

STATUS OF PROJECTS IN EXECUTION – FY07
SOPE
LAO PEOPLE’S DEMOCRATIC REPUBLIC

Operations Policy and Country Services
OCTOBER 10, 2007



Introduction

The Status of Projects in Execution (SOPE) Report for FY07 provides information on all IBRD/IDA projects that were active as of June 30, 2007. The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. In accordance with the Bank's revised disclosure policy, since FY02, the SOPE Report is available to the public.

The report is intended to bridge the gap in information available to the public between the Project Appraisal Document or Program Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

In addition to the project progress description, the FY07 SOPE report¹ contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date.

¹ Notes:

- Amounts and Graphs for loans/credits/grants in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Operations, which provide quick-disbursing financing to support policy and institutional reforms. For these operations, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed prior actions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus will not include a graph.



Country: Lao People's Democratic Republic

Project Name (ID): Sustainable Forestry for Rural Development (P064886)

Country: Lao People's Democratic Republic

Board Approval Date : 06/24/2003

Midterm Review Date : 09/22/2005

Closing Date : 12/31/2008

Loan/Credit/Grant Number : IDA-38020, JPN-26765

Sector(s): Forestry(100%)

Theme(s): Other public sector governance(P), Land administration and management(P)

Project Development Objectives:

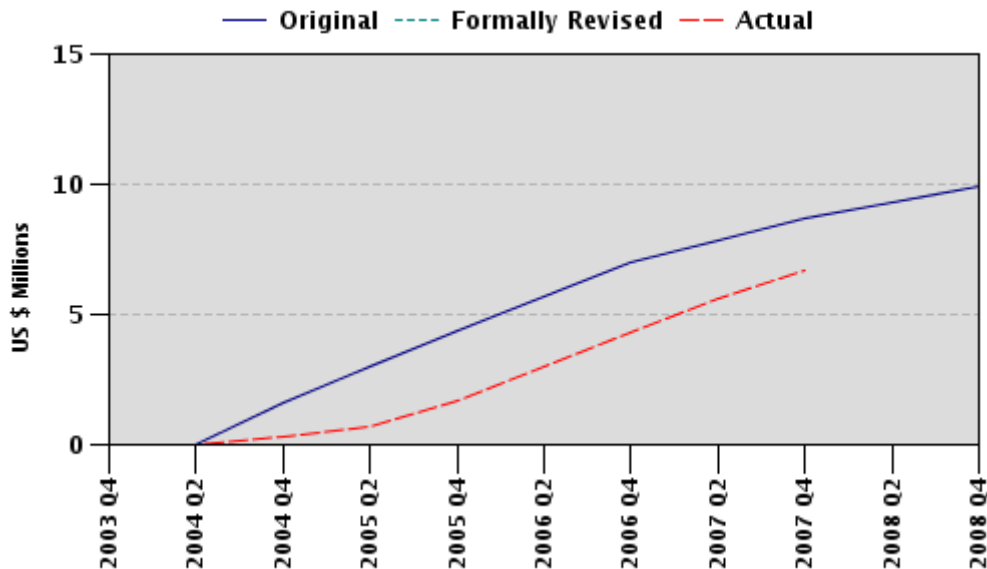
The objective is to achieve the sustainable management of production forests to alleviate rural poverty in the Project Provinces.

Progress toward achieving development objective(s):

The project is making substantial progress in implementing forest management planning for production forest areas and in addressing issues related to community involvement in various dimensions of forest management. It still needs to address the issue of strengthening incentives for participation that result from the current methods of timber sales, royalty assessment and benefit-sharing.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-38020	Effective	10.91	6.68	4.05	0.00
JPN-26765	Closed	0.08	0.07	0.00	0.01



Project Name (ID): Agricultural Development Project (P065973)

Country: Lao People's Democratic Republic

Board Approval Date : 05/29/2001

Midterm Review Date : 04/01/2005

Closing Date : 06/30/2008

Loan/Credit/Grant Number : IDA-35090, JPN-26886, JPN-26194

Sector(s): Irrigation and drainage(50%), General public administration sector(24%), Agricultural extension and research(13%), General transportation sector(10%), General water, sanitation and flood protection sector(3%)

Theme(s): Other social protection and risk management(P), Other rural development(P), Decentralization(S), Participation and civic engagement(S)

Project Development Objectives:

The objective of the project is to reduce rural poverty by improving and increasing agricultural production through a community-based approach to design and implement activities that have a direct impact on the lives of the poor in the participating provinces and districts.

