



ROUND TABLE PROCESS NEWSLETTER

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The Round Table Process Newsletter is a mechanism for sharing information on recent developments with our colleagues in the Government, partners in development and other stakeholders. We consider the active participation of all partners as essential to a successful Round Table Process. For this reason we would greatly appreciate your suggestions and comments. Please send your comments to Department of International Cooperation (DIC), Ministry of Foreign Affairs (MoFA), That Luang Road, Vientiane, Lao PDR. Tel. (856 21) 416500, Fax: (656 21) 416067

A. Country Action Plan of Vientiane Declaration on Aid Effectiveness

The Vientiane Declaration on Aid Effectiveness, which was signed by 22 Partners in Development at the Round Table Meeting in November 2006, has subsequently been signed by the Philippines and Thailand raising the number of signatories to 24. In signing the Declaration the Government and Partners were committed to defining an Action Plan and associated Indicators to guide the implementation of the Declaration. This Country Action Plan (CAP) of the Vientiane Declaration on Aid Effectiveness was developed through a highly participatory, inclusive and transparent process within the timeframe set, and was endorsed at the Third High Level Forum on the 31 May 2007.

The formulation process for the CAP began with the first High Level Forum on the 1st of February 2007 where the three tiered approach for developing the Action Plan and associated Annexes was approved. The three tiered approach for formulating the Action Plan comprised of a decision making High-Level Forum, a consensus building Taskforce and a supporting Secretariat. The Department of International Cooperation with the support of the Secretariat ensured that everyone was well informed, with regular alert emails and up to date information continually posted on the RTM website: <http://www.rtm.org.la/index.php>. All Taskforce Meeting and High Level Forum invitees were provided with extensive information packs prior to all meetings, to ensure that the discussions were constructive.



Fourth Taskforce Meeting Participants, Thalath, Vientiane

Four Taskforce Meetings were held following the first High Level Forum, where the existing the Harmonisation and Alignment Action Plan was reformulated and enhanced. The Taskforce comprised representatives of 9 Government agencies and 16 international agencies. Between all of these Taskforce Meetings the Secretariat, which consisted of representatives from DIC, MoFA, the Committee for Planning and Investment, the Ministry of Finance, United Nations Development Programme and the European Commission (EC), worked diligently at redrafting the CAP to incorporate all comments where possible. A Professional Facilitator, Mr. Thomas Kerscher, was recruited by the EC to facilitate the discussions at the Taskforce Meetings and provide insight on the process. The first Taskforce Meeting held on the 26th of February reviewed the existing Harmonisation and Alignment Action Plan highlighting broad areas for improvement. The Second Taskforce Meeting was held on the 20th March which reviewed the newly drafted Ownership and Alignment Sections of the CAP. The Third Taskforce Meeting, held on the 11th of April, reviewed the Harmonisation and Simplification, Managing for Results and Mutual Accountability Sections of the CAP. The Fourth and final Taskforce Meeting was a day long meeting held in Thalath, Vientiane, on the 3rd of May, where the CAP was holistically reviewed, and Implementation, Monitoring and Reporting Arrangements were proposed and discussed.



Third High Level Forum Participants, Lao Plaza, Vientiane

The revised draft CAP and associated Annexes was then presented to the second High Level Forum on the 18th of May for their comments and suggestions. Following this, the CAP was finalised based on the comments and suggestions made, and also, the OECD-DAC first round survey results were incorporated developing practical indicators for assessing progress in the years to come. The CAP was presented to the Third High Level Forum on the 31st of May for endorsement by all stakeholders. The CAP was unanimously endorsed by all the participants, who thanked and congratulated also those involved in the formulation of the CAP.

It is important to note at this stage, that the CAP is a “living” document which will be reviewed and updated annually at CAP Review Meetings. The first review will be undertaken prior to the next RTIM in November 2007, which will be an opportunity for all concerned to review implementation progress and also to address any constraints and challenges encountered in the short interim and suggest solutions.

