



Talking Points

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**Signing a Memorandum of Understanding for the Launch of District
Development Funds under the GPAR Central Level Programme:
Support to Better Service Delivery (SBSD)**

Lao Plaza Hotel, Vientiane

Friday 21 November 2008

Excellencies,

Madame Bounpheng, Minister to the Prime Minister's Office and the Chair of PACSA

Vice Ministers, Vice Provincial Governors of the four provinces

Vice Chair of PACSA, Chiefs of Cabinet from MoF and MPI

Director Generals and Deputy Director General of departments concerned from PACSA,
MoF and MPI

Provincial Chiefs of Cabinet from the 4 provinces

Project Manager, advisors and project team

Ladies and Gentlemen:

First of all, I would like to congratulate and thank H.E. Madame Bounpheng Mounphoxay and PACSA for their leadership and to recognize the continuing collaborative efforts and commitment of line ministries to improve public service delivery under the reform agenda. It is my great pleasure to be here to sign this important District Development Fund MoU, marking the implementation phase which has been reached through excellent preparation work.

Excellencies, Ladies and Gentlemen,

This MoU is a positive result of the effective collaboration and support by all parties involved: PACSA, MoF, MPI, GPAR SBSD and the provinces of Huaphanh, Oudomxay, Sekong and Xiengkhouang. Without these joint efforts, such progress could not have been achieved.

DDFs have been accepted as practical mechanisms by local, national government agencies and development partners. However, DDF lessons should not end when a project closes and should where possible be mainstreamed into the government system.

Experiences from pilot project in Saravane province have led to high level of awareness and interests by many into DDF good practice. The GPAR Central Level Programme: Support to Better Service Delivery (SBSD) has picked up the lessons learnt and experiences from GPAR Saravane to scale them up in 4 new provinces. The World Bank and LUX-Development have also replicated the modality in Khammouane, Phongsaly and Borikhamxay provinces, giving a good indication of DDF effectiveness.

Having brought out these good indicators, I would like to emphasize some aspects that require greater attention and efforts:

- Firstly - the need to learn lessons and/or draw best practices from DDF operations in light of its practicality, linkages with district, provincial and national development plans, sustainability and long-term impact and exit strategy.
- Secondly, the utmost importance that the modality ensures closer coordination, collaboration and partnerships with existing funding mechanisms such as VDF, PRF, etc. to avoid overlapping, confusion and time constraints for communities.
- Thirdly, ensuring the involvement and participation of the poor, including women and children, so that a DDF benefits all who are really in need at the grassroots level
- Fourthly, to ensure transparency, accountability and equality of DDF implementation

Excellencies, Ladies and Gentlemen,

Today, we have witnessed the signing of the MoU by all parties concerned in order to launch DDFs in these 4 further provinces. The MoU contains the clearly spelt out roles and responsibilities of each party. On behalf of UNDP and UNCDF, I call on all of us for greater achievements of the DDF in particular and public administration reform in general.

In conclusion, once again I would like to take this opportunity to thank PACSA's leadership, line ministries, provinces and the project team for their dedication and tremendous work. I also wish to thank the Government of Luxembourg and UNCDF for their support of the programme. UNDP together with UNCDF, known as a key supporter of local governance and decentralized service delivery through DDFs, look forward to working with you all on this area in years ahead.

I wish all of you success, and hope that DDF operations will continue to bear fruitful outcomes, contributing to local development and poverty reduction through better service delivery.

---Thank You---