Progress toward achieving development objective(s):

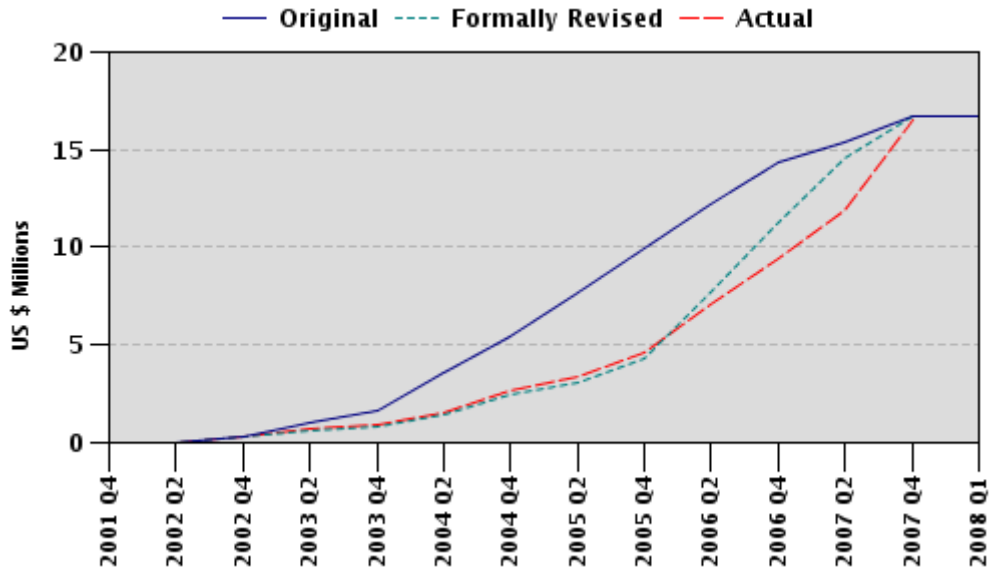
Overall progress towards the project objective has been good. The rehabilitation and construction of irrigation schemes, access tracks, and household water supply and sanitation infrastructure is nearly completed. Most of the rehabilitated schemes are now fully operational and market links have been considerably improved. The Village Investment for the Poor component continues to perform well in providing important livelihood support and income sources for poorer villagers in the project areas and is expected to complete all remaining activities. In addition, the project has implemented a large number of agricultural support activities and on-farm extension support which have helped to achieve significant increases in crops yields and productivity gains.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-35090	Effective	20.01	16.60	2.89	0.00
JPN-26886	Closed	1.16	1.14	0.00	0.02
JPN-26194	Closed	0.08	0.06	0.00	0.01



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Health Services Improvement Project (P074027)

Country: Lao People's Democratic Republic

Board Approval Date : 09/13/2005

Closing Date : 06/30/2011

Loan/Credit/Grant Number : IDA-H1830, IDA-Q4760, JPN-50606

Sector(s): Health(90%), Central government administration(5%), Compulsory health finance(5%)

Theme(s): Health system performance(P), Child health(S), Other communicable diseases(S), Population and reproductive health(S), Nutrition and food security(S)

Project Development Objectives:

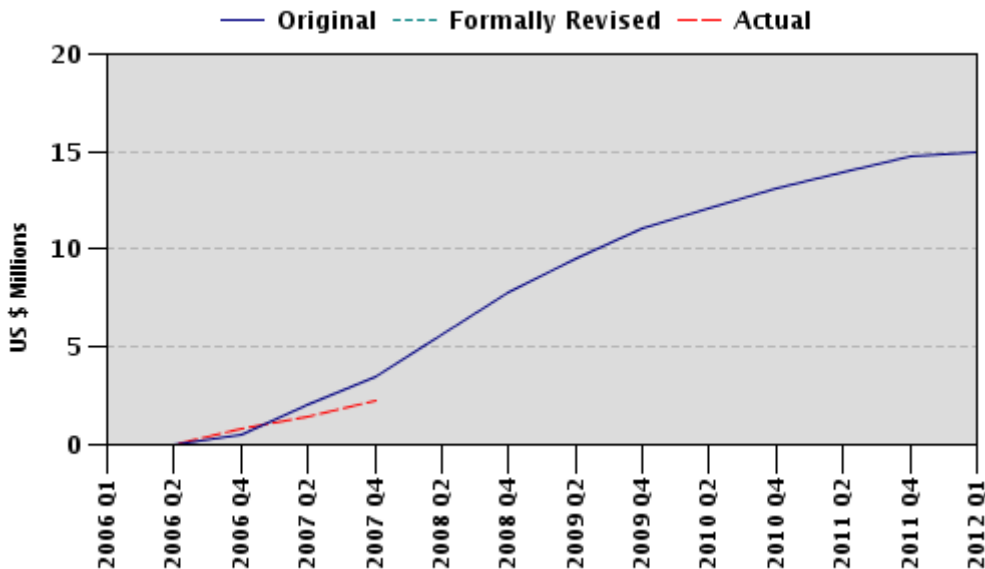
To assist the Lao PDR to improve the health status of its population, particularly the poor and rural population, in eight Central and Southern Provinces.