The challenge now lies ahead in the implementation of the CAP. Implementation of the CAP is a mutual responsibility of all the signatories to the Declaration; both the Government of the Lao PDR and their Partners in Development. Overall coordination of implementation will be undertaken by the Ministry of Foreign Affairs, in cooperation with the Line Ministries, Government Lead Agencies and Development Partner Focal Points.

B. Sector Working Group Meetings

1. Review of Sector Working Group Mechanism

A review of the Sector Working Group Mechanism has recently been conducted at the request of the DIC, MoFA. This Review reflects a common desire of the Government of the Lao PDR and its Development Partners to address shortcomings in how the Sector Working Group Mechanism currently functions. The Review has come at a useful time as the Government and Development Partners finalize the Country Action Plan for the Vientiane Declaration. The overall purpose is to highlight the areas that need to be addressed and recommend actions that should be undertaken to ensure that the SWG mechanism meets the needs of all parties. A preliminary Zero Draft of this Review was circulated to all Ministries and Partners in Development for their comments and suggestions, and discussed at the SWG Review Meeting held on the 11th of May 2007. Some of the main findings and recommendations from this review are summarised in the following:

- i. *Reinforce Ownership of SWGs*: Some central policy and line ministries feel limited ownership of the SWG mechanism, are unclear on its purpose, and therefore have limited commitment to allocate scarce staff resources and time needed to lead SWGs effectively. Through this review, it is intended that the SWG mechanism will become more needs based and not a “blueprint” that must be implemented, and hence increase commitment and ownership.
- ii. *SWG Chairs and Co-Chairs have greater flexibility to decide whether to determine how they wish to operate*: Some SWGs have found it productive to meet at a sectoral or sub-sectoral level, in order to focus discussions on solving particular challenges and to allow more informal and technical debate among a smaller number of government and donors. It is suggested that ministries and their Partners in Development should have the flexibility to establish sub-groups at the sub-sectoral level or ad hoc sub-groups to solve particular problems. Alternatively, SWGs could rotate the focus of SWG Meetings, taking different themes in different terms. Also, SWGs should be linked to other coordination fora such as the Poverty Reduction Support Operation (PRSO). It is necessary for us to reconsider whether the existing eight SWGs are relevant and whether others need to be established and existing ones restructured or disbanded.
- iii. *Clarify Function of SWGs and Sub-Groups*: Some line ministries expressed uncertainty as to the functions of the SWG mechanism. Terms of References (TOR) and work plans relevant to each SWG should be drawn up, which clearly outline the functions of each SWG.
- iv. *Commitment to Capacity Development is key to successful SWGs*: SWG meeting dates, agendas, minutes and meeting documentation in both Lao and English, where they exist, are not easily available to all. It is important to ensure that proper documentation for each Meeting is prepared in advance and that everyone is informed about SWG Meetings and their proceedings. Consideration should be given to establishing simple web-pages for each SWG as part of the Round Table Meeting website. Increased capacity

development assistance is necessary to ensure that these responsibilities are met. The chairing of SWGs and Sub-Groups has to be clarified with clear chair and co-chair roles set out in the TOR. Additionally, SWGs and Sub Group Chairs and Co-Chairs should develop work-plans for the SWGs and Sub-Groups, setting out tentative agenda items for future meetings.

- v. *Reinforce linkages between SWGs and Round Table Process*: SWGs and Sub-Groups should decide well in advance, what issues, analyses, progress reports, combined statements or other materials they wish to prepare and contribute to the Round Table meetings.

