, selection based on price and capacity as far as can be determined. Assess whether there have been any attempts to influence the selection of the contractor by villagers or government officials.
7. Assess the efficiency, transparency and accountability of procurement of small goods under the community force account by village representatives. Review the level of compliance with project procurement rules. Evaluate the awareness and capacity of villagers to conduct the procurement process, especially their understanding of the need to make an evaluation of options based on a list of items, direct contact with the suppliers and normally comparing at least three quotations, then selection based on price, suitability and quality.
8. Any other task reasonably related to the above.

The proposed assessment will cover the following key areas:

A. Perception and Degree of Satisfaction with Sub-project Cycle: Preparation, Implementation Processes and Outputs/Outcomes

General Perception

- Did the project facility meet the perceived priority needs of the community? (from the perspective of the beneficiaries and other stakeholders)
- How do communities perceive the social, technical and environmental quality of civil works completed (or in progress)?
- Community's perception of the role of Khet Facilitators and Representatives
- Community's perception of the role of PRF District staff.
- The PRF's role in general as perceived by the community
- From the perspective of the various stakeholders, the assessment should analyze what the perceived benefits of the sub-projects for individuals, households, and the community (in particular the various segments of the community including women, minorities in the village, disabled or chronically sick people, the poorest households, the young and old, and any other vulnerable groups)

Preparation

- How did the applicant learn about the PRF (source of information)?
- Who submitted the application to the PRF (verify details)?
- How well do all stakeholders (including village, district and provincial levels) understand PRF principals and the PRF activity cycle?
- To what extent did villagers participate in the VNPA?

- How well are villagers satisfied with the various steps of the 'project cycle'?
- How well do villagers understand and are satisfied with the process of socialization?
- How was the project chosen (method of identifying the priority by the applicant)?
- To what degree are key beneficiaries involved in the proposal preparation
- Was the PRF menu restrictive? Was the menu suitable for village situation/conditions?
- Perception of the community with regard to the procurement process (participation, transparency, efficiency and fairness). Record details as to how disputes, if any, arose and were resolved.

Implementation

- How well do local people know about sub-project approvals in terms of the implementing process, budget allocations, procurement, and expenditure?
- To what extent are villagers involved directly in the sub-project implementation?
- How satisfied the communities are with the way in which the project was managed by the local leaders should also be investigated.
- The degree to which contractors were hired efficiently, and transparently.
- How the communities feel about the project procedures should be analyzed, focusing on such issues as transparency, accountability, fairness, information flows, and application process.
- Are they able to manage sub-projects and report back, demonstrating accountability to Khet, district, province.
- Do the local people (Khet/Village team, local technical consultant...) monitor the sub-project progress informally?
- Do the beneficiary-communities consider their contribution to sub-projects effective?
- The impact of PRF support on community cooperation should also be examined.
- Analyze what happens when there is a dispute surrounding the projects implementation or maintenance, focusing on which groups are in control.

B. Outputs, Outcomes and Impacts

- Number of direct/indirect real beneficiaries (estimates);
- What are the direct and indirect outputs, outcomes, and impacts in the short-term and long-term? To what extent and in what way are sub-project outputs useful for villagers. To what extent do villagers actually use the project outputs/outcomes? How villagers can improve their living conditions as a result of the sub-projects? To what extent do villagers feel that they are owners of the sub-projects?
- The extent to which the sub-projects correspond to the priorities of the various groups within the communities should be examined.
- Have there been any unforeseen direct or indirect positive and negative outputs, outcomes or impacts? How could negative ones be avoided in the future?
- How far are local people satisfied with the completed works? To the extent that they are not, how do people solve perceived problems, and cope with any difficulties?
- Are the benefits helping women, ethnic minorities in the village (in the village context) the disabled, old and young, the poorest and other vulnerable to decrease work load or inconvenience and increase capacity to use sub-project outputs.
- The degree of satisfaction with sub-projects should be compared with other projects in the community or nearby and the reasons for variations analyzed.
- The number of training courses provided by the PRF? what subject provided?, number of local

people were attended?, what is outputs, outcomes or impacts? And what are they need more to learn?

C. Community Management of Maintenance

- Maintenance standards are markedly determined by the extent of participation in, contribution to, sense of ownership, and management of implementation by the community. As such, the assessment will analyze the extent to which the village community is managing maintenance of infrastructure and continuation of new practices based on new skills and knowledge. How are these processes affected by the role of, and the relationship between, the various stakeholders such as communities, khet staff, and district PRF staff, other PRF staff, local government staff, contractors, line ministries, the World Bank, Provincial and central government staff, other organizations?
- Analyze the perceptions of the communities on such issues as who owns the sub-project, who initiated the application, whose idea was the sub-project, who controls the finances, where did the funding come from, who is and should be responsible for the maintenance, how could the maintenance be improved, and who has control over the resources and various stages of decision-making.
- Which institutions the sub-projects have worked through/with, in addition to understanding which institutions the communities feel the sub-projects could work through in the future?
- The assessment should examine the extent to which the poor and the marginal/vulnerable were included in the identification of needs, planning, implementation, operation and maintenance. The assessment should also investigate whether more powerful persons exploited the process for their own benefit.
- To what extent do local people know how to manage sub-projects in terms of maintenance, monitoring, reporting, and asking for help from others?

D. Procurement

Procurement of Contracting Services

- The Consultants should assess how well the procurement process was organized. Was the khet procurement team involved with the procurement process? Was the sub-project committee well trained? Was an evaluation committee functioning well? Were records kept of meetings? Was an evaluation report with attachments prepared? Was outside interference in the process avoided?
- The efficiency with which the jobs were announced to the public. Was the information made available to district and provincial suppliers through public announcements appropriate? Was the sub-project work advertised; was the advertisement widely announced? How many copies of the bid documents were distributed and to whom? Did the bid documents limit the number of participating bidders? How did the winner know about the job? Was sufficient time allowed for preparation of bids?
- The process of selection from submitted bids. In what circumstances were the bids opened? How many bids were compared? How were contractors chosen? Was the process transparent to all? If indirect contracting was used, was there sufficient reason provided in writing? Was the contract awarded to the lowest evaluated bidder? If not were adequate reasons given for the selection? Was collusion or outside interference avoided? Were the same bidders repeatedly participating and winning bids? Were there similarities between competing bids (e.g. format of bids, identical unit prices, spelling or arithmetical errors? Was the contract document available in the file?

Procurement of Small Goods under the Community Force Account

- The Consultants should assess how well the procurement process was organized. Was the khet

procurement team involved with the procurement process? Was the sub-project committee well trained? Was an evaluation committee functioning well?

- The way in which the intended procurement was announced to the public. Was any large order widely publicly announced?
- The selection of the suppliers. Was sufficient time allowed for preparation of quotations? How were the items chosen? Was adequate reason given if less than three suppliers quoted? Transparency. Was collusion or outside interference avoided? Was an evaluation report with attachments prepared?

E. Utilization of Project Facilities/Services

- The assessment should determine as to how, who and to what extent facilities and new skills and knowledge have been utilized by the beneficiary communities.
- The assessment should also analyze whether the projects are used more by men or women, different minorities at the village level, the young and old and any other vulnerable sub-population in the village. Assess the degree to which each group will benefit.
- Does the actual use of goods, works and services conform to the expected use written in plans?
- Are there potential uses that have not yet been explored?

F. Community and Organizational Capacity Building

- Assess the present PRF relations with existing village organizations, formal and informal.
- The way in which village and khet representatives are elected. Is it appropriate, useful, equitable and sustainable? Are the representatives seen as legitimate representatives of the PRF inside and outside of the project? How will their role change when the PRF leaves the district?
- Is the capacity building practiced by the PRF useful for the villagers? What important existing or new skills and knowledge are being supported? Are Khet/village teams being promoted or created?
- What action should the PRF take to further capacity building in the village?
- Are any new actions, projects taking place as a result of PRF actions without PRF funds?

G. Sustainability

- Assess the prospects for socio-economic sustainability developed by the project.
- To what extent will villager contributions in unpaid labor, materials, equipment or other affect sustainability?
- What contribution is the project making to sustainability of the village livelihood as a whole?
- Identify areas wherein improvements could be made in further strengthening the sustainability components.

VI. Reports

The Coordinator of this assessment will prepare a comprehensive report tabulating both quantitative and qualitative findings by sub-category, reflecting the stratification of the sample and variables. Additionally, graphs, diagrams and photographs should be included to illustrate major findings. Data interpretation/report should summarize the results of the assessment, including an overall view of the accomplishments and challenges, as well as recommendations for improving the quality of sub-project and their final impact.

In one appendix of the main report, the Coordinator will include six detailed case studies, focusing on the villager feedbacks one year after completing subprojects. Based on the survey data, each case study will present in a comprehensive but synthetic manner (10 pages maximum per case study) how the stakeholders have perceived the process of selecting/designing/implementing/ maintaining the sub-project, and how it modified their livelihood. More qualitative than quantitative, the case studies will emphasize the community perception of the PRF support progress in the "villager's words", to complement and throw light on the Beneficiary Assessment synthetic report and on the factual data from the MIS Database. Each case study will be selected within the survey sample by the Consultants, in coordination with the PRF, as significant lessons of experience. The sample of case study must reveal the diversities of the local situations: access, nature of sub-projects, success/problems, ethnicity, women involvement, management, *etc.* Before the final writing, the Coordinator will propose to the PRF for approval a reasoned list of case studies.

In another appendix of the main report, the Coordinator will include a detailed analysis of the procurement processes actually implemented by the communities for the sub-projects. The Consultants will show the diversity of the practices, explain how and why they differ from the standard theoretical procedures, and propose improvement to PRF procedures.

The Consultants will briefly report weekly by email on the progress of the work following the initial test.

At the commencement of the assignment, the Coordinator will draft an outline for reporting and submit to the PRF for comments. The final report shall be submitted, as per draft outline, in English and Lao. However, the English version should be submitted as per time-schedule and an additional two weeks will be allowed for the translation of the report into Lao.

VII. Qualifications

A qualified consultant will be contracted by the PRF for the assessment: he/she will be locally-based individual consultant, with adequate in-country experience, and possesses the capacity to establish and manage a team of field researchers.

The team set up by the consultant will comprise himself/herself as Coordinator (or team leader) along with other three Lao consultants as field researchers. The Coordinator will take full responsibility on the researcher's performance and input/output of the report. However, the PRF evaluation committee will evaluate the qualification of the Coordinator but also of the proposed researchers; the PRF reserves the right to request for a change of any researchers if deems necessary.

The members of this team must be willing to travel extensively in the rural areas. Previous experience in such assignments will be an asset.

Coordinator (or team leader) 1 position

The Beneficiary Assessment will be lead by a Coordinator (expatriate or national), who has an advanced degree in social science such as sociology, anthropology, human geography or socio-economics; minimum 10 years work experience; He/She also have had at least 5 years work experience in the Lao PDR, good track record in project site management; experience in poor regions, knowledge of Thai or Lao language, willingness to walk moderate distances in hilly country and live in villages; experience in conducting field monitoring; has undertaken similar surveys of good quality field research; experience in coordinating large teams of people; experience in qualitative data analysis; excellent report communication/writing skills; extensive experience and knowledge of Lao and English.

Field researchers (Field data collector) 3 positions

A team of three field researchers will assist the Coordinator in carrying out this assessment. These field researchers are expected to have an advanced experience and training in social science such as sociology, anthropology, human geography or socio-economics or a related field; adequate experience in independently pursuing field-work; experience working at project sites; familiarity with the people who living in

remote area as poor people in Lao PDR will be an advantage; understanding of community development and the work of NGOs or other projects in Lao PDR; willing to travel extensively; good communication and facilitation skills and excellent translation from English to Lao-English.

VIII. Organization and Arrangement

A qualified consultant will be contracted by the PRF for a period of ten weeks beginning mid September 2006. The consultant, serving as the Coordinator of this assessment, is expected to establish and lead the team. He/she is responsible, in consultation with the PRF, for the selection of sample projects, training field researchers, planning for field (pilot field test plan and data collection plan), and preparing the budget for the field work, arranging logistics to the PRF, conducting data collection/interviews, collating data and drafting interim and final reports, coordinating with the PRF, and paying the field researchers. The consultant will work under the guidance of these ToR and the Project Management Team (PMT) of the PRF.

The Consultant's financial proposal will include only the consultancy fees; the PRF will directly manage other field work costs (transportation, materials, per-diems, *etc.*).

20 percent of the consultancy fees will be paid upon signing the agreement. The second installment of 20 percent will be paid upon submission of the draft questionnaire. 40 percent will be paid on receipt of the draft report. The final payment will be made once the final report (Lao and English) has been approved by the PRF.

The coordinator will manage all other aspects of the assignment, *i.e.* research design, field research/data collection (including the sub-contracting of any additional personnel required), presentation at the post work.

The Beneficiary Assessment team must prepare questionnaire both in English and Lao before will be use in the field.

A field test should be conducted on a sample of three sub-projects at three levels of access, landscape or climate, with at least one of each of two organizational approaches, and at least one complete and one incomplete sub-project. This sample of three will become part of the overall survey. This should be done in one province and presented to the PRF for comment and approval before the full survey is undertaken. Test data and initial field analysis should be checked by the PRF. If the PRF considers the test at least adequate the Consultants will be asked to continue in the same province. Some suggestions for improvement may be offered. If not, the Consultants will be asked to return to Vientiane for consultations.