Progress toward achieving development objective(s):

Progress is being made towards improving the health status of the poor and rural population in the Project Provinces, since some portion of the support is being provided below Central level, and there have been some improvement in health indicators in a number of Districts.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H1830	Effective	15.76	2.34	13.37	0.00
IDA-Q4760	Closed	0.56	0.00	0.00	0.56
JPN-50606	Closed	0.28	0.28	0.00	0.00



Project Name (ID): Second Land Titling Project (P075006)

Country: Lao People's Democratic Republic

Board Approval Date : 06/24/2003

Midterm Review Date : 05/29/2006

Closing Date : 06/30/2009

Loan/Credit/Grant Number : IDA-38010, JPN-50627

Sector(s): General public administration sector(50%), General agriculture, fishing and forestry sector(50%)

Theme(s): Land administration and management(P), Rural markets(P), Personal and property rights(P)

Project Development Objectives:

The objectives of the project are: (a) to improve the security of land tenure; and (b) to develop efficient and transparent land administration institutions at the national and provincial levels; and (c) to broaden the government's revenue base.

Progress toward achieving development objective(s):

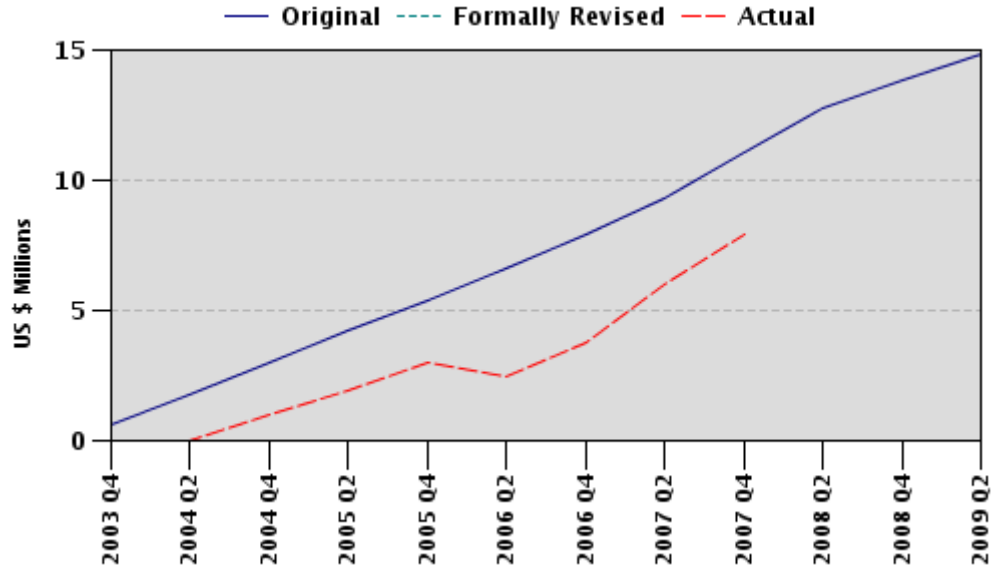
Progress has improved during the past year and good results have been achieved in technical implementation. The key achievements of project implementation include: (a) the formal establishment of the National Land Management Agency, which became operational in December 2006 and has now also been implemented at the provincial level; (b) the distribution of 235,090 land titles in the eight project provinces and Vientiane Capital City; (c) the average productivity rate of Survey and Adjudication Teams of 3.1 land parcels per day; (d) the introduction of new criteria for site selection and systematic village profiling; (e) the Project Steering Committee has been re-implemented; (f) almost 500 students are enrolled in the land administration courses at the Lao Polytechnic college; and (g) the preparation of the strategy for land information system coordination and initial preparation for a proposed pilot focusing on Vientiane City. The project is expanding this fiscal year into five additional provinces, and is preparing for expansion into the remaining three provinces.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-38010	Effective	16.37	7.93	8.30	0.00
JPN-50627	Closed	0.49	0.40	0.00	0.08



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Rural Electrification Phase I (P075531)

Country: Lao People's Democratic Republic

Board Approval Date : 04/27/2006

Closing Date : 03/31/2010

Loan/Credit/Grant Number : IDA-H2180, JPN-52798

Sector(s): Power(85%), Renewable energy(15%)

Theme(s): Rural services and infrastructure(P), Regulation and competition policy(S), Climate change(S), State enterprise/bank restructuring and privatization(S), Rural policies and institutions(S)

Project Development Objectives:

The development objectives of the Phase I Project are to: (i) increase access to electricity of rural households in villages of targeted provinces; and (ii) improve financial performance of the power sector. The global environmental objectives: (i)substantial adoption of off-grid renewable energy in Government's rural electrification program; (ii)increased efficiency of energy supply by EdL and consumption by customers, resulting in greenhouse gas emission reductions as increased hydropower exports substitute for thermal power production in Thailand.

