



# PRESS RELEASE

**United Nations Capital Development Fund  
United Nations Development Programme**

**FOR IMMEDIATE RELEASE**

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## **Four Provinces to Benefit from Better Infrastructure and Service Delivery**

### **Memorandum of Understanding signed to launch District Development Fund (DDF) in 4 new provinces in partnership with UNCDF and the Governance and Public Administration Reform Programme (GPAR)**

A Memorandum of Understanding (MoU) was signed on Friday 21 November 2008, in a ceremony at the Lao Plaza Hotel, Vientiane, to launch District Development Fund (DDF) in Houaphan, Oudomxay, Xiengkhouang and Sekong provinces.

The MoU was signed between PACSA, represented by Khammouane Viphongxay, Deputy Chairperson of PACSA, United Nations Capital Development Fund (UNCDF) represented by Mrs Sonam Yangchen Rana, United Nations Resident Coordinator, the Chief of Cabinet, Ministry of Finance, the Chief of Cabinet, Ministry of Planning and Investment and the Chiefs of Cabinet of Houaphan, Oudomxay, Xiengkhouang and Sekong provinces. The signing was witnessed by the Vice Minister of Finance, the Vice Minister of Planning and Investment and the Vice Governors of the 4 provinces.

The District Development Fund serves as a mechanism for financing district planning and budgeting, providing the selected districts with access to financial resources to fund small scale local level infrastructure and service delivery. It is being implemented as an integral component of the UNDP/UNCDF Joint Governance and Public Administration Reform Programme - Support for Better Service Delivery (GPAR-SBSD) project.

Mr. Nisith Keopanya, Project Manager of the GPAR-SBSD project, outlined how the DDF will operate with the financial support of the Government of Luxembourg and the guidance and input from two UN agencies, UNCDF and UNDP. The United Nations Capital Development Fund (UNCDF), in agreement with the Government of Luxembourg, will release an annual financial contribution to capitalize the DDF, which will be overseen by the GPAR-SBSD project, under its mandate to foster democratic governance and assist the local development of more efficient and accountable public services. He explained that a DDF consists of three facilities: the Basic Block Grant, the Social Protection facility and the Operational Expenditure facility, all of which are used by the districts to improve the delivery of local services for their communities.

In her remarks to the stakeholders and partners, Mrs. Sonam Yangchen Rana, Resident Representative, UNDP/UNCDF welcomed the extension of the DDF, and congratulated and thanked H.E. Madame Bounpheng Mounphoxay and PACSA for their leadership and recognized the continuing collaborative efforts and commitment of line ministries to improve public service delivery under the reform agenda.

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