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ANNEX 2: BENEFICIARY ASSESSMENT SAMPLES SUMMARY

BENEFICIARY ASSESSMENT SAMPLES PROFILE - HUAPHANH											Sub-project/Sectors										
Province/Distri	No.	Khet	No.	Village	Ethnic Minority	CI	CII	III	No	Sub-project Description	Acces	water	Irrigati	Educat	Health	IGA					
											1	2	3	4	5	6					
1	Xiengkhor	1	Sobmon	1	Konkok+Naxai				1	Spring gravity fed system	1	1									
									2	Rural road upgrade	1										
		3	Learning & teaching materials			1															
	2	Nguam	2	Nguam	2	Thai Daeng	1			4	Irrigation system rehabilitation			1							
										5	Rural road upgrade	1									
										6	Spring gravity fed system		1								
2	Sob Bao	3	Sob Hao	4	Sophao	1			7	Learning & teaching materials	1			1							
									8	Concrete steel wood bridge											
									9	Learning & teaching materials				1							
		4	Huay Hom	6	Bo	6	Thai Daeng	1			10	Spring gravity fed system		1							
											11	Irrigation system rehabilitation			1						
		5	Pahang	7	Namterb	7	Mong	1			12	Spring gravity fed system		1							
											13	Dispensary					1				
3	Add	6	Muong Add	8	Na Ngern	1			14	Spring gravity fed system		1									
									9	Naha				1							
		7	Nakham	10	Piengyang	10	Mongder	1			16	Village saving group					1				
											17	Spring gravity fed system		1							
											19	Spring gravity fed system		1							
8	Muong Van	11	Nahit	11	Thaidieng	1			19	Spring gravity fed system		1									
4	Viengxay	9	Tong	12	Phonethong	1			20	Concrete steel wood bridge	1										
									10	Soey Neua	13	DonKhoun	13	Thai Deng	1					1	
5	Xamtay	11	Xamtay	14	Phane savanh				23	Suspended bridge	1										
									24	Income Generating Activity						1					
									25	Primary school construction						1					
									26	Primary school construction						1					
6	Huameuang	13	Peun	16	Bouam Gnam				27	Natural resource protection						1					
									28	Local market						1					
									29	Village saving group						1					
									30	Weir						1					
									31	Primary school construction						1					
	Total	14		18		8	16	7	31		5	8	4	8	1	5					

BENEFICIARY ASSESSMENT SAMPLES PROFILE - XIENKHOANG										Sub-project/Sectors								
Province/District	No.	Khet	No.	Village	Ethnic Minority	C	I	II	III	No.	Sub-project Description	Access	water sani	Irrigation	Education	Health	IGA	
												1	2	3	4	5	6	
1	Kham	1	Longmattai	1	Ban Na Ouang	Lao			1	1	Spring gravity fed system		1					
		2	Longkhao	2	Naxay	Lao; Kamou			1	2	Rural road upgrade	1						
		3	Nhot kuea	3	Xam	Taidam			1	3	Wier			1				
		4	Thadsaban	4	Tadluang	Lao; Mong der			1	4	Wier			1				
		5	Longmatneua	5	Ban Xang	Lao			1	5	Natural resource protection							1
		6	Longpiu	6	Nado	Thaiperng			1	6	Rural road upgrade	1						
2	Nonghet	7	Phakheatai	7	Phamao	Mong der			1	7	Teacher's stipend				1			
		8	Nonghettai	8	Phakhetai	Lao; Kamou; Mong der			1	8	Spring gravity fed system		1					
		9	Keopatou	9	Nonghettai	Mong der			1	9	Rural road upgrade	1						
		10	Phouhuaxang	10	Dindum	Kamou			1	10	Village saving group							1
				11	Thamkhou	Mong der			1	11	Rural road upgrade	1						
				12	Phouhuaxang	Mong der			1	12	Dispensary							1
							1	13	Doctor stipend							1		
							1	14	Medical equipment							1		
3	Khoune	11	Xieng	13	Ban Phai	Lao			1	15	Spring gravity fed system		1					
		12	Samphanxai	14	Dokmai	Phouan			1	16	Primary school construction		1					
				15	Siviengkham	Phouan			1	17	Village saving group							1
				16	Nasom	Phouan; Mong der			1	18	Rural road upgrade	1						
		13	Youn	17	Ban Thum	Phouan			1	19	Primary school construction				1			
				18	Korsi	Phouan			1	20	Spring gravity fed system		1					
Total		13		18				20	20		5	5	2	2	3	3		

BENEFICIARY ASSESSMENT SAMPLES PROFILE - SAVANNAKHET										Sub-project/Sectors							
Province/District	No.	Khet	No.	Village	Ethnic Minority	CI	CII	CIII	No.	Sub-project Description	Access	water sani	Irrigation	Education	Health	IGA	Electrical
											1	2	3	4	5	6	7
1	Sepone	1	Dongsavanh	1	Dongsavanh	Brukatang	1			1	Dormitory for patients construction					1	
		2	Muangchan	2	Naloum	Brukatang	1			2	Drilled well		1				
		3	Kalou	3	Kalengkang	Brukatang			1	3	Rural road upgrade	1					
		4	Samoum	4	Kengyang	Brukatang	1			4	Primary school construction				1		
		5	Kenglektai	5	Sopmee	Brutri		1		5	Medical equipment					1	
2	Nong	6	Labao	6	Phoumakmee	Brumakong	1	1	1	6	Rural road upgrade	3					
		7	Xuang	7	Nalongmai	Brumakong			1	7	Drilled well		1		1		
		8	Tamlouang	8	Tamlouanggnia	Brumakong		1		8	Primary school construction				1		
		9		9	Nakong	Brumakong	1		1	9	Drilled well		1				
3	Vilabuly	9	Nasalar	10	Laolung	Phoutai	1			11	Hanh dug well		1				
		10	Salor-Angkham	11	Vangmahang	Phoutai		1		12	Rural road upgrade	1					
				12	Salor	Brutri	1			13	Primary school construction				1		
							1			14	Primary school construction				1		
							1			15	Teacher upgrade				1		
								1		16	Teacher stipend				1		
4	Phin	11	Khet 3	13	Apork	Brumakong		1		17	Primary school construction			1			
								1		18	Drilled well		1				
		12	Khet 2	14	Napoc	Brumakong			1	19	Rural road upgrade	1					
		13	Khet 5	15	Xaisamphan	Phoutai		1		20	El. Nework+Trans.						1
		14	Khet 11	16	Tathaise	Brumakong			1	21	Natural and Environment protection					1	
								1		22	Rural road upgrade						
							1	23	El. Nework+Trans.							1	
							1	24	Natural and Environment protection							1	
							1	25	Village saving							1	
							1	26	Primary school construction			1					
Total	14		16				8	12	8	26	6	5	2	8	2	1	4

BENEFICIARY ASSESSMENT SAMPLES PROFILE - SARAVANH										Sub-project/Sectors								
Province/Distr	No.	Khet	No.	Village	Ethnic Minority	C	I	II	III	No.	Sub-project Description	Access	water sani	Irrigation	Education	Health	IGA	
												1	2	3	4	5	6	
1	Samoy	1	Ahvao	1	Tandi	Kado				1	1	Primary school construction				1		
		2	Talor	2	Talor	Pako				1	2	Learning and teaching materail				1		
			3	Samoy	3	Talongkang	Kado				1	3	Spring gravity fed system		1			
		4		Ahsing	4	Ah singnue	Kado				1	4	Medical equipment					1
			1								5	Dispensery construction					1	
		1	6	Medical equipment					1									
		1	7	Income generation training					1									
2	Taoy	5	Jhok	5	Lahap	Brukatang				1	8	Primary school construction				1		
				6	Pajotdon	Taoy				1	9	Dispensery construction					1	
		6	Talong	7	Banlaseng	Brukatang				1	10	Medical equipment					1	
										1	11	Subpenstion brigde construction		1				
										1	12	Saving group					1	
		1	13	Income generation training					1									
		1	14	Natural resources environment protection					1									
3	Tumlan	7	Tavey	9	Boynam	Brukatang				1	15	Primary school construction				1		
				10	Tavey	Brukatang				1	16	Learning and teaching materail				1		
		8	Navienghong	11	Navienghong	Brukatang				1	17	Rural road upgrade	1					
										1	18	Saving group					1	
		12	Namatong	Brukatang						1	19	Income generation training						1
										1	20	Rural road upgrade	1					
		9	Kenghang	13	Dindak	Brukatang				1	21	Delivery house construction					1	
										1	22	Subpenstion brigde construction	1					
		10	Kokmuang	14	Kokmuang	Brukatang				1	23	Dispensery construction					1	
										1	24	Medical equipment					1	
Total	10		14					24	24		4	1	0	5	8	6		

BENEFICIARY ASSESSMENT SAMPLES PROFILE - CHAMPASSAK										Sub-project/Sectors						
Province/District	No.	Khet	No.	Village	Ethnic Minority	CI	CII	CIII	No.	Sub-project Description	Access	water sani	Irrigation	Education	Health	IGA
											1	2	3	4	5	6
1 Pathoomphone	1	I	1	Km 16	Lao	1			1	1 Drilled well		1				
	2	II	2	Km 25	Lao	1	1		2	2 Uper secondary school construction				1		
	3	VII	3	Sanote	Lao	1			3	3 Maintenance irrigation gateway			1			
	4	IV	4	Nakham	Lao			1	4	4 Cropping and animal raising						1
	5	III	5	Dondeng	Lao			1	5	5 Primary school construction				1		
2 Sukuma	6	I	6	Lat	Lao	1			6	6 Primary school construction				1		
	7	V	7	Outhoumai	Xuay		1		7	7 Learning material				1		
	8	VII	8	Nyangsao	Lao	1		1	8	8 Drilled well		1				
	9	II	9	Hauphonepeung	Lao	1		1	9	9 Wooden bridge	1					
	10	IV	10	Veunneun	Lao			1	10	10 Primary school construction				1		
3 Moonlapamok	11	II	11	Donenangloykar	Lao	1		1	11	11 Learning material				1		
	12	V	12	Nonghoy	Lao			1	12	12 Drilled well		1				
	13	IV	13	Phone	Lao	1		1	13	13 Wooden bridge	1					
4 Khong	14	X	14	Dong	Lao	1			14	14 Primary school construction				1		
	15	XIV	15	Donlieng	Lao	1			15	15 Cropping and animal raising						1
	16		16			1			16	16 Village medicine box					1	
Total	15		15			13	10	4	27		4	6	1	11	2	3

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ANNEX 3: SUB-PROJECTS IN KHETS ASSESSED

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ANNEX 4: QUESTIONNAIRE FORMS (ENGLISH)

PARTICIPATORY DISTRICT ASSESSMENT QUESTIONNAIRE (PDAQ)

Date		Name of Survey	
Province		District	
No. of Khet		No. of Villages	
No. of PRF Khet		No. of Villages	
Population		female	
Population of PRF		female	
LIST OF PARTICIPANTS AND POSITIONS:			
<i>Did the sub-projects meet the priority of the District?</i>			
<ul style="list-style-type: none"> •1 Explain the situation economic situation before and after PRF intervention. •2 How many poor villages were before? •3 How many villages have exceeded the level of poverty after PRF intervention? •4 How is the PRF contribution to District Public Investment Program? and To be Level of PRF Investment between urban and rural 			
<i>Role of District Administration</i>			
<ul style="list-style-type: none"> •5 What is your role in the development of sub-projects? •6 Have you been involved in the identification, selection and preparation process? •7 Are you involved in the implementation process? •8 Are you involved in the monitoring and evaluation process? 			
<i>Efficiency and effectiveness</i>			
<ul style="list-style-type: none"> •9 Was the sub-project properly designed and planned according to the local conditions and capacity of the population? •10 Have the sub-projects been delivered according to plans? •11 Was the construction and installation of the sub-project properly been made 			
<i>Relevance</i>			
<ul style="list-style-type: none"> •12 Have the sub-projects relevant to the need of the population? <ul style="list-style-type: none"> ▪ Access tracks ▪ Irrigation ▪ School ▪ Water Supply ▪ Health ▪ IGA ▪ Others? •13 What are the types of sub-projects that are the most appreciated by the population? <ul style="list-style-type: none"> ▪ Access tracks ▪ Irrigation ▪ School ▪ Water supply ▪ Health ▪ IGA ▪ Others? •14 What are the types of sub-projects the most relevant to poverty eradication? 			
<i>Capacity building</i>			
<ul style="list-style-type: none"> •15 Do you have enough qualified human resource to take over the support to sub-projects? •16 Are you organized to support sub-projects? •17 How many district staff received training under the PRF program? •18 Was the training sufficient? •19 What are the areas which need further assistance? 			

Lessons learned

- 20 What are the main lessons you learned from the development of sub-projects?
- 21 What are the problems the district faces in the development of sub-projects?
- 22 Will sub-projects be properly operated and maintained ?
- 23 What are the actions to sustain the operation and maintenance of sub-projects (facilities) and of the production (IGA)?

How to Correct some of this and your opinion in the poverty reduction?

PARTICIPATORY KHET ASSESSMENT QUESTIONNAIRE (PKAQ)

Date		Name of Survey					
Province		District					
Khet of PRF		No. of Villages					
Population		female					
Major Ethnic							
LIST OF PARTICIPANTS AND POSITIONS:							
<i>Did the sub-projects meet the priority of the Khet community?</i>							
<ul style="list-style-type: none"> •24 Explain the situation of economic situation before and after PRF intervention (poor village, the raining season can not access the village and No. Of poor household). •25 How many poor villages were before PRF? •26 How many villages have exceeded the level of poverty after PRF intervention? 							
<i>Efficiency and effectiveness</i>							
<ul style="list-style-type: none"> •27 Was the sub-project properly designed and planned according to the local conditions and capacity of the population? And the local people how can practice? •28 Have the sub-projects been delivered according to plans? •29 Was the construction and installation of the sub-project properly been made 							
<i>Relevance</i>							
<ul style="list-style-type: none"> •30 Have the sub-projects relevant to the need of the population? <ul style="list-style-type: none"> ▪ Access tracks ▪ Irrigation ▪ School ▪ Water supply ▪ IGA ▪ Others? •31 What are the types of sub-projects that are the most appreciated by the population? <ul style="list-style-type: none"> ▪ Access tracks ▪ Irrigation ▪ School ▪ Water supply ▪ IGA ▪ Others? •32 What are the types of sub-projects the most relevant to poverty eradication? 							
<i>Role of Khet in Sub-project development</i>							
<ul style="list-style-type: none"> •33 What is your role in the development of sub-projects? •34 Have you been involved in the identification, selection and preparation process? 							
<i>For examples the selection and preparation of group in the village level</i>							
<i>Village 1</i>		<i>Village 2</i>		<i>Village 3</i>		<i>Village 4</i>	
<i>male</i>	<i>female</i>	<i>male</i>	<i>female</i>	<i>male</i>	<i>female</i>	<i>male</i>	<i>female</i>
1	1	1	1	1	1	1	1
2	2	2	2	2	2	2	2
3	3	3	3	3	3	3	3
<i>For examples the selection and preparation of the village level</i>							
<i>Village 1</i>		<i>Village 2</i>		<i>Village 3</i>		<i>Village 4</i>	
1		1		1		1	
2		2		2		2	
3		3		3		3	
<i>The selection and preparation of the Khet level</i>							