Progress toward achieving development objective(s):

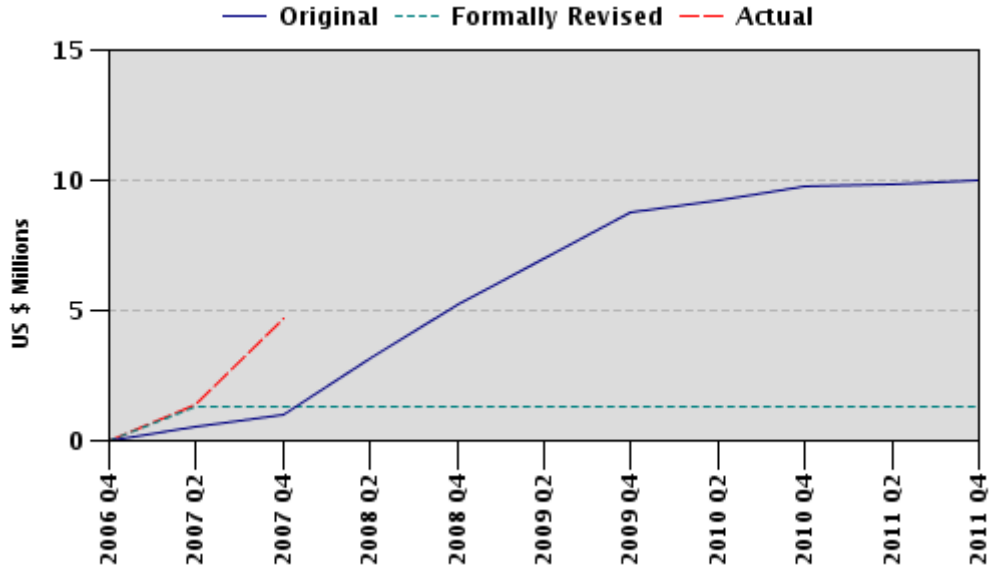
The project continues to make good progress in improving its operational efficiency, implementing tariff adjustments, increasing rural access, and in meeting the demand growth that underpinned the Financial Action Plan approved by the Government in 2005. Various activities associated with grid extension are moving forward on schedule. Budget is to be allocated to finance the house wiring costs for the poorest 10% households in selected villages to achieve higher levels of grid connection on initial village electrification. Technical assistance is underway to support the Electricite du Laos system loss reduction. Implementation of off-grid investment program has been progressing according to schedule. A number of regulatory issues need to be clarified, including tariff, house wiring market, licensing of developers.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H2180	Effective	10.61	4.75	5.81	0.00
JPN-52798	Closed	1.32	1.30	0.00	0.02



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Poverty Reduction Fund Project (P077326)

Country: Lao People's Democratic Republic

Board Approval Date : 06/25/2002

Midterm Review Date : 12/06/2005

Closing Date : 03/31/2008

Loan/Credit/Grant Number : IDA-36750, IDA-Q3350

Sector(s): General transportation sector(28%), General education sector(28%), Other social services(25%), Central government administration(11%), Sub-national government administration(8%)

Theme(s): Rural services and infrastructure(P), Decentralization(P), Gender(P), Participation and civic engagement(P), Other social protection and risk management(S)

Project Development Objectives:

The project aims to: (i) improve the access to public infrastructure and services at the village level; (ii) build capacity and empower villages in poor districts to manage their own public investment planning; and (iii) strengthen local institutions to support participatory decision making and conflict resolution processes at the village, inter-khet, and district levels.

Progress toward achieving development objective(s):

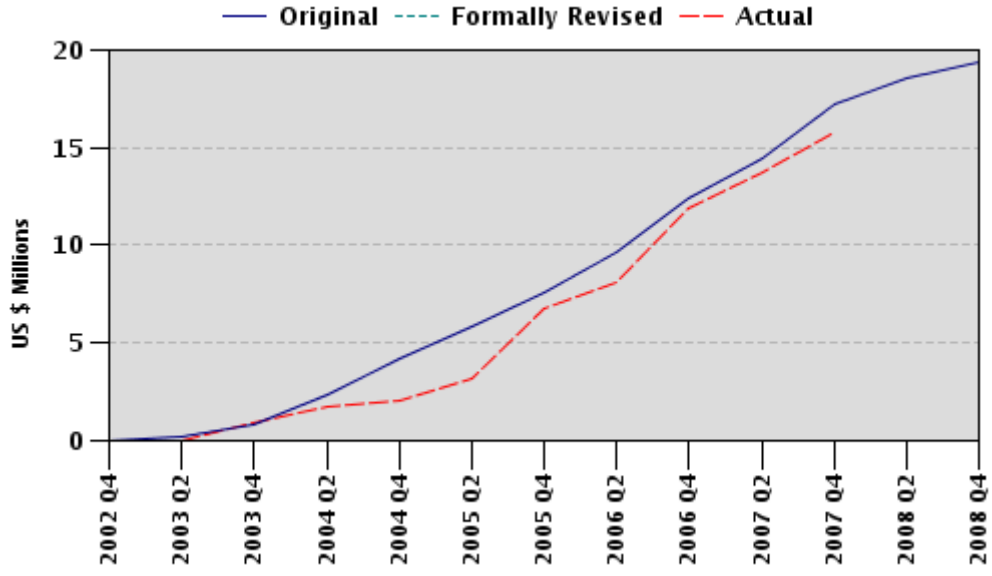
PRF is meeting its development objectives based on: (i) improved access to infrastructure: PRF has built 354 schools, 50 bridges, 64 health dispensaries, 1,012 water supplies, 119 irrigation schemes, upgraded 2,420 km of roads, and provided 939 school packages and 1,480 training sessions; (ii) Capacity building: all communities supported by PRF manage the implementation of their sub-projects; and (iii) Support participatory decision making: Village Needs Priority Assessments are taking place in PRF villages.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36750	Effective	23.19	15.85	6.85	0.00
IDA-Q3350	Closed	0.60	0.00	0.00	0.60



