

2008 Annual Review Meeting for GPAR Projects

Don Chan Palace Hotel, Vientiane

16-17 December 2008

Opening Remarks

Ms. Sonam Yangchen Rana
UNDP Resident Representative / UN Resident Coordinator

*Your Excellency, Madame Bounpheng, Minister to the Prime Minister's Office and the chair of PACSA
Mr. Khammoune Viphongxay, Vice Chair of PACSA
Vice Governors and Director Generals
Senior Representatives from the Lao Government, Project Boards and Steering Committees, Project Teams,
Development Partner and Donor Representatives,
Distinguished Guests, Ladies and Gentlemen:*

It is my great pleasure to co-chair the second Annual Review Meeting for the GPAR Programme today. Allow me to extend my sincere thanks to the Lao Government, particularly H.E. Mme Bounpheng Mounphoxay and PACSA for their continued commitment to governance and public administration reform.

The government's effort to achieve poverty eradication targets set out in MDGs and NSEDP largely depends on the quality of governance and the effectiveness of reforms initiated. Since many years, the Government of Lao PDR has shown its commitment and leadership for governance and public administration reform as set out in the strategic Plan on Governance and I would like to congratulate them for their achievements to date!

Excellency, Ladies and Gentlemen,

Today, we are here to jointly review the GPAR programmes' key successes, main challenges and lessons learnt during the year 2008 and I would like to begin with highlighting some the achievements and successes of 2008.

First and foremost, is the effort of the programme to assist in developing capacity at all levels in order to provide better public services to citizens. The recently completed study of public service capacity development efforts from 1997-2007, will serve as guide for our future activities. Again, also just some days ago, around 40 district chiefs from all over the country have participated in a week long training on crucial government reform initiatives; by the middle of next year all district chiefs of the country will have benefited from these trainings.

The programme has also substantively contributed to the improvement of provincial financial management: revenues have increased as a result of the roll out of the National Accounting System supported in Luang Prabang and other provinces. In addition, the roll out and implementation of the Enhanced Salary Scale System (ESSS) for civil servants in Xieng Khouang Province has improved the payroll system: Civil servants now receive their salary monthly instead of only every 3 months.

Based on lessons and experiences of GPAR Saravane, the District Development Fund (DDF) - supported by UNCDF and the Government of Luxembourg - has successfully expanded to 12 additional districts in 4 provinces: Oudomxay, Houaphanh, Xiengkhouang and Sekong. The DDF improves local participatory planning and assists communities in maintaining or establishing crucial basic infrastructure such as schools and markets – this directly contributes to poverty reduction and the localization of the MDGs. In 2009 GPAR SBSB will also pilot two new DDF modalities: the Operational Block Grants and Social Protection Grants along with the DDF Basic Block Grants. The DDF modality is so successful that the replication of it is considered by the World Bank in Khammouane province and by Lux-Development in Borikhamxay province.

Based on lessons and experiences of Xaysetha district, the One Door Service network has been significantly expanded with 10 new centers in Vientiane capital and several provinces. The centers support and facilitate public effective and efficient service delivery by government agencies such as streamlined, transparent and speedier processing of the registration processes of small businesses.

Along with the DDF modality, the Agriculture Development Support Fund (ADSF) piloted in Xiengkhouang province has also been very successful and it is considered for national replication by the ministry of agriculture.

The GPAR SBSB has also provided crucial secretarial support to the Governance Sector Working Group and its two sub-sector groups on Public Service Delivery & Legal & Institutional Oversight. These groups are now fully functional and have reported to the RTIM according to their roles and mandates.

Excellency, Ladies and Gentlemen,

The year 2008 also showed many challenges, issues and lessons learnt and I would like to share some of them since the discussion of these lessons is at the heart of this Annual Review Meeting:

- A greater need is felt for the systematic documentation and analysis of GPAR lessons learnt and best practice including policy impact and changes as a result of GPAR programme. This matter is very important as we intend to scale up and mainstream the programme's pilot activities into the overall governance reform programme.
- There is also a need to develop a long term strategy for various funding mechanisms operating under the umbrella of the programme such as DDF, GPAR Fund, and others.
- The formulation, approval and implementation of policy reforms does take time and patience as well as continued technical and financial support is required to see some of these reform through to their implementation stage. The development partners has to adopt a long term approach and vision for governance reform which often exceeds current programming time frames.
- Coordination and dialogue among all government stakeholders, development partners and donors: some headway has been made in 2008 but more needs to be done and we hope that the GSWG will be providing the room for this dialogue.

Excellency, Ladies and Gentlemen,

In 2009, UNDP's and other development partners' overall focus continues to be capacity development, partnership building, harmonization, coordination, and collaboration as outlined in Vientiane Declaration on Aid Effectiveness and its Action Plan. I also foresee the need for the following:

- Integrated capacity development needs to be strengthened by blending training, organization development and resources. All development partners, key and line ministries need to work jointly on this.
- So far the GPAR programme has achieved significant results but some of the projects such as GPAR LP, XK and Saravane are approaching the end of their project durations. We need start looking now into issues of scaling up, mainstreaming and consolidation as well as a future strategy for those pilots.
- The GPAR projects are involved may - maybe in some instances in too many - activities making it sometimes difficult to achieve tangible results, to mainstream and consolidate them. We have to be more focused in terms of what we are doing and concentrate on core activities which produce tangible and sustainable results.
- We also need to ask ourselves: how do we position the GPAR programme to more effectively support the achievement of the MDGs at local level as well as the national development goals as outlined in the NSEDP?
- We also need to undertake greater efforts to mainstream gender into the programme in a way that enables us to achieve more tangible results. Gender mainstreaming is not only about numbers (i.e. participation in trainings and workshops) but about initiatives and policies which specifically address the needs of women and other vulnerable and disadvantaged groups.

Excellency, Ladies and Gentlemen,

The dialogue and partnership between the Government, the UNDP and UN as well as and development partners remains at the center of our programme and the governance sector working group will assist in maintaining this dialogue through the workplan for 2009. That will help to also improve the alignment of donor programmes as to provide the Government with consistent and harmonized support.

However, to realize and achieve this, a continued strong leadership and ownership of PACSA, line ministries, provincial authorities and development partners is required.

In conclusion, I would like to again take this opportunity to congratulate and thank PACSA for its leadership and the GPAR project teams for their dedication and tremendous work. I also wish to thank the Swiss Agency for Development Cooperation, the EC, SIDA, Luxembourg, UNCDF, UNV and SNV for their continued support to the GPAR programme.

UNDP looks forward to working with all of you in the years ahead. Without such concerted and committed efforts, the future success of a large and ambitious reform programme such as GPAR SBSD and other GPAR pilots would not be possible.

I wish all of you success, and hope that the GPAR programme can continue to facilitate crucial governance reform activities for the continued development of the Lao PDR and to assist the country to graduate from LDC status by 2020.

Thank You