<i>Priority of sub project Khet level</i>	
1	4
2	5
3	6
●35 Are you satisfied and involved in the implementation process? <i>And have something to improved</i>	
●36 Are you involved in the monitoring and evaluation process?	
<i>Capacity building</i>	
●37 Are you organized to support sub-projects? Explain you organization?	
●38 How many Khet staff received training under the PRF program?	
●39 Was the training sufficient?	
●40 What are the areas which need further assistance?	
<i>Lessons learned</i>	
●41 What are the main lessons you learned from the development of sub-projects?	
●42 What are the problems the district faces in the development of sub-projects?	
●43 Will sub-projects be properly operated and maintained?	
●44 What are the actions to sustain the operation and maintenance of sub-projects (facilities) and of the production (IGA)?	
<i>How to correct some of this and your opinion in the poverty reduction</i>	
<i>Procurement of Contracting Services</i>	
●17 Was the khet procurement team involved with the procurement process?	
●18 Was the sub-project committee well trained?	
●19 Was the evaluation committee functioning well?	
●20 Were records kept of meetings?	
●21 Was an evaluation report with attachments prepared?	
●22 Was outside interference in the process avoided?	
●23 Was the information made available to district and provincial suppliers through public announcements appropriate?	
●24 Was the sub-project work advertised; was the advertisement widely announced?	
●25 How many copies of the bid documents were distributed and to whom?	
●26 Did the bid documents limit the number of participating bidders?	
●27 How did the winner know about the job?	
●28 Was sufficient time allowed for preparation of bids?	
●29 In what circumstances were the bids opened?	
●30 How many bids were compared?	
●31 How were contractors chosen?	
●32 Was the process transparent to all?	
●33 If indirect contracting was used, was there sufficient reason provided in writing?	
●34 Was the contract awarded to the lowest evaluated bidder?	
●35 If not were adequate reasons given for the selection?	
●36 Was collusion or outside interference avoided?	
●37 Were the same bidders repeatedly participating and winning bids?	
●38 Were there similarities between competing bids (e.g. format of bids, identical unit prices, spelling or arithmetical errors)? Was the contract document available in the file?	
●39 (Procurement documents to be checked)	
<i>Accounting and Finance</i>	
●40 How is the account and book keeping implemented?	
●41 Are the PRF's financial regulations applied?	
●42 Please explain how?	
●43 What are the problems you found in the financial and accounting operations?	
●44 (book keeping to be checked)	

PARTICIPATORY VILLAGE ASSESSMENT QUESTIONNAIRE (PVAQ)

Date		Name of Survey	
Province		District	
Khet		No. Households	
Population		Female	
Major Ethnic		No. of attention	
<p><i>Did the sub-projects meet the priority of the Village community?</i></p> <ul style="list-style-type: none"> •45 Explain the situation economic situation before and after PRF intervention. •46 How many poor households were before? (rice) •47 How many households have exceeded the level of poverty after PRF intervention? 			
<p><i>Efficiency and effectiveness</i></p> <ul style="list-style-type: none"> •48 Was the sub-project properly designed and planned according to the local conditions and capacity of the population? And the local people how can practice? •49 Have the sub-projects been delivered according to plans? •50 Was the construction and installation of the sub-project properly been made •51 Have the villagers contribution been according to plans? 			
<p><i>Relevance</i></p> <ul style="list-style-type: none"> •52 Have the sub-projects relevant to the need of the population? •53 What are the types of sub-projects that are the most appreciated by the population? •54 What are the types of sub-projects the most relevant to poverty eradication? 			
<p><i>Role of village administration in Sub-project development</i></p> <ul style="list-style-type: none"> •55 What is your role in the development of sub-projects? •56 Have you been involved in the identification, selection and preparation process? (to explain of process in the village to district) •57 Are you involved in the implementation process? •58 Are you involved in the monitoring and evaluation process? 			
<p><i>Capacity building</i></p> <ul style="list-style-type: none"> •59 Are you organized and to support sub-projects? •60 How many villagers received training under the PRF program? •61 Was the training sufficient? •62 What are the areas which need further assistance? 			
<p><i>Lessons learned</i></p> <ul style="list-style-type: none"> •63 What are the main lessons you learned from the development of sub-projects? •64 What are the problems the district faces in the development of sub-projects? •65 Will sub-projects be properly operated and maintained ? •66 What are the actions to sustain the operation and maintenance of sub-projects (facilities) and of the production (IGA)? 			
<p>Information of village, Status of village</p>			
Far from the national road No. _____	Km	Far from the province capital	Km
Far from the district	Km	Far from the main river	Km
<p>Community information</p>			
How long to construct the community or year	_____ year	No. of household	
No. of family		No. of population	female
LaoLoum			
LaoTheung			
LaoSoung			
No. shifting cultivation	ha	No. paddy cultivation	ha
No. vegetable land	ha	No. protect land	ha
No. other land	ha	No. poor-grade paddy land	ha
		No. service land	ha

VILLAGE BENEFICIARY QUESTIONNAIRES (SAMPLE FOR IRRIGATION DEVELOPMENT)

Province		District	
Khet		Village	
Focus Groups		Sub-project type	<i>Irrigation Construction</i>
List Name of participants:			
Facility Development	Planned	Actual	Remarks
<ul style="list-style-type: none"> - Irrigation service area to be rehabilitated (ha) - Planned irrigable land (ha) - Length of irrigation secondary canal to be constructed (meter) - Length of irrigation tertiary/lateral canal to be constructed (meter) - Number of on farm canal to be constructed - Number of irrigation structure to be constructed - Number of drainage structure to be constructed - Number of farm turn out to be constructed - Number of new land to be cleared (ha) - Rehabilitation/construction costs (Kip) - Participation from beneficiaries (costs Kip) - Participation from beneficiaries (labor man/day) - Other components/activities (to be specified) 			<i>Specify the type of contractual arrangement</i>
Organization of Operation and maintenance	Planned	Actual	
<ul style="list-style-type: none"> - Number of beneficiaries households - Cleaning of canal (number of time) - Repair of head works and structure per year 			
Organization of Water Distribution			
<ul style="list-style-type: none"> - Do you have a group organization? - Who is your leader? - Is water distributed by rotation? - Who is allocating water? - Do you have enough water for your crops? 			
Benefit - Agriculture Production			
<ul style="list-style-type: none"> - What is the average size of cropping area per family? (Hai) - What are you cropping during wet season? - What is the quantity of seed sowed per family? - What is the quantity harvested per family? - Are you cropping during dry season? - What is the quantity of seed sowed per family? - What is the quantity harvested per family? - Do you still have food deficit? - If yes how many month? 			
Capacity Building			
<ul style="list-style-type: none"> - Did you receive instruction from officials? - Are the training enough for you? - What are the fields that you need assistance? 			
<u>Main problems / explain</u>	<u>Proposal from the Group</u>		

**VILLAGE BENEFICIARY QUESTIONNAIRES
 (SAMPLE FOR ACCESS ROAD)**

Province		District	
Khet		Village	
Focus Groups		Sub-project type	<i>Access Road Construction</i>
List Name of participants:			
Facility Development	Planned	Actual	Remarks
<ul style="list-style-type: none"> - Length of access road (meter) - Number of road structure (culvert, bridge Irish crossing) - Planned number of beneficiaries (households) - Planned rehabilitation costs (Kip) - Participation from beneficiaries (costs Kip) - Participation from beneficiaries (labor man/day) - Organization of labor (number of teams) - Other components/activities: 			<i>Specify the type of contractual arrangement</i>
Organization of Road Maintenance Work	Planned	Actual	
<ul style="list-style-type: none"> - Number of beneficiaries households - Cleaning of access road - Repair of structure per year 			
<ul style="list-style-type: none"> - Do you have a group organization? - Who is your leader? - Is work divided by length to each family? - Who is allocating the work? - Do you have enough labor for the work? 			
Benefit - Improved Access	Before	Today	
<ul style="list-style-type: none"> - How much time does it take to get to the town? - How much time does it take for the children to get to the school? - How much time does it take to reach the nearest dispensary? - Can motor bike reach your village during wet season? - Can 4 wheel trucks reach your village during wet season? - Can 6 wheel trucks reach your village during wet season? 			
Capacity Building			
<ul style="list-style-type: none"> - Did you receive instruction from officials? - Are the training enough for you? - What are the fields that you need assistance? 			
<u>Main problems / explain</u>	<u>Proposal from the Group</u>		

**VILLAGE BENEFICIARY QUESTIONNAIRES
 (SAMPLE FOR VILLAGE WATER SUPPLY)**

Province		District	
Khet		Village	
Focus Groups		Sub-project type	<i>Village water supply</i>
List Name of participants:			
Facility Development	Planned	Actual	Remarks
– Number of water posts – Length of main water pipes – Length of lateral water pipes – Construction costs (Kip) – Participation from beneficiaries (costs Kip) – Participation from beneficiaries (labor man/day) – Other components/activities (to be specified). Other components/activities: _____			<i>Specify the type of contractual arrangement</i>
Organization of water supply Maintenance Work	Planned	Actual	
– Number of beneficiaries (households) – Number of water volunteers – Cleaning of head work per year – Repair of structure per year			
– Do you have a water user group organization? – Do you have a water user's regulation? – Do you have block leader? Who is the block leader? – Is maintenance work divided to each family? – Who is allocating the maintenance work? – Do you have enough labor for the work? – Are you satisfied with the work of the volunteers? – Do you have enough water during dry season? – Have you time restriction on the use of water during dry season?			
Benefit - Improved access to clean water	Before	Today	
– How far have is the clean water source? – How many times does people fetching water per day? – How much time does it take to fetch water? – Other benefit: _____			
Capacity Building			
– Did you receive instruction from officials? – Are the training enough for you? – What are the fields that you need assistance?			
<u>Main problems / explain</u>	<u>Proposal from the Group</u>		

VILLAGE BENEFICIARY QUESTIONNAIRES
 (SAMPLE FOR VILLAGE SCHOOL CONSTRUCTION)

Province		District	
Khet		Village	
Focus Groups		Sub-project type	<i>Village School Construction</i>
List Name of participants:			
Facility Development	Planned	Actual	Remarks
<ul style="list-style-type: none"> - Number of class room - Size of the classroom - Material Quantity - Wood - Cement - Iron bar - Sand - gravel - Construction costs (Kip) - Participation from beneficiaries (costs Kip) - Participation from beneficiaries (labor man/day) - Other components/activities (to be specified). Other components/activities: _____ 			<i>Specify the type of contractual arrangement</i>
Organization of Facility Maintenance Work	Planned	Actual	
<ul style="list-style-type: none"> - Number of teachers - Number of school children - Class 1 - Class 2 - Class 3 - Cleaning of shool work per year - Repair of school structure per year 			
<ul style="list-style-type: none"> - Do you have a Parent Association? - Do you have a Parent Association Regulation? - Are you satisfied with the work of the Parent Association Committee? - Do you pay any school fee? How much per child? - Is maintenance work divided to each family? - Who is allocating the maintenance work? - Do you have enough labor for the work? 			
Benefit - Improved access to education	Before	Today	
<ul style="list-style-type: none"> - How far is the primary school? - How much time does it take to go to school? - How many girls are attending schools? - How many children are not going to school? - Other benefit: _____ 			
Capacity Building (Teachers and Parent Association)			
<ul style="list-style-type: none"> - Did you receive instruction from officials? - Are the training enough for you? - What are the fields that you need assistance? 			
<u>Main problems / explain</u>	<u>Proposal from the Group</u>		

VILLAGE BENEFICIARY QUESTIONNAIRES
 (SAMPLE FOR INCOME GENERATING ACTIVITY; TRAINING; ENVIRONMENT)

Province		District	
Khet		Village	
Focus Groups		Sub-project type	<i>Village School Construction</i>
List Name of participants:			
Facility Development	Planned	Actual	Remarks
– (To be specified) – Other components/activities (to be specified). Other components/activities: _____			<i>Specify the type of contractual arrangement</i>
Organization of Production Work	Planned	Actual	
– Number of products – Annual quantity production			
– Do you have an activity/production group? – Do you have a group regulation? – Are you satisfied with the work of the group Committee?			
Benefit - Improved Household Income	Before	Today	
– How much money do you get – Have the activity help in increasing household revenue? – Other benefit: _____			
Capacity Building (Teachers and Parent Association)			
– Did you receive instruction from officials? – Are the training enough for you? – What are the fields that you need assistance?			
<u>Main problems / explain</u>	<u>Proposal from the Group</u>		

VILLAGE BENEFICIARY QUESTIONNAIRES
 (SAMPLE FOR VILLAGE SAVING GROUP)

Province		District	
Khet		Village	
Focus Groups		Sub-project type	<i>Village Saving group</i>
List Name of participants:			
Facility Development	Planned	Actual	Remarks
<ul style="list-style-type: none"> - No. of village saving - from PRF - from member - process of selection member - process of organization 			<i>Specify the type of contractual arrangement</i>
Organization of village saving group	Planned	Actual	
- the team of village saving group and responsibility			
<ul style="list-style-type: none"> - Do you have a group regulation? And how about the regulation - loan - deposit - interest - policy for poor people - member - loan - deposit - interest 			
<ul style="list-style-type: none"> - how saving group respond to the priority of village - accounting system - villager to be satisfied for saving group 			
Beneficiary of saving group			
<ul style="list-style-type: none"> - community - family 			
Capacity building in the local			
<ul style="list-style-type: none"> - Did you receive instruction from officials? - Are the training enough for you? - What are the fields that you need assistance? 			
<u>Main problems / explain</u>	<u>Proposal from the Group</u>		

HOUSEHOLD QUESTIONNAIRE

Village		Khet		District		Province	
Name of interviewer:				Name of interviewees			

1. Household situation

Poverty level	No. of family members	No. of female
Husband name: age:	Wife name: age :	Ethnic minority:
List the name, age and sex of all family members:		
2. Benefit from activities		
What activity did your family benefited from the PRF?		
Have the members of the family participated in the selection of village's priority projects? What have you selected?		
Have you participated in the PRF project construction? And operation and maintenance? Please explain how?		
What are the activities that are relevant for the village?		
What are the activities you appreciate the most?		
What activity provides addition income to your family?		
What is your responsibility in the operation and maintenance of sub-projects?		
What are the difficulties you have in the development of village's sub-project?		
What are your personal view on poverty reduction in your village?		