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Financial Management Capacity Building Credit (P077620)
Country: Lao People's Democratic Republic
Board Approval Date : 06/25/2002
Closing Date : 04/30/2011
Loan/Credit/Grant Number : IDA-36760, IDA-H3160, JPN-57139
Sector(s): Central government administration(58%), Banking(35%), General industry and trade sector(7%)
Theme(s): State enterprise/bank restructuring and privatization(P), Regulation and competition policy(P), Public expenditure, financial management and procurement(S), Small and medium enterprise support(S), Rural markets(S)

Project Development Objectives:

The project development objective is to improve: (i) the Recipient's budget preparation, execution, reporting and auditing systems; strengthen monitoring of state owned commercial bank operations, and (ii) business performance management of selected state owned enterprise.

The project was restructured, or received Additional Financing during FY 07

On June 26, 2007, the Board approved the restructuring and an additional financing of SDR 2.0 million to scale up project activities. The restructured and scaled up project is now aligned to the Government of Lao PDR approved reform programs; and the bulk of the financing will now support the public finance management reforms. Based on the project's refocus, the PDO has been refined and the new formulation is captured above.

Progress toward achieving development objective(s):

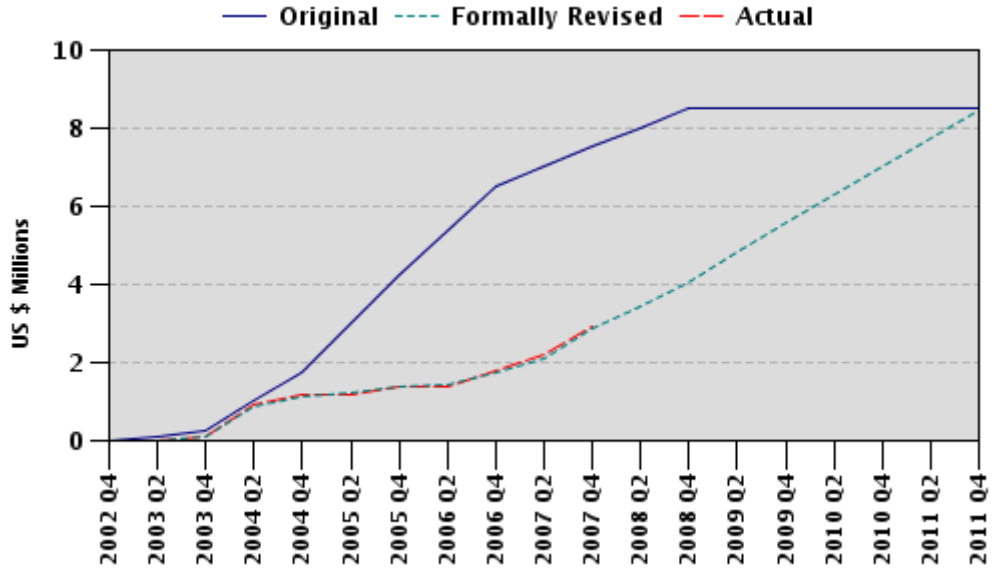
GOL has made good progress in the public sector reform program. FMCBP has and continues to support the implementation of the Public Expenditure Management Reform Program (PEMSP) since its adoption in late 2005.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36760	Effective	10.31	2.94	7.28	0.00
IDA-H3160	Not Effective	3.03	0.00	3.03	0.00
JPN-57139	Effective	0.30	0.05	0.25	0.00



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Second Education Development (P078113)

Country: Lao People's Democratic Republic

Board Approval Date : 04/29/2004

Midterm Review Date : 03/26/2007

Closing Date : 02/28/2010

Loan/Credit/Grant Number : IDA-H0840, IDA-Q3930, JPN-26344, IDA-38860

Sector(s): Primary education(54%), Central government administration(35%), Tertiary education(11%)

Theme(s): Education for all(P), Participation and civic engagement(S)

Project Development Objectives:

The development objective is to increase primary school enrollment and completion (reduce repetition and drop-out rates) in the 19 poorest provinces.