2. Agriculture, Rural Development and Natural Resource Management Sector Working Group

The Agriculture, Rural Development and Natural Resource Management Sector Working Group (ANRSWG) Meeting, which was chaired by Mr. Xaypladeth Choulamany, Deputy Director General, Department of Planning, Ministry of Agriculture and Forestry and co-chaired by Mr. Etienne Woitellier, Director of AFD Vientiane, was held at Lao Plaza Hotel, Vientiane on the 22 May 2007. The first session of the Meeting reviewed the rationale and status of the sub-working groups (irrigation, forestry and agri-business) and discussed the establishment of a new sub-working group on integrated watershed management, and uplands and food security. In the second and third session of the Meeting a presentation was given on the Inception Report of ADB's ARN Sector Needs Assessment and discussed, identifying priorities for a thematic approach to ANR sector development. In the fourth and final session, a presentation was made on MAF's Reorganisation and New Institutional Framework.

3. Education and Gender Sector Working Group

The Education and Gender Sector Working Group (EGSWG) Meeting was held on the 27th April 2007 at the Ministry of Education Conference Room. The Meeting was chaired by H.E. Lytou Boupao, Vice Minister of Education and co-chaired by H.E. Mr. Alistair Maclean, Australian Ambassador. Presentations were made on the proposed Terms of Reference for the EGSWG; the Strategic Plan for National Education Reform 2006-2010; and on the Diagnostic Study of the Lao Education Management Information System (EMIS) and outlined plans to strengthen this critical component of the education sector reform. The participants actively reviewed and discussed the Terms of Reference (TOR) for the EGSWG, expressing their appreciation and support for the efforts made by the Ministry of Education, AusAID and UNICEF in drafting the TOR. The participants also suggested some further improvements and additions to the Strategic Plan for National Education Reform 2006-2015 and discussed the way forward towards a fully functioning EMIS.

The second Education and Gender Working Group (EGSWG) Meeting of 2007, which was chaired by Mr Ouam Sengchandavong, Ministry of Education (MoE) and co-chaired by representatives from AusAID and UNICEF, was held at the National University of

Lao PDR on June 25, 2007. The key focus of the Meeting was the first draft of the Education For All Mid-Decade Assessment and Fast Track Initiative report, which gives a comprehensive overview of the progress made between 2000 and 2005 against the six EFA targets and sets out a sustainable scenario and its associated financial implications for achieving EFA goals by 2015. The participants of the Meeting were also informed of progress made on the Terms of Reference (TOR) for the EGSWG based on feedback from partners.

4. Governance Sector Working Group



The Chairperson Mr. Khammoune Viphongxay and Co-Chair Mr. Jamshed Kazi, UNDP

The second Joint Governance Sector Working Group (JGSWG) was held on 30 March 2007 chaired by Mr. Khammoune Viphongxay, Deputy Chairperson of PACSA and co-chaired by Mr. Jamshed Kazi, Assistant Resident Representative of UNDP. The key objectives for the meeting were (i) to provide an update on recent key developments within the Governance sector; (ii) to clarify the role of the JGSWG; and (iii) to identify key issues that the JGSWG would like to receive more information on.

Presentations were made to the Meeting by Mr. Nisith Keopanya, PACSA, Dr. Bounleua Sinxayvoravong, MOF and Mr. Ketsana Phommachanh, MOJ highlighting recent developments on organisational restructuring in several Ministries, progress of the Strategic Plan on Governance, the initial results of the District Development Fund, the

development of the Citizen Report Card, update on the Capacity Building study, development of the Public Expenditure Management Strengthening Program (PEMSP) and overview of the status of the Legal Sector Master Plan (LSMP).

There was active discussion on the links between the Poverty Reduction Fund (PRF) and the proposed expansion of the District Development Fund (DDF). It was agreed that it would be helpful if the next meeting provided an overview of how the PRF and DDF operated to ensure a better understanding of their objectives and activities and how they addressed the poverty targets of the Government. A number of participants enquired about the timeframes for approval of the LSMP. Mr Ketsana advised the meeting that the LSMP was still awaiting approval from the Government.

The Meeting also distributed a draft version of the Terms of Reference for the JGSWG for discussion. It was agreed that a small working group be established to consider the draft TOR and to present a final draft at the next JGSWG meeting in June. Volunteers from Government included DIC, MOJ, MOF, and PACSA whilst WB, JICA and Sida from the donor side.