POVERTY REDUCTION FUNDS
BENEFICIARY ASSESSMENT 2006
FINAL REPORT

ANNEX 5: CASE STUDIES

1. Case Study 1: Village Saving Funds

Village Saving Funds were introduced by PRF since cycle II as an Income Generating Activity. During the beneficiary assessment 7 of 22 khets saving schemes were assessed. The Village Saving Fund is developed based on the experience of women's village saving schemes in Vientiane Capital, which was organized through the Lao's Women Union (LWU). This activity is also considered as a gender development activity because of its direct benefit to women¹ who are traditionally in charge of household expenses and savings.

Development and Management Process

Village saving development follows the PRF's sub-project development process, which start with the identification and prioritization at village level. In reality, many LWU at district level got some training and experience in organizing village saving groups with support from other donors i.e. in Vilabuly district the LWU has organized 15 village saving groups with the support of Sepone Gold Mining Company. Therefore, the activity is proposed and prioritized during the village and khet prioritization meetings.

After sub-project approval, funds are provided (through khet finance) to the LWU or other local institutions to organize the village saving groups. In practice, this activity covers more than one village in the khet. The village saving group's organizers conducts the following activities in the target villages;

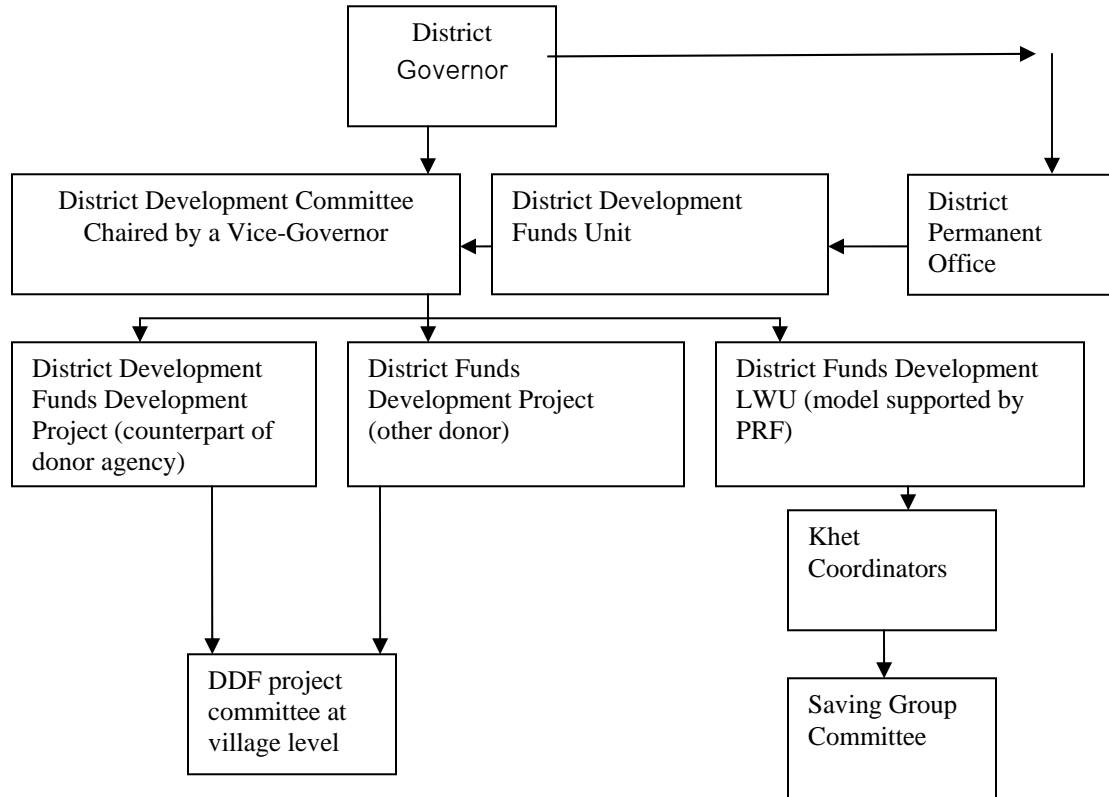
- Provide information on village saving to interested group of people with focus on female group;
- Organize the people into village saving group, with election of group's chair and management committee;
- Prepare, discuss and approve saving group regulations with the community; membership, saving and lending rules, interest rates for each activity, etc.
- Members of the saving group are saving for a period of 6 months; the organizers and PRF staff visit the saving scheme and evaluate the progress and impediments;
- When the evaluation is positive a sub-project proposal is prepared for requesting seed funds from PRF. This is not always the case.
- The organizers (LWU) are following the progress of the saving scheme on regular basis.

PRF is providing assistance to the district to train the LWU and other staff in the field of rural credit techniques, providing seed funds for the village saving funds and travel allowance to the staff to organize and follow-up the operation of the village saving funds in each target village.

¹ In Lao Lum ethnics, women are responsible of household saving and expenditure because they are the ones meriting land from the parents. In tradition, husband move to the wife's family and pay a dot for being into the wife's family. In other ethnic minority this is not always the cases.

Organization

The organization for the organization and supervision of the development of village saving funds is made from district to village level. A District Fund Committee is established at district level with links to the khets and village level. The following organization diagram elaborates the structure of the organization of Khong District, Champasak Province.



All districts have similar organization as specified in the diagram above but the most current organization is the organization of village funds through the organization of LWU, which is supported by PRF. At village level the size organization of the saving group committee depends on the size of the saving group. But the organization should comprise of one chair persons, one treasurer, one accountant and 2 to 3 controllers (selected from the village administration)

The following table lists the persons in the saving group committee in the 3 districts of Nong Het, Viengxay, and Phin.

Saving Group DinDam Village, Nong Het District, Xieng Khouang Province	Saving Group DonKhoun Village, Viengxai District, Huaphanh Province	Saving Group Tadhai Village Phin District, Savannakhet Province.
1. Mr. Soy, Chair person	1. Mr. Samleth, Chair person	1. Mr. Kongpasoum, Chair person
2. Ms. Bay, Accountant	2. Ms. Piane, Cash account	2. Mr. Lua, Vice--chair
3. Mr. Thit, Administration	3. Ms. Bay, Credit account	3. Ms. Komvilay, Cash account
4. Mr. Siboun, Credit account	4. Mr. Sipheth Deposit account	4. Mr. Thounthochanh, Deposit account
5. Ms. Pheng, Cash account		5. Mr. Savaeng, Planning
		6. Ms. Phetsamone, Administration
		7. Mr. Kiangsone, Adviser
		8. Mr. Khambay, Adviser

Operation and Results

Village saving schemes are developed in 22 villages. The schemes are all located in urban or sub-urban areas where agriculture and handicraft production is developing. The benefits from the village saving funds expressed are:

- Funds are available in the village for household emergency such as for hospitalization, death, etc;
- Funds are available in the village for household expenses i.e. school expenses;
- Funds are available in the village for household production such as for crop production, livestock production, small cottages, trading, shops, etc.

With the introduction of village saving schemes in Cycle II, more villagers have practiced new rural credit techniques for developing agriculture production and handicraft. Thus production activity further increased in the villages with saving schemes. The district LWU has been trained and has the capacity to assess the need, prepare Sub-project proposal and develop and follow-up village saving fund projects

The saving operation has just started with saving group members depositing money into the saving funds. There are few schemes that started to lend money to the members. The following tables show the status of saving schemes in a few sample districts.

Viengxay District, Huaphanh Province

	Khet	Village	Saving date	Number of members	Saving funds from villagers	PRF seed funds
1	Soy	Donekhoun	17/05/06	68	3,343,000	none
2	Thetsaban	LongKou	25/05/06	92	2,935,000	none
3	Xiengluang	Namone	30/05/06	35	1,923,000	none
4	DanPhao	Danphao Nua	1/06/06	37	1,395,000	none
5	SiengMaen	SiengMaen	1/06/06	31	2,221,000	none
6	SiengMaen	Poung	1/06/06	40	910,000	none
7	Phoun	Deuy	10/05/06	63	1,851,000	none

Nong Het District, Xieng Khouang Province

	Khet	Village	Saving date	Number of members	Saving funds from villagers	PRF seed funds
1	Nong Het Tai	Dindam	2005	34	2,263,000	7,000,000
2	Nong Het Tai	NgodChan	2005	22	1,429,000	5,000,000
3	Phak Khae	NgodKho	2005	31	2,120,000	7,000,000
4	Thetsaban	Phaklak	2005	68	2,220,000	none
5	Pha En	Phounong	2005	20	678,000	none

Sepone District, Savannakhet Province

	Khet	Village	Number of members	Saving funds from villagers	PRF seed funds	Number of lenders
1	Kaengluang	Kaengluang	19	4,025,000	16,479,500	16
2	Sepone	Vongvilay	27	4,495,000	8,000,000	8
3	Kaengkok	Asing	28	1,420,000		4
4	Kaengkok	Huaysane	31	4,566,000		1
5	Dondsavanh	Dong Gnay	31	2,876,000		1

Pathoumphone District, Champasak Province

	Khet	Village	Number of members	Saving funds from villagers	PRF seed funds	Number of lenders
1	Khet 4	KM 41	131	10,308,000	7,000,000	34
2	Khet 2	KM 25	63	3,100,000	none	4
3	Khet 7	Sanod	60	1,935,000	none	
4	Khet 10	Phalaybok	85	3,571,000	none	

Khong District, Champasak Province (male/female lending)

	Khet	Village	Number of members (M/F)	Saving funds from villagers	PRF seed funds	Number of lenders (M/F)
1	10	Ban Na	M38/F 19	4,145,000	none	16/7
2	8	Tha Phao	M96/F 10	4,132,000	none	51/6
3	8	Tha Pho	M87/F83	4,321,000	none	11/1
4	12	Donlek Mai	M49/F24	3,659,000	none	3/1
5	3	Poung	M42/F27	1,009,000	none	3/1
6	7	KhonNua	M58/F58	1,323,000	none	5/4
7	7	KhonTai	M59/F55	1,071,000	none	1/1
8	7	DonDeth	M40/F35	800,000	none	1/1
9	5	Phonsavanh	M62/F28	1,917,000	none	8/3

Deposit per membership (individual or per households) varies depending on districts. There is specific minimum amount to be deposited specified for each saving scheme. There is also minimum amount (100,000 Kip) for credit. The lending practice is easy; the money is lent the

same day it is returned so there is no need to keep cash with the committee. The credit account of one saving scheme in Pahoumphone District is shown as below.

Pathoumphone, Khet 4 (Thetsaban), KM41 Village, saving group with 34 lenders

	Name of member	Purpose of the credit	Amount (kip)
1	Ms. Champa	Household emergency	300,000
2	Ms. Huad	Household emergency	300,000
3	Ms. Mone	Hospitalization	300,000
4	Ms. Vieng	Poultry raising	500,000
5	Mr. Keota	Poultry raising	300,000
6	Ms. Tae	Small trade	300,000
7	Ms. Sengphet	Mushroom culture	500,000
8	Mr. Bounthavy	Hospitalization	200,000
9	Mr. Bounlap	Crop production	300,000
10	Ms. Hiang	Poultry raising	500,000
11	Mr. Thongdam	Poultry raising	200,000
12	Mr. Phaythoun	Poultry raising	150,000
13	Ms. Bounmy	Crop production	200,000
14	Ms. Theo	Crop production	200,000
15	Ms. Chanday	Crop production	200,000
16	Ms. Som may	Crop production	200,000
17	Mr. Bounleth	Small trade	700,000
18	Ms. Lad	Small trade	300,000
19	Ms. Khamkone	Crop production	500,000
20	Ms. Bing	Crop production	500,000
21	Ms. Kout	Crop production	500,000
22	Ms. Boun	Crop production	300,000
23	Mr. Chanboun	Hospitalization	400,000
24	Ms. Kone	Poultry raising	400,000
25	Ms. Laa	Crop production	300,000
26	Mr. Keung	Crop production	300,000
27	Mr. Pone	Small trade	1,000,000
28	Mr. Seuk	Livestock production	700,000
29	Mr. Chanthasadone	Livestock production	500,000
30	Ms. Chanday	Livestock production	500,000
31	Ms. Kiad	Livestock production	500,000
32	Mr. Lae	Livestock production	1,000,000
33	Ms. Lak	Small trade	400,000
34	Ms. Saovieng	Crop production	300,000

The saving scheme started in July 2005, in June 2006 a first dividend of 4,000,000 Kips was distributed to the members according to their deposited amount. The lending was for crop production, livestock production, small trade and household emergency.

The interest rates as specific for each type of activities and are specified in the table below.

Credit rules

	Credit purpose	Monthly interest (%)	Penalties
1	Trade	3	Returning credit not on time penalty of 50% of the credit amount. If cannot return within 3 consecutive months will be dismissed from membership. Interest rates are subject to changes from decision of the members.
2	Livestock production	2	
3	Crop production	2	
4	Medical treatment	1	
5	Death allowance	100,000 Kip	

Constraints

Few groups complained that they have not enough money to lend (KM21 and KM25 villages in Pathoumphone).

Many saving groups do not know how to calculate the annual dividend. They are waiting for the district to assist them to do so. The individual dividend distributed is low because of the low interest rates and the limited number of lending.

Many saving groups are not keeping the book and accounts properly.

Sustainability

Sustainability of the village saving funds depends on the strength and capacity of the saving groups that operate the activity.

In area with commercial potential, the sustainability of village saving funds will be depending on the capacity of the village administration and saving group to manage and develop the existing village funds to become vibrant micro-credit schemes providing enough funds for developing production and trading. On the other hands, the high lending volume would generate enough turnovers to give acceptable profit to the saving group members.

In less accessible areas, there are difficulties to develop saving deposit because of poor livelihood conditions and cultural belief. Village saving funds established by PRF would be sustainable if the funds are allocated to production groups for production of livestock and trading of NTFPs.

Finally sustainability of the village saving funds relies on the capacity of the district administration to provide effective extension services to the production, marketing and delivery of products as well as to provide micro-credit management support to the village saving groups.