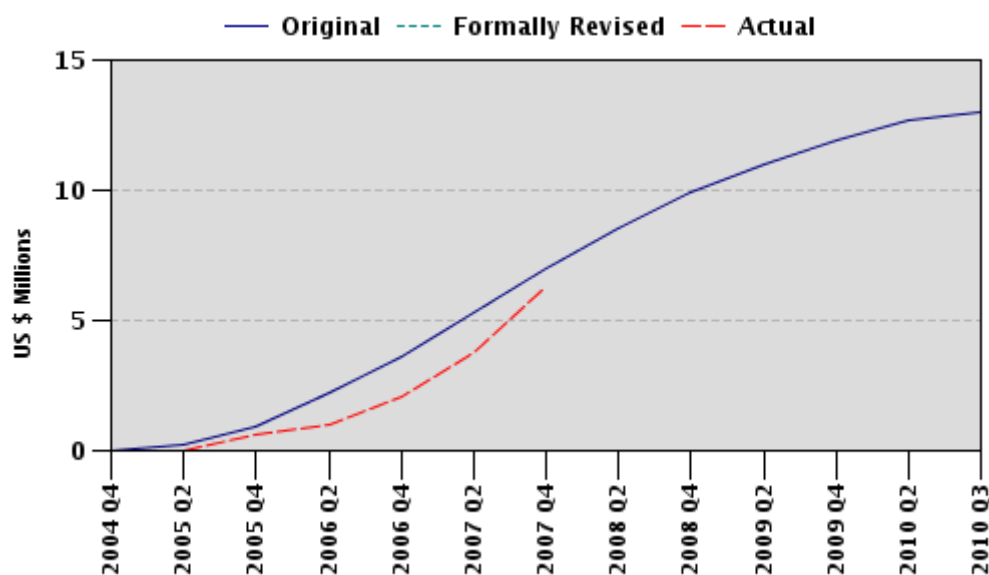
Progress toward achieving development objective(s):

The Project is on track to achieve the development objectives. The target set for enrollment in 19 target districts has been surpassed:

Baseline actual(04/05): 72,700; midterm (06/07) target: 85,000; midterm (06/07) actual: 93,200; completion (09/10)target: 95,000

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0840	Effective	8.49	4.52	3.89	0.00
IDA-Q3930	Closed	0.23	0.00	0.00	0.23
JPN-26344	Closed	0.46	0.40	0.00	0.06
IDA-38860	Effective	5.91	1.81	4.06	0.00



Project Name (ID): Road Maintenance APL2 (P083543)

Country: Lao People's Democratic Republic

Board Approval Date : 06/30/2004

Midterm Review Date : 04/23/2007

Closing Date : 03/31/2009

Loan/Credit/Grant Number : IDA-39440, JPN-53808, JPN-53320

Sector(s): Roads and highways(97%), Central government administration(3%)

Theme(s): Infrastructure services for private sector development(P), Other accountability/anti-corruption(S), Other financial and private sector development(S), Injuries and non-communicable diseases(S)

Project Development Objectives:

The second phase Road Maintenance Program will expand the operation of financing and management systems for the sustainable maintenance with two primary objectives: (a) national and local road assets are preserved to provide sustainable improved travel and access; and (b) sustainable financing and management of roads are operational countrywide with improved institutional capacity.

Progress toward achieving development objective(s):

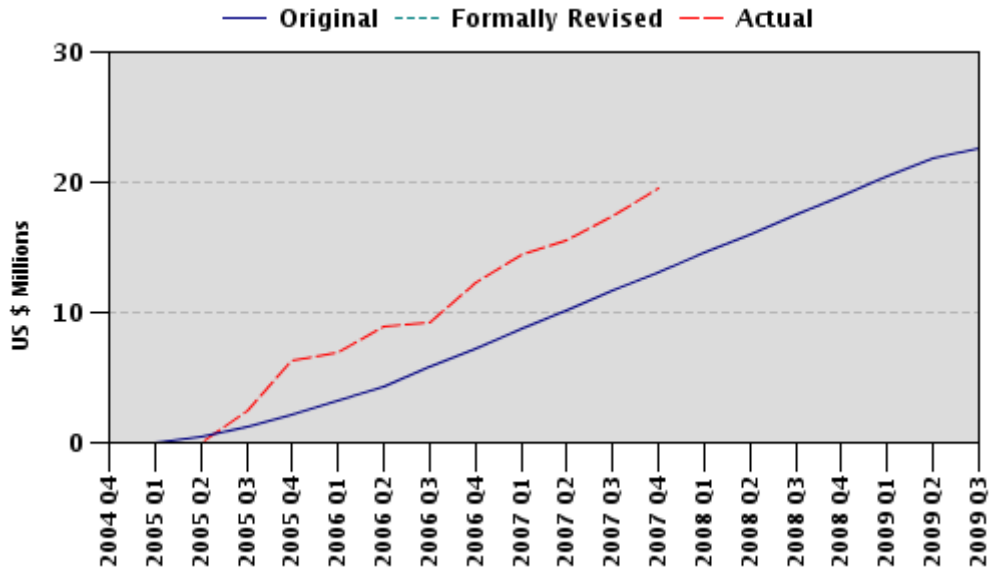
Progress towards achieving the development objectives has been modest. Periodic maintenance targets on the national and provincial level networks are likely to be attained, though the national road network condition has not reached the expected level. The end-of-project targets related to the Road Maintenance Fund annual revenues have been accomplished. Development partners in the transport sector have signed a Memorandum of Understanding regarding a harmonization framework to develop institutional, organizational, and staff capacity in all levels of the Ministry of Communication, Transport, Post and Construction. Key technical assistance consultancies for institutional capacity (integrated vehicle and driver registration system; business systems and process modernization; and the establishment of a national association of private sector firms, contractors, and transport service providers) are on-going.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39440	Effective	23.49	19.55	3.54	0.00
JPN-53808	Effective	4.80	0.81	3.99	0.00
JPN-53320	Closed	0.46	0.44	0.00	0.02