The next meeting in June will consider: (i) a final draft of the JGSWG TOR; (ii) a presentation on the Vientiane Declaration Country Action Plan; (iii) an overview of the different funding modalities – VDF, PRF and DDF; and (iv) a presentation from MOJ on the priority areas for support within the LSMP.

C. Signing of Country Programme Action Plans between GoL and UNICEF, UNDP and UNFPA

The Signing Ceremony of the Country Programme Action Plan (CPAP) between the Government of the Lao PDR and the United Nations Fund for Children (UNICEF) took place on 6 February 2007 at Don Chan Palace, Vientiane. The CPAP provides the roadmap for UNICEF's supported cooperation programme for 2007 – 2011 in the country. It underlines UNICEF's close partnership with the Government of the Lao PDR towards the realisation of the rights of every child to survival, development, protection and participation. The programme will contribute to the pursuit of strategic partnerships and extended alliances in order to provide every girl and boy in the Lao PDR with opportunities to develop their full potential.



H.E. Dr. Thongloun Sisoulith and Ms. Sonam Yangchen Rana

The signing of the UNICEF CPAP was followed by the first-ever Joint Signing Ceremony of the Country Programme Action Plans (CPAPs) of the United Nations Development Programme (UNDP) and the United Nations Population Fund (UNFPA) with the Government of the Lao PDR, which took place on 28 March 2007. The Joint Signing Ceremony is an important step towards the actualisation of the Vientiane Declaration on Aid Effectiveness. The UNDP CPAP will support the Government's efforts through the Round Table Process, develop the capacity of the National Assembly to legislate, enhance the service delivery capacity of the Government through pilot decentralization projects, provide support to UXO Lao and the National Regulatory Authority (NRA), incorporate natural resource management through its governance work, and promote gender equality. The UNFPA programme focuses on population and development and reproductive health, strengthening the implementation of related laws and policies. UNFPA will continue to support family planning and safe motherhood service provision and health promotion to encourage good reproductive health practices and use of family planning and safe motherhood services.

The CPAPs formulated for the period of 2007-11 are in line with the Sixth National Socio-Economic Development Plan 2006-2010 that has incorporated the National Growth and Poverty Eradication Strategy as well as the Millennium Development Goals, and the priorities identified in the United Nations Development Assistance Framework. The CPAPs were developed through a highly consultative process in cooperation with the Government of the Lao PDR. For the first time ever UNDP, UNFPA and UNICEF have worked closely together to ensure that their programmes are complementary, in order to enhance the development impact for all people in the Lao PDR.

D. Second Joint Portfolio Effectiveness Review

The Government of Lao PDR, the Asian Development Bank, the Swedish International Development Cooperation Agency and the World Bank, undertook a second Joint Portfolio Effectiveness Review (JPER) from 3-6 April 2007, with the overall objective of improving the development impact of the activities, projects and programs they are financing in support to the NGPES.

The workshop reviewed the overall status of the partners' portfolios, provided an update on the implementation of the 2005 JPER Action Plan, and discussed selected priority matters that impact the effectiveness of their development assistance. An action plan was prepared based on the received feedback with interventions categorized under five components: (i) Portfolio Management, (ii) Financial Management, (iii) Capacity Development, (iv) Monitoring and Evaluation, (v) Project Implementation Arrangements.

The participants endorsed the 2007 JPER recommendations and gave special emphasis on the need to further harmonize and simplify procedures, notably financial management reports; processing of withdrawal applications; accounting software; daily subsistence allowances; monitoring and evaluation systems; procurement; and mandatory skills transfers plans, performance evaluation and fees for consultants.

It was also agreed that issues and actions identified under the JPER process which are believed to be common to most Development Partners will be submitted for consideration to the secretariat and taskforce recently established to prepare the action plan to implement the Vientiane Declaration on Aid Effectiveness.