Questionnaire Profiles Summary – Village Saving Funds

	Province	Huaphanh			Xiengkhouang			Savannakhet	Champasak			
	District	Huamuang	Viengsay	Samthai	Nonhad	Khoune	Kham	Phine	Pathomphone	Pathomphone	Monlapamok	Soukuma
	Khet	Buangame	Soyneua	Samthai	Nonghadthai	Samphanesay	Longmathai	11	2	7	2	1
	Village	Buangame	Dokkhoun	Samthai	Dindam	Syviengkham	Nayong	Thadhaise	km25	Sanot	Donenangloy	Lath
Q1 Sub-project development												
Amount of money saving by villagers (kips)	10.871.000	5.814.000	3.661.000	2.588.000	3.034.000	7.719.000	6.880.000	3.100.000	2.747.000	10.810.000	3.751.000	
Suppoted by PRF (Kips)	None	2.250.000	none	7.000.000	not yet	not yet	10.160.000	not yet	not yet	not yet	not yet	
No. of member (person)	65	76	28	34	67	97	23	63	60	106	36	
How to select the group member ?	y	y	y	y	y	y	y	y	y	y	y	
How to organize the group ?	y	y	y	y	y	y	y	y	y	y	y	
Q2 Maintenance, Organization of the group												
How many committee member ?	4	4	4	4	4	4	4	7	7	7	7	
Are there regulation ?												
Who can borrow the money ?	Member	Member	Member	Member	Member	Member	Member	Member	Member	Member	Member	
How much we can borrow ?	500.000k	500.000k	200.000k	200.000k	200.000k	200.000k	2.000.000k	2.000.000k	100.000k	1.000.000k	160.000k	
How long we can borrow?	3- 6months	3- 6months	6months	6months	3m - 1 year	3m - 1 year	3m - 1 year	3m - 1 year	3m - 1 year	3m - 1 year	3m - 1 year	
For what purpose we can borrow ?	Depend on needs	Depend on needs	Depend on needs	Depend on needs	Depend on needs	Depend on needs	Depend on needs	Depend on needs	Depend on needs	Depend on needs	Depend on needs	
The interest rate per month (%)												
- For trading (%)	2	2	2	1.5	2	2	2	5	5	5	5	
- For agriculture (%)	1.5	1.5	1.5	1.2	1.5	1.5	1.5	3	3	3	3	
- For illness and poor people (%)	1	1	1	1.2	1	1	1	2	1	1	1	
Q3 Profit - dividend												
How does the saving group support the village priority ?	additional act	additional act	additional activities									
Accounting system (1 very good, 2 good, 3 poor)	2	2	2	2	2	2	2	2	2	2	2	
Community satisfaction to the village saving group ? (very	2	2	2	2	2	2	2	2	2	2	2	
Dividend for administration committee (% per year)	10	10	10	10	10	10	10	5	10	10	10	
Dividend for saving group member (% per year)	70	70	70	70	70	70	70	80	70	70	70	
Dividend for social security (% per year)	5	5	5	5	5	5	5	3	5	5	5	
Dividend for group improvement (%/year)	10	10	10	10	10	10	10	10	10	10	10	
Q4 Capacity building												
Did your receive advice from officials ? (Y/N)												
Did you receive sufficient training? (Y/N)	y	y	y	y	y	y	y	y	y	y	y	
What kind of knowledge do you need help ?	y	y	y	y	y	y	y	y	y	y	y	

2. Case Study 2: Natural Environment Protection - Natural Fish Reserves Areas

Natural fish reserve areas were introduced by PRF since cycle II as part of natural environment protection to preserve aquatic resource and food in the community. During the beneficiary assessment 5 fish reserve areas of the 41 khets' natural environment protection schemes were assessed.

Development and Management Process

The establishment of natural fish reserve areas follows the PRF's sub-project development process, which start with the identification and prioritization at village level. In general, the activity is proposed by PRF as an initiative to protect the environment and natural resources that are depleting due to increased population and over fishing in rivers, streams and natural ponds. In khets that have potential areas for establishing fish reserves, the activity is selected and prioritized during the village and khet prioritization meetings.

After sub-project approval, funds are provided to the khets to organize the natural fish reserve areas. In practice, this activity covers more than one village in the khet. After the approval of the sub-project, the natural fish reserve areas' organizers (District Agriculture and Forestry Extension Office (DAFEO)) conduct the following activities in the target villages;

- Survey potential locations and demarcations of the fish reserve areas;
- Train and organize the villagers for guarding the reserve and protect against any kind of fishing. A regulation is prepared and approved;
- Official request for establishing the fish reserve is send to concerned authority and area is certified as reserve by the district administration;
- Signs are put up informing about the fish reserve location;
- The fish reserve location areas and regulations is informed to all surrounding villages. Advertisement about the establishment of the reserve is made at district and provincial level through local radio.
- Fish fingerlings are released in the reserve;
- Villagers are guarding the reserve;
- In few khets, fish are harvested and distributed equally to all households.
- The organizers (DAFEO) are following the progress of the fish reserve on regular basis.

PRF is providing assistance to the district to train the DAFEO and other staff in the field of natural resource management, providing fingerlings and sign boards and travel allowance to the staff to organize and follow-up the operation of the natural fish reserve area in each target khet/village.

Organization

A management committee with representative from the villages benefiting from the fish reserve area is established. Generally the committee is chaired by the vice-chief of the village where the reserve is located.

At Sang village, Khet Thetsaban, Kham District Xieng Khouang province. The committee comprises of three men (Mr. Khammy Vice-Chief of Mo village and Mr. Siphone Vice-Chief of Sang Village, and Mr. Khampheng a retired teacher) and one woman (Ms. Khampha head of LWU Sang Village), which will directly benefit from the fish reserve area. But during the establishment of the sub-project villagers from 17 villages contributed 1,787,000 Kip. All villagers are responsible for watching illegal fishing in the reserve areas. The local village militia is guarding the area by turn between Sang and Mo villages.

Operation and Results

About 41 reserves were established with PRF support. The activity is highly appreciated by the local communities and officials. Villagers see this activity as a long term perspective for securing food and preserving their surrounding environment. In few villages natural fish reserves is considered as communal savings to be utilized in case of communal emergencies. The activity has enhanced the awareness and knowledge of natural resource conservation. Actually there is no direct impact yet but in many location fish reserve areas show sign of fish abundance. The following table list the PRF support to the establishment of 10 fish reserve areas in Sukuma District, Champasak Province.

Fish Reserve Area Beneficiaries and PRF support in Sukuma District

Khet	Village	Beneficiaries		Villagers trained		Support from PRF
		F	M	F	M	
1	Lath	535	523	64	96	Sign board/fingerlings 20 bags
2	Muang	223	194	72	121	Sign board/fingerlings 500 heads
3	Pakuay	609	1361	62	125	Sign board/fingerlings 1500 heads
5	OuthoumMay	586	422	40	75	Sign board/fingerlings 1000 heads
6	DonVai	953	853	42	96	Sign board
6	NonPhachao	414	427	32	59	Sign board/fingerlings 1500 heads
7	DonKhantheung	277	556	32	84	Sign board/fingerlings 1000 heads
7	GnangSao	167	145	63	122	Sign board/fingerlings 1000 heads
8	HuayPhay	651	634	42	98	Sign board/fingerlings 1000 heads
9	NonDeng Tai	554	429	26	65	Sign board/fingerlings 1000 heads
10	NonDeng Nua	943	941	75	110	Sign board/fingerlings 1000 heads

Fish reserve areas have one standard regulation as follows

Fish reserve area regulations

Interdiction to cultivate by slash and burn in the areas surrounding the reserve area	Penalty: 200,000 Kip per time/household and 1,000,000 Kip per hectare cultivated.
Interdiction to fish and harvest all life aquatic resource in the reserve area.	Penalty: 50% to the value of the harvest if it is the first time caught. And 100% of the value of the harvest (confiscation) if it is the second time caught.
All fishing devices are prohibited near the reserve area.	Penalty: from 100,000 Kip to 500,000 Kip according to the type of device.
Destruction of the sign board	Penalty: the amount of the sign board (200,000 - 250,000 Kip)
Appreciation for good conduct	Fish reserve area that are well protected will receive official appreciation from government authorities or PRF.

Constraints

In reserve areas located in rivers, villagers are concerned with the changing climatic conditions that change the course of the rivers and streams.

The reserve area shows abundance but fish are caught outside the area by villagers living up-stream and down stream that have not contributed to the establishment of the reserve area.

There are slash and burn areas up-stream affecting the reserve area that cannot be controlled because it is located outside the khet.

In few khet reserve areas are not guarded and illegal fishing is practiced.

Sustainability

Sustainability of the village saving funds depends on the strength and capacity of the villages' administrations that are jointly operating the activity. As the activity is not getting immediate result there is a risk that the guarding and protection of the reserve is not continued after project support.

The district administration has also very limited resource in term of manpower and funds to enforce the natural resource protection regulations. Shifting cultivation is still practiced in large areas encroaching watershed areas the source of water for the fish reserves. On the other hands, because of the increased population and the scarce source of food in the forest and surrounding, people are over fishing and utilizing more sophisticated fishing devices. In many areas electrocution, dynamite and poison are still utilized for fishing. This depletes fish population and reproduction.

3. Case Study 3: Access Roads and Bridges

At the time of the beneficiary assessment 255 access development sub-projects were completed and approved. The beneficiary assessment assessed 15 sub-projects which comprised of 16 village access tracks and 9 bridges.

Development and Management Process

The development of access tracks and bridges follows the PRF's sub-project development process, which start with the identification and prioritization at village level. After the sub-project is identified and prioritized, the PRF technical team undertakes field surveys, design and appraisal with the help of khet coordinators and villagers that will be benefiting from the infrastructure. If the sub-project do not exceed pre-allocated budget, the sub-project is approved and the assistance agreement is signed between PRF and the khet(s) concerned. The PRF team and khet prepare tender document for the construction of the road and structures or bridges. Procurement is undertaken by the khet and district and companies contracted for the construction or for the delivery of materials and equipment in case of works to be made through small procurement. The assistance agreement stipulates the contribution of the community in term of labour/day, local materials and money.

During the construction, the khet and village administration supervise the work and record the bill of quantity/delivery of the contractor and of the community (volume of work and materials). The khet evaluate construction according to cross-cut schedule of work and process with payment to the contractors through bank transaction. At the completion of the construction works a final evaluation is made with participation from the district administration.

After the completion of sub-project construction, khets organize the operation and maintenance of the different parcels allocated to each village. In each village road maintenance volunteers are organized and assigned to assist the khet to plan and conduct necessary maintenance and repairs on the parcel allowed to their villages.

Organization

The organization for the identification, appraisal, construction and operation and maintenance of access roads and bridges follows the organization of the PRF's Khet team comprising of khet coordinators, khet finance, khet procurement, khet construction supervision and khet maintenance team. At village level labour is organized and recorded by the village administration units (or nouais²).

² The nouais represents a group of 8 to 15 houses holds. The Chief of Nouais report to the village chief and participate in all village meeting. He is responsible to recruit labour and record the work contributed by each household.

Result

About 255 sub-projects have been put into place with the support from PRF. Access roads, bridges and culverts are highly appreciated by district officials and the local communities especially by all villages with poor access. Rural roads are most relevant to poverty eradication because of its large and multiple impacts on household food security, income generation, health and education. Rural roads often bring economic and social benefit to the communities and the impacts stated during the interviews were.

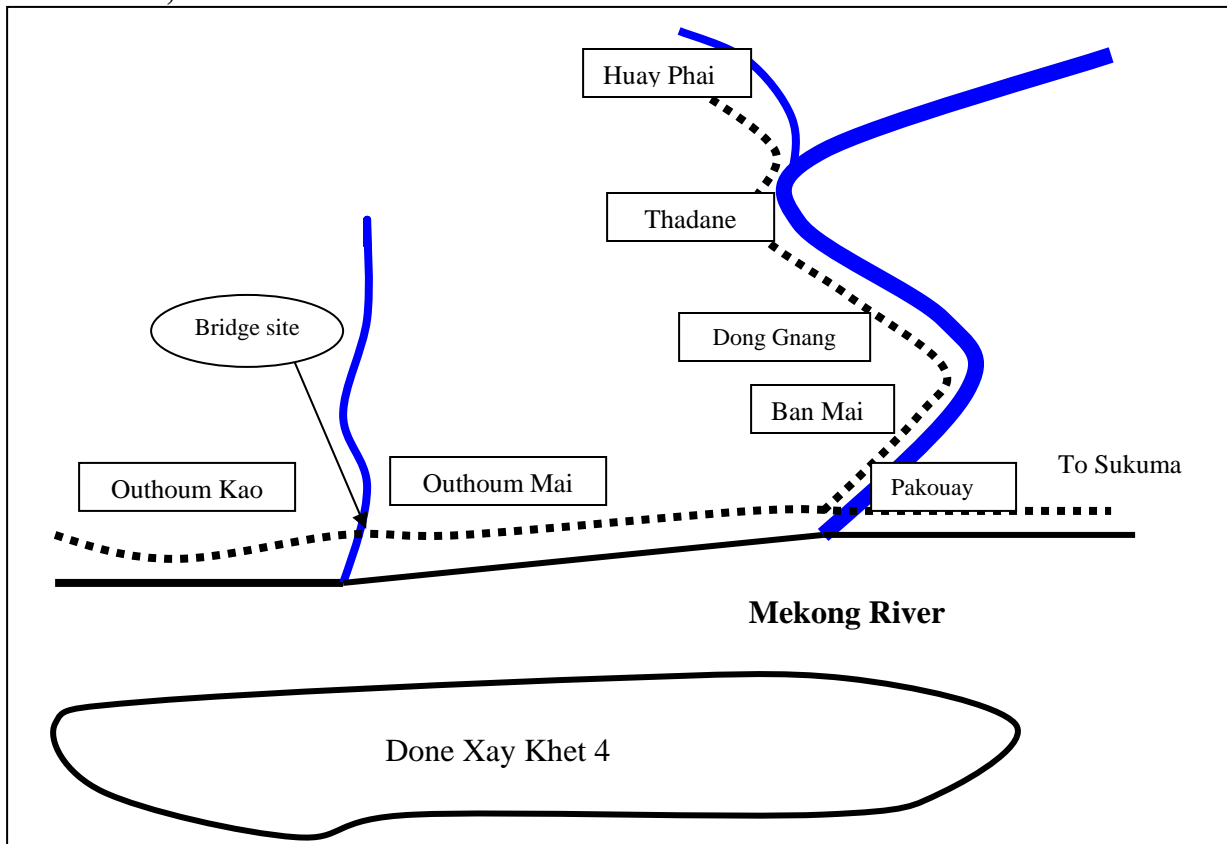
- More opportunities were created for people to sell and buy products and commodities outside their village. The farm gate's prices of village products have increased (maize, cash crop, livestock and NTFPs) as well as the village agriculture area and production.
- Public transport increased and transport cost from and to major local agglomerations and towns reduced. Number of village transport vehicles (hand tractors, motorbike, and bicycle) increased rapidly. Women claimed that rural roads and the increased utilization of hand tractors have reduced the work load of women and children in the transport of farm products and fuel wood.
- For villages that do not have a primary school (grade 4 and 5) and secondary school (grade 6 to grade 10) rural road reduces traveling time and improve security for children going to school outside the village. It allows more girls to enroll in secondary school.
- Rural roads reduce time to travel to dispensary or hospital and allow district medical staff to easily access the people for vaccination and primary health care.
- Rural roads facilitate to provision of public extension and support services. There are more visits from the district agriculture extension. Better village and khet accessibility encourages teachers and medical staff to enroll and work in remote areas.