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Lao Environment and Social Project (P090693)

Country: Lao People's Democratic Republic

Board Approval Date : 06/30/2005

Closing Date : 12/31/2010

Loan/Credit/Grant Number : IDA-H1770

Sector(s): Central government administration(48%), Forestry(25%), Other social services(11%), Sub-national government administration(9%), General education sector(7%)

Theme(s): Environmental policies and institutions(P), Other social development(S), Biodiversity(S), Water resource management(S), Participation and civic engagement(S)

Project Development Objectives:

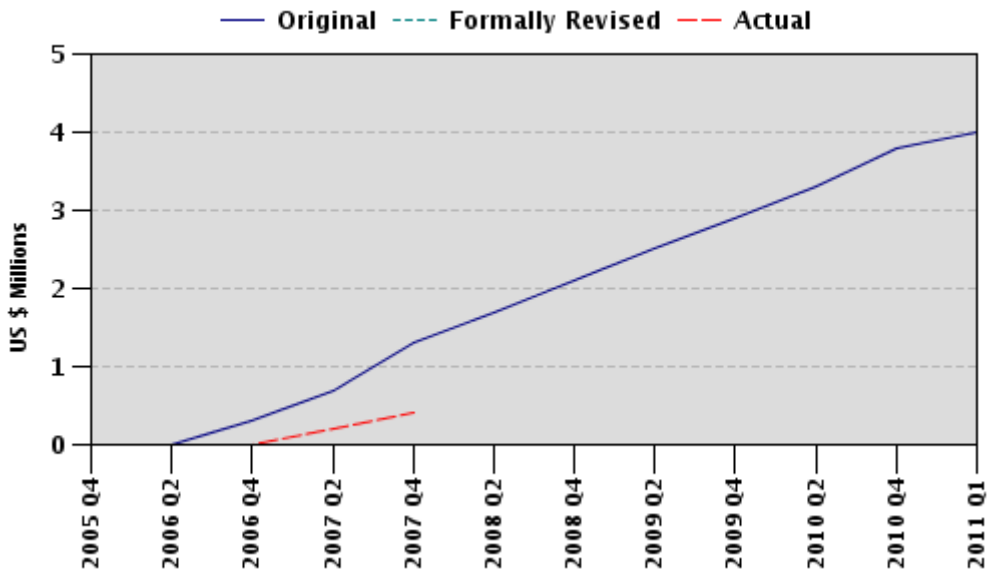
The objective is to strengthen the management of environmental and social issues associated with the sustainable use of natural resources to enhance the quality of growth and reduce poverty.

Progress toward achieving development objective(s):

The government has taken steps to put the institutional organization in place for the efficient implementation of the project. The preparation, signing and implementation of sub-projects have started. There is momentum in establishing its network with the key stakeholders and intensifying its efforts in the three target provinces. As of June 30, 2007, 114 applications have been registered and 30 sub-project contracts signed.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H1770	Effective	4.09	0.48	3.61	0.00



Project Name (ID): PRSO III (P096710)

Country: Lao People's Democratic Republic

Board Approval Date : 06/05/2007

Closing Date : 03/31/2008

Loan/Credit/Grant Number : JPN-57247, IDA-H2990

Sector(s): Central government administration(52%), Health(12%), Power(12%), Banking(12%), General education sector(12%)

Theme(s): Public expenditure, financial management and procurement(P), Administrative and civil service reform(S), Regulation and competition policy(S), Education for all(S), Health system performance(S)

Project Development Objectives:

Jointly prepared by the Government and IDA in collaboration with other donors, the Third Poverty Reduction Support Operation (PRSO3) supports the implementation of Lao PDR's Poverty Reduction Strategy called National Growth and Poverty Eradication Strategy (NGPES). The financial support provided through PRSO3 will help finance the costs of implementing key elements of these strategies, together with other domestic and external financing available to Government.

The last in a program of three PRSOs, PRSO3 focuses on three broad policy areas consistent with the goals and strategies identified by Government in its Poverty Reduction Strategy, and reflected in IDA's Country Assistance Strategy: (i) public resource management; (ii) public expenditure policy; and (iii) sustainable growth.

Progress toward achieving development objective(s):

Policy reform under PRSO3 focused on three broad policy areas—public resource management, public expenditure policy, and sustainable growth—consistent with the Government's Poverty Reduction Strategy and IDA's Country Assistance Strategy. Progress achieved suggests that Government's commitment to reform is deepening in the three areas supported by PRSO3 strategy:

Public resource management – ongoing implementation of a five year Public Expenditure Management Strengthening Program and associated capacity building measures; revising Budget Law and the organizational structure of the Treasury Department; revising the chart of accounts, realigning the budget nomenclature, and developing a functional classification of the Budget and developing a framework for introducing a system of Budget Norms in the 2008/9 Budget; strengthening Treasury monitoring of budget execution; and improving monitoring of the state owned enterprises, including the state owned commercial banks.