Case of Huay Ngua Noy Bridge, Sukuma District, Champasak Province

The construction of the bridge across Huay Ngua Noy River at Outhoum Mai/Kao Village in Sukuma District, Champasak Province provides good justification on the local capacity in infrastructure development. The construction of the Huay Ngoua Noy River is considered as a success case by works made through small procurement contract.

Outhoum Mai is located in khet 5 of Kusuma district. The khet comprise of a community of 6 villages which can be accessible by road only during the dry season. Transport is done by boat during the raining seasons. The accessibility is a big concern to all villagers living in the areas.

Khet 5 area, Sukuma District



A wooden with concrete pole bridge was identified and prioritized during cycle I and constructed according to schedule. During the appraisal the location of the bridge was relocated and the length was reduced from 27 meters to 18 meters thus reducing cost of construction.



The construction of the bridge was made through small procurement by contracting a retired engineer to supervise the construction and local craftsmen in the Khet. Labour was provided from two villages (Outhoum Mai and Outhoum Kao) for the transport and delivery of sand and gravel and for sawing wood poles and planks. The community labour accounted at 30 labours/per day for 100 working days during the construction. An additional 50 labour/ per day for 15

days was made for filling the bridge's shoulders.

At the completion of the sub-project the construction cost was 214,740,239 Kip. In reality the contribution from the community exceeded contribution from PRF community labour was not accounted in the sub-project calculation.

Budget and actual cost of construction of Huay Ngua Noy Bridge

	Description	Contribution	Kip
	Sub-project budget		
1	Construction materials and fees	PRF	91,565,239
2	Sand, gravel, wood planks and poles	Community	48,175,000
	Subtotal		139,740,239
	Cost not accounted in sub-project calculation		
3	Labour 30 labour/dayx 100 days x 20,000 Kip	Community	60,000,000
4	Labour 50 labour/dayx 15 days x 20,000 Kip	Community	15,000,000
	Subtotal		75,000,000
5	total funds by community (2+3+4)	57%	123,175,000
6	total funds by PRF	43%	91,565,239
	total funds		214,740,239

Aside from the khet maintenance team, the two villages organized a bridge maintenance team comprising of 5 persons co-chair by two Vice-chiefs of villages. During the interview, the maintenance committee organized cleaning after the end of the raining season. A regulation is established not to allow trucks over 6 tons to pass by.

Villagers claimed that not only the two villages and the villages located in the khet benefit from the bridge because the road along the Mekong River is merging many groups of villages. The direct benefits from the bridge are:

- Easing the transport of agriculture production because rice fields are located in opposite side of the river.
- Children from Outhoum Kao can easily reach the secondary school located in Outhoum Mai.

This case provides us evidence that PRF developed sense of ownership through the empowerment of the community by means of small procurement. The contribution from the community is higher than expected and has not been correctly recorded.

Constraints

The PRF team has difficulties to survey and design the construction of access roads and bridges in a short period of time (one month) with limited survey equipments.

Generally road survey and design is made without proper drawing and specifications for the road culverts and other concrete and wood structures.

Standard design for bridges do not always fit the local conditions and designs have to be adjusted to the locations and availability of local materials.



Because of the above constraints earth works are hampered by rocks and dynamiting the rocks is causing extra work and costs. In the case of Nong Het Tai road the cost for dynamiting rock was not calculated but put as a burden to the villagers.

Sustainability

In general khet and village maintenance team are organized. In many khet discussion on road maintenance fee collection is made but the fees are not yet been applied. Villagers are organized do small maintenance and repairs after the raining season by communal voluntary labor assigned to each household. In few khets, villagers are fencing the road during the wet season. There are some major constraints that some implications on the sustainability of rural roads as follow.

- Villagers have no resources (labor and funds) to undertake large repairs (large land sliding, culvert washed, etc.) and the district has very limited budget for road maintenance.
- Villagers cannot halt heavy logging and merchandise trucks passing through their newly constructed road i.e. in Muong Kham, Xieng Khouang.
- It is not clear who own the road and bridges structures if the roads and bridges are utilized by many villages or khets.
- Road maintenance by villages and khets issue is new and there is little public support.

4. Case Study 4: Village Water Supply

At the time of the beneficiary assessment 400 water supply development sub-projects were completed and approved. The beneficiary assessment assessed 23 sub-projects which comprised of 11 spring gravity fed system, 11 deep wells and 1 open well.

Development and Management Process



The development of village water supply follows the PRF's sub-project development process, which start with the identification and prioritization at village level. After the sub-project is identified and prioritized, the PRF technical team undertakes field surveys, design and appraisal with the help of khet coordinators and villagers that will be benefiting from the infrastructure. If the sub-project do not exceed pre-allocated budget, the sub-project is approved and the assistance agreement is signed between PRF and the khet(s) concerned. The PRF team and khet prepare tender document for the construction of the water supply head works, lining of pipes and head post structures. Procurement is undertaken by the khet and district and companies contracted for the construction or for the delivery of materials and equipment in case of works to be made through small procurement. The assistance agreement stipulates the contribution of the community in term of labour/day, local materials and money.

During the construction, the khet and village administration supervise the work and record the bill of quantity/delivery of the contractor and of the community (volume of work and materials). The khet evaluate construction according to cross-cut schedule of work and process with payment to the contractors through bank transaction. At the completion of the construction works a final evaluation is made with participation from the district administration.

After the completion of sub-project construction, khets organize the operation and maintenance of the water supply in each village. In each village water supply volunteers are organized and assigned to assist the khet to plan and conduct necessary maintenance and repairs of the completed water supply.

Organization

The organization for the identification, appraisal, construction and operation and maintenance of water supply follows the organization of the PRF's Khet team comprising of khet

coordinators, khet finance, khet procurement, khet construction supervision and khet maintenance team. At village level labour is organized and recorded by the village administration Nouais. After the completion of the installation an operation and maintenance group is organized per water supply head post or hand pump. In many villages the organization is the same to the organization of the Nouais.

Result

About 255 sub-projects have been put into place with the support from PRF.

Piped gravity fed, deep hand pump and open well provide all year round easy access to clean water supply, either for drinking and domestic use. Water supply sub-projects are most appreciated by villagers and are most relevant to poverty eradication because of its social impact on health and women. Women expressed that having water supply nearby save more time for them or their children to do other household productive activities or study. Water supply also helps a lot in term of hygiene and sanitation, and it facilitates the introduction of latrines.

Water supply sub-projects are less appreciated in areas where there are alternative sources of water and less water shortage. The quality of water from deep and open well is not always good and in Champasak there is arsenic contamination that obliges villagers to use their original source of water.

The Case of Na Oung Water Supply System



Na Oung village is situated in Longmatay one of the largest khet of Kham District, Xieng Khouang Province. The Longmatay Khet comprises of 28 villages and there are plans to divide the khet into three new khets in the near future. The Longmatay khet is one progressive area with large production of rice during the wet season and intensive production of cash crops (maize) during the dray season. It is a highly populated areas and water supply is one big concern of the population living in the area. The beneficiary assessment team has taken this scheme as a case because the water supply (gravity fed) is well operation and maintenance is well organized. The team noticed that 2 water supply projects have supported the village in the past but have failed. One of them is the construction of large concrete containers (jars) to store water during raining season supported by a UN organization. The open wells originally dug by the villagers are contaminated during the wet seasons and got no water during the dry season.

A gravity fed water supply was identified and prioritized during cycle III (cycle 1 of the district). The scheme benefits 70 households or 364 habitants. During the sub-project survey the water source was identified and a distribution line of 6,400 meters long with 8 head posts were designed. The construction was made by a contractor and during the installation the head work has been relocated and an additional 300 meters of pipes added to the budget of the community. 52,000 kip per households (3,640,000 Kip) were collected for the contractor to finish the work. 8 head post were constructed with 7 in the village and one head post located in another village where the main pipe is passing through. The villagers also claimed that they contributed additional 1,680 labour/day valued to 8,400,000 Kip during the lining of the pipes.

Budget and actual cost of construction of Na Oung water supply

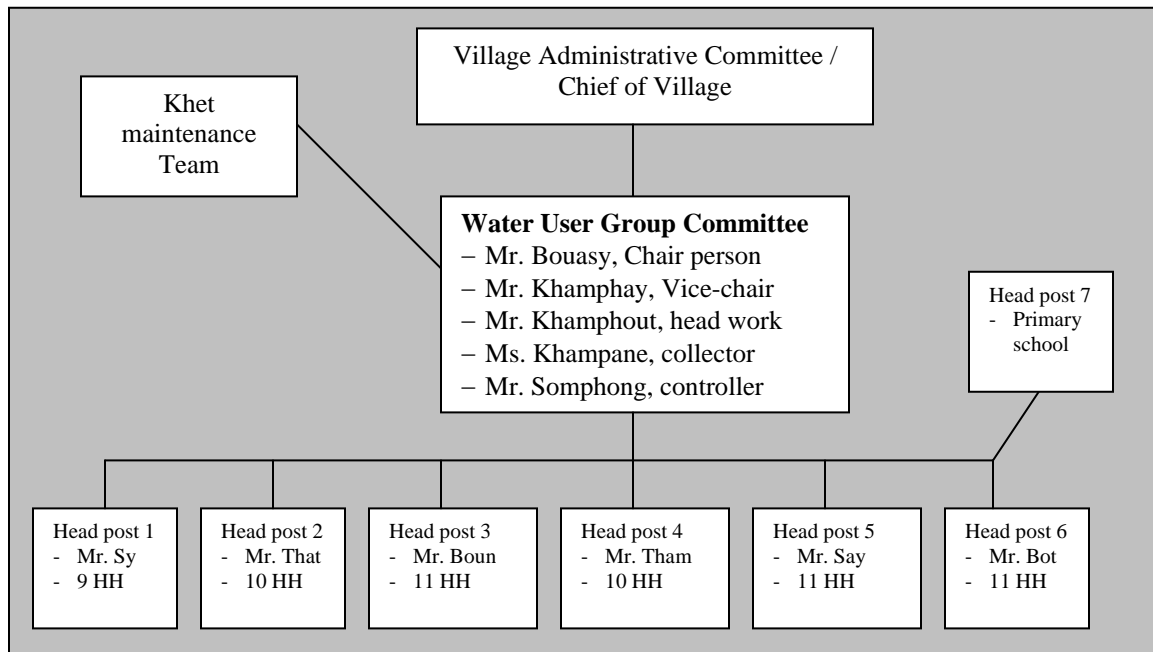
	Description	Contribution	Kip
	Sub-project budget		
1	Contractor	PRF	155,000,000
2	Additional work for contractor	PRF	29,936,900
3	Additional funds for pipes	Community	3,640,000
4	Labour	Community	840,000
	Subtotal		189,416,900
5	total funds by community (2+3)	2%	4,480,000
6	total funds by PRF	98%	184,936,900
	total funds		189,416,900

The contribution from the community to the construction and installation of the water supply is very small (2%) but the community is well organized to operate and maintain the system. Before the completion of the sub-project, a water user's organization was put into place and committee members trained by the district health office with support from PRF.

Water supply regulation is established and applied with water is collected at 500 kip per habitant. The monthly revenue from the water fee is 182,000 Kip is kept with the treasurer and utilized for small repairs. The head post blocks are different from the Nouais. They are responsible for cleaning and drainage of the head post and repairing tabs. One new tab per year is allocated to each block. Additional tabs to be replaced are the responsibility of the blocks.

At the time of the assessment, the villagers do not have problems on the quantity and quality of water. The only concern is the remoteness of the head work (about 6 kilometers) and the sustainability of the water resources where the head works is located.

Water User Organization of Na Oung



Sustainability

In the water supply scheme visited, khet and village maintenance team is organized for the maintenance of the water supply system. Villagers are organized by water distribution blocks divided per head posts or by village administrative units (the nouais) to clean, maintain the water supply head works, pipes, structures and head posts. Water regulation is set and water fee is collected for small repairs. During dry season when water is scarce water distribution is regulated. In all water supply sites visited maintenance and small repairs are made regularly with the supervision of the District Health Office. The following was observed.

- In locations where villages are located in upper location than water source, there are difficulties to design and install efficient water supply system. The systems installed are not providing enough water during dry season or are too expensive.
- Deep well pumps are not properly installed and cannot be utilized in Champasak.
- There is arsenic contamination in deep well pumps in some areas of Champasak.
- In many sites visited drainage of waste water is not done properly. There are high risks for health and water borne diseases.

5. Case Study 5: Primary School

At the time of the beneficiary assessment 360 education sub-projects were completed and approved. The beneficiary assessment assessed 35 sub-projects which comprised of 24 sub-projects for the construction of secondary and primary school.

Development and Management Process



The development of primary school follows the PRF's sub-project development process, which start with the identification and prioritization at village level. After the sub-project is identified and prioritized, the PRF technical team undertakes field surveys, design and appraisal with the help of khet coordinators and villagers that will be benefiting from the infrastructure. If the sub-project do not exceed pre-allocated budget, the sub-project is approved and the assistance agreement is

signed between PRF and the khet(s) concerned. The PRF team and khet prepare tender document for the construction of the school. Procurement is undertaken by the khet and district and companies contracted for the construction or for the delivery of materials and equipment in case of works to be made through small procurement. The assistance agreement stipulates the contribution of the community in term of labour/day, local materials and money.

During the construction, the khet and village administration supervise the work and record the bill of quantity/delivery of the contractor and of the community (volume of work and materials). The khet evaluate construction according to cross-cut schedule of work and process with payment to the contractors through bank transaction. At the completion of the construction works a final evaluation is made with participation from the district administration.

After the completion of the school construction maintenance of the school premises is organized through the parent association.

Organization

The organization for the identification, appraisal, construction and maintenance of schools follows the organization of the PRF's Khet team comprising of khet coordinators, khet finance, khet procurement, khet construction supervision and khet maintenance team. At village level labour is organized and recorded by the village administration Nouais. After the completion of the installation the maintenance is organized through the parent association. In many villages the parent association has not been established yet.

School Construction and Operation

The construction of school is made within the standard specified by PRF the size of the school; number of class room varies as well as the type of material materials utilized depending on the location. Construction costs are also variable because it is related to the mode of contract (by contractor or by small procurement) i.e. in Phine and Sukuma for the same type of school building. Contribution from the community is also variable depending of the capacity of the villagers in each location i.e. Khoun District community contribution is about one third of the total project amount. The following table defines the status of sub-project construction and operation in the a few samples in the 5 target provinces.

School Sub-project Construction and Operation in 5 Provinces

	Huaphanh XamTai WamTai	Xiengkhouang Khoun Khek	Savannakhet Phine Kengkao	Saravanh Toumlan Naviengthong	Champasak Sukuma Phonpheung
<u>Sub-project Construction</u>					
Number of classroom	5	2	3		3
Size of room	6x7m	8x4m	6x7m		6x8m
School material provided by PRF?	no	yes	no	yes	no
Construction cost	253,000,000	50,770,444	124,256,007		71,799,206
community participation (funds)	500,000	26,140,520	8,231,000	2,270,400	13,000,000
community labour participation	20p/d	10p/d	20p/d		20p/d
wood (cum)	13	3.5	39.8		5.3
sand (cum)	60	10			30
gravel (cum)	50	5	255		11
community other participation (food)	food	no	food	no	no
<u>Operation and maintenance</u>					
Number of teachers	4	1	2	5	2
number pupils	116	52	46	281	96
grade 1	14	34	26	120	36
grade 2	11	10	20	109	40
grade 3	16	8		32	18
grade 4	34			36	
grade 5	31			24	
parent association established?	yes	no	yes	yes	yes
school fee per children/year (kip)	5,000	2,000	5,000	5,000	5,000
School maintenance organized?	yes	yes	yes	yes	yes
by whom?	village adm.	village adm.	village adm.	village adm.	village adm.
Number of repairs per year	not yet	2t/y	not yet	not yet	1t/y
<u>Benefit of the Community</u>					
number of household beneficiaries	NA	38	NA	NA	NA
number of girls at school	50	25	20	15	0
number of children not attending school	none	none	10	77	31

After completion all school are in operation, in some areas only one or two classroom are occupied because of the lack of teachers or because the area has never got a school before so all pupils are in grade 1. I.e. in Kengkao Phine District only two classrooms is utilized. The school benefits the village and surrounding village. There is more girl enrollment at school and less drops out. However, the number of children not at school is high i.e. in Naviengthong, Toumlan District. Maintenance is organized by the village administration despite the organization of parents associations. Annual school fees are collected according to national education rules.

Result

About 360 sub-projects in education have been put into place with the support from PRF. District officials and the communities express satisfaction about all sub-project regarding education especially elementary school (grade 1 to 3) that provide the venue for children basic education. Villagers expressed high degree of appreciation for all education sub-projects from the construction or rehabilitation of elementary, primary and secondary schools' facilities to the provision of school furniture equipment, teaching materials, teaching aids, and lecture books. The benefits expressed by the people are:

- Children do not need to travel far in order to go to school, that saves food and money. On the other hands, children save time to travel so they can help the family after school hours in household production activities, thus encouraging poor families to send their children to school.
- Children have access to primary and secondary education. There is increased enrollment in all school visited especially for girls.
- Teachers can easily follow-up the learning of children because of their home nearby.

In ethnic minority villages school is not a priority of many villagers but it is put as a “must” by officials who have strong belief that education will change the livelihood of ethnic minority people. There are some constraints as follows.

- In ethnic minority villages Lao language is not the mother language there is less enrollment and large drop-out.
- In poor family girls are not allowed to school because they have to baby sitting their younger brothers or sisters when the parents are working in the field, collecting NTFPs or scrap metal.
- In villages with high food insecurity, children have to collect food or NTFPs' commodities in the forest and work in the field with their parents.
- In many village girls are also marrying at very young age (12-13 years) so they cannot continue their study to primary and secondary schools.
- For newly established school all children in the village are enrolled in grade 1. The difference in age from 8 to 18 is found and teachers have difficulties to teach. Drop out is usually among the oldest fellows.

Sustainability

In most of the school visited a parent association is or in the process to be organized. The school parent association is responsible for collecting student fees and funds for the repairs and maintenance of the school. In many schools, maintenance fee is collected and rules established for the maintenance of school materials and lectures books. Teachers receive a small food allowance from villagers. However, there some short falls found.

- Many school facilities are not fully utilized. There are excess of classroom only one of 3 classrooms utilized. This is due to the limited number of students³ and the lack of teachers.
- Teachers' allowances are not always provided for new elementary schools so few teachers enrolled to remote areas. In some areas there are delays in paying teachers' allowance from the PRF. i.e. in Nonghet.
- Many parent associations established are not functioning so school are not well maintained.

³ Building elementary school in new areas would start with enrollment in grade one but planning school construction is for 3 grades. It is anticipated that within 3 cycles elementary schools will be fully utilized. But in many cases it is not the case because of the lack of teachers.

6. Case Study 6: Health Dispensary

At the time of the beneficiary assessment 72 health sub-projects were completed and approved. The beneficiary assessment assessed 16 sub-projects which comprised of 6 sub-projects for the construction of health dispensary.

Development and Management Process

The development of health dispensary follows the PRF's sub-project development process, which start with the identification and prioritization at village level. After the sub-project is identified and prioritized, the PRF technical team undertakes field surveys, design and appraisal with the help of khet coordinators and villagers that will be benefiting from the infrastructure. If the sub-project do not exceed pre-allocated budget, the sub-project is approved and the assistance agreement is signed between PRF and the khet(s) concerned. The PRF team and khet prepare tender document for the construction of the dispensary. Procurement is undertaken by the khet and district and companies contracted for the construction or for the delivery of materials and equipment in case of works to be made through small procurement. The assistance agreement stipulates the contribution of the community in term of labour/day, local materials and money.

During the construction, the khet and village administration supervise the work and record the bill of quantity/delivery of the contractor and of the community (volume of work and materials). The khet evaluate construction according to cross-cut schedule of work and process with payment to the contractors through bank transaction. At the completion of the construction works a final evaluation is made with participation from the district administration.

After the completion of the dispensary construction maintenance of the dispensary premises is organized through the health district office.

Organization

The organization for the identification, appraisal, construction and maintenance of schools follows the organization of the PRF's Khet team comprising of khet coordinators, khet finance, khet procurement, khet construction supervision and khet maintenance team. At village level labour is organized and recorded by the village administration Nouais.

During the operation, the dispensary is organized under the district health administration.

Case of Asing Health Dispensary in Samoy District, Saravanh Province.

In Samoy the construction of 4 health dispensaries were prioritized and approved. Khet Asing comprise of 5 villages and a population of 883 habitants.

	Total Population	Male	Female
Asing Nua	398	193	205
Asing Tai	182	93	89
Amun Nua	86	48	38
Amun Tai	86	45	41
Amai	131	64	67
Total	883	443	440

The dispensary is serving the 5 villages and the village of Lavatay situated in Khet Maed nearby.

The dispensary was constructed according to PRF's standard comprising of 5 rooms (room 1 nurse quarter; room 2 drug store; room 3 consultation; room 4 patient dormitory; room

5 birth delivery). The dispensary was also equipped with basic medical equipment and instruments.

Asing Dispensary		
size	9x12 m	
wood (planks)		845
cement (bag)		30
sand (cum)		79
gravel (cum)		10
Community labour (p/d)		60
PRF contribution (kip)	94,000,000	92%
Community contribution (kip)	8,327,263	8%
Total	102,327,263	

Asing dispensary was constructed by a contractor that has also been awarded contract for the other 3 dispensaries. The community contributed about 8% in the transport of sand, gravel and wood planks. Wood was logged in the khet forest reserve. The price of sawing was only accounted as contribution from the community.

The dispensary is staffed by 3 medical staffs assigned by the district health office. According to the medical staff there are about 500 persons per year (av. 40 persons/month) hospitalized in the dispensary. The medical staffs are also involved in vaccination campaign and primary health care in the 5 villages. In Asing Nua village there are 2 village health volunteers. The main diseases are; malaria, high fever and diarrhea. The dispensary has a pharmacy that is supplied by the district health office. According to the medical staff drug are not enough. Generally common drug are provided for free.

The maintenance is organized under the khet and villages that benefit from the dispensary. But no maintenance and repair has been made yet.

Villagers and staffers informed that villages are located far from each other and it takes quite a long time to reach the dispensary especially during the raining season. The dispensary has been furnished with medical equipment but there is not current clean water. There is a need to install additional water supply. The medical staff (all male) requested one female nurse to service birth delivery and women diseases. The birth attendance function has been under utilized.

Result

Construction and rehabilitation of health dispensary is appreciated by the communities and the officials because it provides nearby health care services. Health dispensaries that are in operation provided service to all villages and to many villages outside the khet i.e. Taveuy dispensary in Toumlan is providing service outside its khet including services to patients from Thaphanthong District of Savannakhet. The benefits expressed by the people are.

- People save time and money to go to district or provincial hospital. In many areas people claimed that the cost of hiring trucks to transport very sick person to the hospital is very expensive so they have use their saving or sell family assets (livestock). Poor family cannot afford to pay so they just let the person to die.
- Poor people can be hospitalized and have access to primary health care.
- Medical staff informed that it is easy for them to conduct vaccination and disease prevention and provide preliminary health care to the villages.

In ethnic minority areas some ancient traditions and customs do not allow people to use modern medicine. People perform ritual healing to cure pain and illness rather than going to the health post. In many cases ill and dying persons with not chance of survival are brought to the health post after traditional healing. In some place mothers have to give birth in the forest so birth assistance in the health post is under utilized.

Sustainability

The operation and maintenance of all health dispensaries is organized by the district health office. Responsibility for the cleaning and maintenance of the health dispensaries premises, material and equipment is on the hands of the nurses assigned to the post. In practice, the nurses are asking support from all villages benefiting from the health post to help in large cleaning and repairs. The following was observed.

- There are a few dispensaries with no medical staff. This is because the district health office cannot provide enough medical staff due to the lack of budget or lack of personnel. Allowance for medical staff is not fully provided by PRF.
- There are a few dispensaries with electrical equipment but no electric city available i.e. in Sobbao district.
- There are a few dispensaries with no water supply system.
- District health office has very limited budget for maintenance and repairs they highly depends on external supports.

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ANNEX 6: DISTRICT OBSERVATIONS - SUMMARY

INTERVIEW DIRECTION			Houaphan	Xiengkhouang	Savannakhet	Champasack	Saravan	Total
			6	3	4	4	3	20
Q1		List of sub-projects benefited by the district						
	1	access road	3	5	4	0	2	14
	2	bridge	1	0	0	4	2	7
	3	Spring gravity fed system	7	4	0	0	1	12
	4	Drilled well	0	0	4	5	0	9
	5	Dugged well	0	0	1	0	0	1
	6	irrigation (weir, dam, canals etc)	2	2	1	1	0	6
	7	primary school	5	2	6	8	3	24
	8	Secondary school	0	0	0	2	0	2
	9	dispensary	1	1	0	2	3	7
	10	Local market	1	0	0	0	0	1
	11	medicine box	1	0	0	0	0	1
	12	Medical equipment	0	2	1	0	4	7
	13	Patient house	0	0	1	0	0	1
	14	Delivery house	0	0	0	0	1	1
	15	Natural resource protection	1	1	2	0	1	5
	16	education allowances	0	0	2	0	0	2
	17	education materials	4	0	0	1	2	7
	18	training in agriculture	0	0	0	0	1	1
	19	training in handicraft	0	0	0	0	1	1
	20	training in environment	0	0	0	0	0	0
	21	rural electrification	0	0	2	0	0	2
	22	Village saving group	2	2	1	0	2	7
	23	Income generating activity	1	0	0	4	0	5
Q2		PRF and District Social-Economic Development	0	0	0	0	0	0
	24	PRF activities are incorporated in district SEDP	0	0	0	0	0	0
	25	PRF activities support district plan for poverty reduction	6	3	4	4	3	20
	26	PRF investment represents more than 80% of district PIP	6	3	4	4	3	20
	27	PRF investment represents more than 50% of district PIP	0	0	0	0	0	0
	28	PRF investment reaches all district administrative areas	6	3	4	4	3	20
	29	PRF investment reaches all district remote areas	6	3	4	4	3	20
	30	Portion of PRF investment in remote areas exceed 80%	6	3	4	4	3	20

Q3	Support from the district administration	0	0	0	0	0	0
31	active participation in community mobilization	6	3	4	4	3	20
32	active participation in selection of sub-projects	6	3	4	4	3	20
33	active participation in survey-design of sub-projects	0	0	0	0	1	1
34	active participation in procurement of sub-projects	0	0	0	0	1	1
35	active participation in implementation of sub-projects	1	0	0	0	1	2
36	active participation in evaluation of sub-projects	6	3	4	4	3	20
37	active participation in operation and maintenance of sub-projects	1	0	0	0	1	2
Q4	PRF organization at district level	0	0	0	0	0	0
38	satisfied about the PRF organization at district level	6	3	4	4	3	20
39	PRF is considered as a division in the district	6	3	4	4	3	20
40	PRF work is well coordinated with district work	6	3	4	4	3	20
41	PRF officers are involved in all important meeting	6	3	4	4	3	20
Q5	Efficiency and effectiveness of sub-project delivery	0	0	0	0	0	0
42	sub-project are properly designed	6	3	4	4	3	20
43	sub-project delivered according to plans	6	3	4	4	3	20
44	construction and installation properly been made	6	3	4	4	3	20
45	contribution from villagers was according to plan	6	3	4	4	3	20
Q6	3 sub-projects the most appreciated by villagers	0	0	0	0	0	0
46	access road	2	3	4	0	1	10
47	bridge	1	0	0	3	2	6
48	Spring gravity fed system	3	3	0	0	1	7
49	Drilled well	0	0	3	3	0	6
50	Dugged well	0	0	1	0	0	1
51	irrigation (weir, dam, canals etc)	2	1	1	1	0	5
52	primary school	4	1	4	4	3	16
53	Secondary school	0	0	0	2	0	2
54	dispensary	1	1	0	2	3	7
55	Local market	1	0	0	0	0	1
56	medicine box	1	0	0	0	0	1
57	Medical equipment	0	1	1	0	3	5
58	Patient house	0	0	1	0	0	1
59	Delivery house	0	0	0	0	1	1
60	Natural resource protection	1	1	1	0	1	4
61	education allowances	0	0	1	0	0	1
62	education materials	3	0	0	1	2	6
63	training in agriculture	0	0	0	0	1	1
64	training in handicraft	0	0	0	0	1	1
65	training in environment	0	0	0	0	0	0
66	rural electrification	0	0	1	0	0	1
67	Village saving group	2	2	1	0	2	7
68	Income generating activity	1	0	0	3	0	4