Public expenditure policy – improving the timeliness of salary payments to teachers and health workers; increasing the fuel levy to ensure that road maintenance is more adequately financed (and increasingly by users); and staying on track with the energy sector action plan and other actions aimed at improving financial viability of the state-owned utilities.



Sustainable growth – making progress in implementation of the new Enterprise Law, intended to streamline business registration; progress towards World Trade Organization accession and with implementation of AFTA commitments; drafting a decree for the new Customs Law, and preparing a Forest Industry Restructuring Plan to rationalize industrial capacity and resource supply.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
JPN-57247	Effective	0.60	0.17	0.43	0.00
IDA-H2990	Not Effective	10.15	0.00	10.15	0.00



Project Name (ID): Avian and Human Influenza Control (P100081)

Country: Lao People's Democratic Republic

Board Approval Date : 06/29/2006

Closing Date : 09/30/2010

Loan/Credit/Grant Number : JPN-56737, IDA-H2430, EECT-57185

Sector(s): General public administration sector(35%), Health(29%), Agricultural extension and research(20%), Animal production(12%), Other social services(4%)

Theme(s): Rural services and infrastructure(P), Other communicable diseases(P), Participation and civic engagement(S), Other social protection and risk management(S), Health system performance(S)

Project Development Objectives:

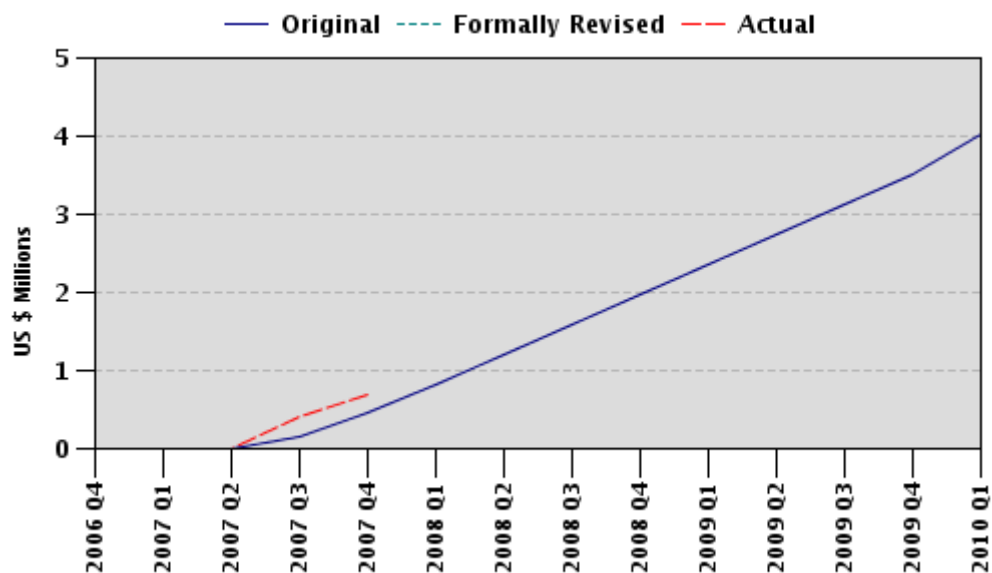
Contribute to Government's National Plan which aims to minimize the threat posed to humans and poultry sectors by highly pathogenic avian influenza infection and other zoonoses in Lao PDR, and to prepare for, control, and respond to influenza pandemics and other infectious disease emergencies in humans.

Progress toward achieving development objective(s):

Although the Project only became effective in the middle of the reporting period, activities undertaken supported Government's response to and control of outbreaks in poultry in February/March 2007.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
JPN-56737	Effective	2.00	0.20	1.80	0.00
IDA-H2430	Effective	4.09	0.66	3.43	0.00
EECT-57185	Effective	2.00	0.33	1.67	0.00



Project Name (ID): GMS Power Trade Project (P105331)

Country: Lao People's Democratic Republic

Board Approval Date : 06/05/2007

Closing Date : 12/31/2013

Loan/Credit/Grant Number : IDA-H3000

Sector(s): Power(86%), Renewable energy(14%)

Theme(s): Infrastructure services for private sector development(P), Regional integration(P), Export development and competitiveness(S), Rural services and infrastructure(S), Climate change(S)

Project Development Objectives:

The objective of the Project is to enhance power trade within Greater Mekong Sub-Region with a view to bringing reliable electricity to the Saravan province in Lao PDR, and creating the conditions for eventual interconnections of Lao PDR with other countries of the region.

Progress toward achieving development objective(s):

The project is not yet effective.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H3000	Not Effective	15.00	0.00	15.00	0.00