Q7	3 sub-projects the most relevant to poverty reduction	0	0	0	0	0	0
69	access road	2	3	4	0	1	10
70	bridge	1	0	0	3	2	6
71	Spring gravity fed system	3	3	0	0	1	7
72	Drilled well	0	0	3	3	0	6
73	Dugged well	0	0	1	0	0	1
74	irrigation (weir, dam, canals etc)	2	1	1	1	0	5
75	primary school	4	1	4	4	3	16
76	Secondary school	0	0	0	2	0	2
77	dispensary	1	1	0	2	3	7
78	Local market	1	0	0	0	0	1
79	medicine box	1	0	0	0	0	1
80	Medical equipment	0	1	1	0	3	5
81	Patient house	0	0	1	0	0	1
82	Delivery house	0	0	0	0	1	1
83	Natural resource protection	1	1	1	0	1	4
84	education allowances	0	0	1	0	0	1
85	education materials	3	0	0	1	2	6
86	training in agriculture	0	0	0	0	1	1
87	training in handicraft	0	0	0	0	1	1
88	training in environment	0	0	0	0	0	0
89	rural electrification	0	0	1	0	0	1
90	Village saving group	2	2	1	0	2	7
91	Income generating activity	1	0	0	3	0	4
Q8	Capacity building	0	0	0	0	0	0
92	district has enough staff to participate in the PRF activities	0	0	0	0	0	0
93	district has qualified staff to assist PRF activities	6	3	4	4	3	20
94	district staff has been properly trained for the PRF activities	0	0	0	0	0	0
95	training provided is enough	0	0	0	0	0	0
96	additional training and instruction is required	6	3	4	4	3	20
Q9	Lesson learned	0	0	0	0	0	0
97	selection of sub-project	6	3	4	4	3	20
98	organization of work	6	3	4	4	3	20
99	supervision and evaluation of sub-project	6	3	4	4	3	20
100	construction techniques	6	3	4	4	3	20
101	agriculture production techniques	6	3	4	4	3	20

Q10		Difficulties in development of sub-project	0	0	0	0	0	0
	102	coordination during cycle I	6	3	4	4	3	20
	103	have not enough staff to support PRF	6	3	4	4	3	20
	104	have no recurrent expenditure budget for the staff to assist PRF	6	3	4	4	3	20
Q11		Problems that are still persisting	0	0	0	0	0	0
	105	Food security	6	3	4	4	3	20
	106	Land use and productivity - shifting cultivation	6	3	4	2	3	18
	107	Access to market - road transportation	6	3	2	1	3	15
	108	Access to health and clean water supply	6	3	4	0	3	16
	109	Access to education	6	3	1	0	3	13
	110	illiteracy - women	6	3	4	4	3	20

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ANNEX 7: KHET OBSERVATIONS - SUMMARY

		INTERVIEW DIRECTION	Houaphan	Xiengkhouang	Savannakhet	Champasack	Saravan	Total
Q1		List of sub-projects benefited by the khet						
	1	access road	2	5	5	0	2	14
	2	bridge	3	0	0	4	1	8
	3	Spring gravity fed system	6	4	0	0	1	11
	4	Drilled well	0	0	4	6	0	10
	5	Dugged well	0	0	1	0	0	1
	6	irrigation (weir, dam, canals etc)	5	2	1	1	0	9
	7	primary school	4	2	6	8	3	23
	8	Secondary school	0	0	0	2	0	2
	9	dispensary	1	1	0	1	3	6
	10	Local market	1	0	0	0	0	1
	11	medicine box	1	1	0	1	0	3
	12	Medical equipment	0	1	1	0	4	6
	13	Patient house	0	0	1	0	0	1
	14	Delivery house	1	0	0	0	1	2
	15	Natural resource protection	0	1	2	0	1	4
	16	education allowances	4	1	1	0	0	6
	17	education materials	0	0	1	1	2	4
	18	training in agriculture	0	0	0	3	0	3
	19	training in handicraft	0	0	0	0	0	0
	20	training in environment	0	0	0	0	0	0
	21	rural electrification	2	0	2	0	0	4
	22	Village saving group		2	1	0	2	5
	23	Income generating activity	1	0	0	0	3	4
Q2		Meeting the priority of the group of village						
	24	sub-projects met the priority of the khet	14	13	14	15	10	66
	25	all village benefit from the sub-projects	14	13	14	15	10	66
	26	khet has exceeded level of poverty after sub-project	14	13	14	15	10	66
Q3		Efficiency and effectiveness of sub-project delivery						
	27	sub-project are properly designed	14	13	14	15	10	66
	28	sub-project delivered according to plans	14	13	14	15	10	66
	29	construction and installation properly been made	14	13	14	15	10	66
	30	contribution from villagers was according to plan	14	13	14	15	10	66

		INTERVIEW DIRECTION	Houaphan	Xiengkhouang	Savannakhet	Champasack	Saravan	Total
Q4		3 sub-projects the most appreciated by villagers						
	31	access road	2	5	5	0	1	13
	32	bridge	3	0	0	3	2	8
	33	Spring gravity fed system	6	4	0	0	1	11
	34	Drilled well	0	0	4	5	0	9
	35	Dugged well	0	0	1	0	0	1
	36	irrigation (weir, dam, canals etc)	5	2	1	1	0	9
	37	primary school	4	2	5	8	3	22
	38	Secondary school	0	0	0	2	0	2
	39	dispensary	0	0	0	1	3	4
	40	Local market	1	1	0	0	0	2
	41	medicine box	0	0	0	1	0	1
	42	Medical equipment	0	1	1	0	4	6
	43	Patient house	0	1	1	0	0	2
	44	Delivery house	0	0	0	0	0	0
	45	Natural resource protection	0	0	2	0	3	5
	46	education allowances	0	1	0	0	0	1
	47	education materials	0	1	0	0	2	3
	48	training in agriculture	0	0	0	3	0	3
	49	training in handicraft	0	0	0	0	0	0
	50	training in environment	2	0	2	0	0	4
	51	rural electrification	0	0	1	0	0	1
	52	Village saving group	0	2	0	0	2	4
	53	Income generating activity	1	0	0	0	3	4

		INTERVIEW DIRECTION	Houaphan	Xiengkhouang	Savannakhet	Champasack	Saravan	Total
Q5		3 sub-projects the most relevant to poverty reduction						
	54	access road	2	5	5	0	1	13
	55	bridge	3	0	0	4	2	9
	56	Spring gravity fed system	5	3	0	0	1	9
	57	Drilled well	0	0	3	6	0	9
	58	Dugged well	0	0	1	0	0	1
	59	irrigation (weir, dam, canals etc)	5	2	1	1	0	9
	60	primary school	0	0	0	1	2	3
	61	Secondary school	0	0	0	1	0	1
	62	dispensary	0	0	0	0	3	3
	63	Local market	0	0	0	0	0	0
	64	medicine box	0	0	0	0	0	0
	65	Medical equipment	0	0	0	0	4	4
	66	Patient house	0	0	1	0	0	1
	67	Delivery house	0	0	0	0	1	1
	68	Natural resource protection	0	0	0	0	0	0
	69	education allowances	0	0	0	0	0	0
	70	education materials	0	0	0	1	0	1
	71	training in agriculture	0	0	0	3	0	3
	72	training in handicraft	0	0	0	0	0	0
	73	training in environment	0	0	2	0	0	2
	74	rural electrification	0	2	0	0	0	2
	75	Village saving group	2	0	1	0	2	5
	76	Income generating activity	1	0	0	0	3	4
Q6		Role in sub-project development						
	77	involved in identification of sub-projects	14	13	14	15	10	66
	78	involved in sub-project selection	14	13	14	15	10	66
	79	involved in sub-project construction	14	13	14	15	10	66
	80	involved in sub-project evaluation	14	13	14	15	10	66
	81	involved in sub-project maintenance	14	13	14	15	10	66
Q7		Capacity building						
	82	group of village is organized for sub-project development	14	13	14	15	10	66
	83	all khet committee received training and instruction	14	13	14	15	10	66
	84	training is sufficient	0	0	0	0	0	0

		INTERVIEW DIRECTION	Houaphan	Xiengkhouang	Savannakhet	Champasack	Saravan	Total
Q8		Lesson learned						
	85	selection of sub-project	14	13	14	15	10	66
	86	organization of work	14	13	14	15	10	66
	87	supervision and evaluation of sub-project	14	13	14	15	10	66
	88	construction techniques	4	13	14	0	10	41
	89	agriculture production techniques	0	0	0	0	0	0
	90	(other to be added)	0	0	0	0	0	0
Q9		Difficulties in development of sub-project						
	91	have limited labor to contribute	0	0	0	0	0	0
	92	have limited cash to contribute	14	13	14	15	10	66
	93	workmanship of the contractor	14	13	0	15	10	52
	94	supervision by khet coordinators	14	13	0	15	10	52
	95	(other to be added)	0	0	0	0	0	0
Q10		Problems that are still persisting						
	96	Food security	14	13	14	15	10	66
	97	Land use and productivity - shifting cultivation	0	0	14	0	10	24
	98	Access to market - road transportation	14	0	0	0	10	24
	99	Access to health and clean water supply	14	13	0	0	10	37
	100	Access to education	14	13	0	0	10	37
Q11		Organization of Khet Procurement						
	101	correct number of villagers assigned	14	13	14	15	10	66
	102	no change of position	14	13	0	0	10	37
	103	all khet procurement officers (KPO) have been trained	14	13	14	15	10	66
Q12		Procurement duties						
	104	KPO can explain the procurement process	14	0	14	15	0	43
	105	KPO can explain the tendering process	14	0	14	15	0	43
	106	Women KPO can explain the procurement and tendering	0	0	14	0	0	14
Q13		Preparation of tender documents						
	107	KPO are involved in tender document preparation	14	13	14	15	10	66
	108	KPO understand the content of tender document	0	13	14	15	0	42

		INTERVIEW DIRECTION	Houaphan	Xiengkhouang	Savannakhet	Champasack	Saravan	Total
Q14		Tender advertising						
	109	advertising is made at khet level	14	13	14	15	0	56
	110	advertising is made at district level	14	13	14	15	10	66
	111	advertising is made at provincial level	14	13	14	15	10	66
	112	tender documents are sold in restricted numbers	0	13	14	15	10	52
	113	khet set the price of the tender documents (envelope)	0	0	0	0	0	0
Q15		Closing of tender						
	114	closing of tender is made according to time frame	14	13	14	15	10	66
	115	time allowed for bidders is acceptable	14	13	14	15	10	66
Q16		Tender evaluation for crafts men and local technicians						
	116	tender envelopes are opened at khet	14	13	14	15	0	56
	117	negotiation with bidders is made at the khet	14	13	14	15	0	56
	118	decision on winners is made at the khet	14	0	0	15	0	29
	119	winner is informed by the khet	14	0	0	15	0	29
	120	winner is informed at the date of the tender opening	14	0	0	15	10	39
	121	khet is not involved in decision making	0	0	14	15	0	29
Q17		Tender evaluation for large contractual works						
	122	tender envelopes are opened at khet	14	13	14	15	0	56
	123	negotiation with bidders is made at the khet	14	13	14	15	0	56
	124	decision on winners is made at the khet	14	0	0	15	0	29
	125	winner is informed by the khet	14	0	0	15	0	29
	126	winner is informed at the date of the tender opening	14	0	0	15	10	39
	127	khet is not involved in decision making	0	0	14	15	0	29
Q18		Contract award to crafts men and local technicians						
	128	contract is awarded to lower price	14	13	14	15	10	66
	129	contract is awarded to qualified enterprise	14	13	14	15	10	66
	130	contract is awarded to same craft men and technicians	14	13	0	15	10	52
Q19		Contract award to companies						
	131	contract is awarded to lower price	14	13	14	15	10	66
	132	contract is awarded to qualified enterprise	14	13	14	15	10	66
	133	contract is awarded to same company	0	13	14	15	10	52
Q20		Problem found						
	134	training too short	14	13	14	15	10	66
	135	knowledge on procurement is limited	14	13	14	15	10	66
	136	don't know about the content of tender document	14	13	14	0	10	51
	137	decision is not made at the khet	0	0	14	0	10	24

		INTERVIEW DIRECTION	Houaphan	Xiengkhouang	Savannakhet	Champasack	Saravan	Total
Q21		Organization of Khet Finance and Accounting						
	138	correct number of villagers assigned	14	13	14	15	10	66
	139	no change of position	14	13	0	0	10	37
	140	work is assigned to specific persons	14	13	14	15	10	66
	141	all khet finance officers (KFO) have been trained	14	13	14	15	10	66
Q22		Finance and accounting duties						
	142	male KFO can explain the finance and accounting duties	14	0	14	15	0	43
	143	female KFO can explain the finance and accounting duties	14	0	0	0	0	14
Q23		Payment of contractual work						
	144	KFO is preparing payment vouchers	14	13	14	15	0	56
	145	KFO is paying contractor according to conditions	14	13	14	15	0	56
	146	KFO is keeping records of bank transaction	14	13	14	15	0	56
	147	KFO is preparing financial reports to PRF	14	13	14	15	0	56
Q24		Administrative expenses						
	148	KFO is preparing payment vouchers	14	0	14	15	0	43
	149	KFO is paying administrative expenses for Khet committee	14	0	14	15	0	43
	150	KFO is keeping records payment	14	0	14	15	0	43
Q25		Bookkeeping						
	151	KFO kept general ledger book	14	13	14	15	0	56
	152	KFO kept cash account book	14	13	14	15	0	56
	153	account book is properly maintained and signed	14	13	14	0	0	41
Q26		Problem found						
	154	training too short	14	13	14	15	10	66
	155	knowledge on finance and accounting is limited	14	13	14	15	10	66
	156	bank is located too far away	3	13	5	0	10	31
	157	administration cost allocated is too little	3	13	1	15	10	42
	158	there are dispute on the use of administration cost	0	0	0	0	0	0