

The Results are in!

“To manage performance you must first measure it!” In Lao PDR UNCDF, working with UNDP, the Ministry of Home Affairs, Ministry of Finance and Ministry of Planning & Investment, have been actively promoting effective and sustainable local development by strengthening and empowering local district administrations to do the job themselves.

Through the 5-year long project “Strengthening Capacity and Service Delivery of Local Administrations (GPAR SCSD 2012-15)” with a total budget of over 12 million USD funded by UNCDF, UNDP, the Swiss Agency for Development Cooperation (SDC), the Republic of Korea, the Luxembourg Government, GEF; UNCDF and its partners aim at strengthening the capacity in the local administrations to deliver services that improve the lives of the poor, especially in rural areas.

Thanks to UNCDF intervention, 53 districts (37% nationwide) are now benefiting from the package of support under UNCDF’s Local Development Fund - known as District Development Fund (DDF) in Lao PDR. The DDF package works through the national systems to provide better budgetary systems, personnel capacity support, institutional upgrades and fiscal assignments directly to districts.

The first ever performance assessment exercise of district administrations in Lao PDR - designed and implemented with UNCDF technical support as part of the DDF package, to date - has been completed for the 8 District Administrations of Saravane Province, in the South. This is now being expanded to other 4 districts of Sekong province.

This is a remarkable undertaking involving the set-up of new assessment teams and training some 221 local officials. It is also a milestone, given the normal reluctance to openly measure the performance of government bodies in this One-Party system.

The Performance Assessment system is a transformational change for how districts in Lao PDR do business and stand accountable for their performance.

The performance assessment measured the performance of 8 districts across 21 indicators covering Planning (10 Indicators), Financial Management & procurement (3 Indicators), Execution & Service Delivery (5 Indicators) and Accountability & Transparency (3 Indicators). The scores achieved affect the future fiscal assignments to each District, as a way of incentivising better performance of each District Administration.

Results of the first District performance Assessment in Lao PDR						Effect
8 Districts of Saravane Province	Planning	Financial Management & procurement	Execution & Service Delivery	Accountability & Transparency	Overall Score	% Gain or (Loss) on future DDF Grant
Max points	40	20	22	18	100	
Saravane	40	20	22	13	95	3.3
Ta Oy	37	20	20	11	88	(0.6)
Toumlane	33	20	19	13	85	(2.3)

<i>Lakhonpheng</i>	40	20	21	13	94	2.8
<i>Vapi</i>	37	20	17	11	85	(2.3)
<i>Khongsedone</i>	37	20	17	11	85	(2.3)
<i>Lao Ngam</i>	37	20	19	10	86	(1.7)
<i>Samuay</i>	40	20	20	11	91	1.1

There are no losers under the PAM system – all districts are ultimately winners as they (i) get almost all of their future DDF allocation and (ii) have now clearly identified weaker areas and training needs. For the 5 districts performing below the average, extra capacity development supports are offered. Of course it is a mathematical certainty that there must always be some districts below the average and some above the average, so it should not be seen as ‘pass or fail’; the purpose of the performance assessments is to raise the average overall and thus have generally higher performing districts that can better manage socio-economic development to serve their residents.

Results to date from the DDF package of supports to local poverty reduction are impressive. For example, during fiscal 2012/13 alone, 1,157 local officials were given skills that allowed the district administrations to successfully invest about \$655,000 USD in 182 service intervention, to the direct benefit of 460,000 people. The selection of these public service investments are made by the local District Administrations and community and span a wide range of activities in 4 sectors of Health, Education, Agriculture and Public Works. Typical examples include vaccination campaigns to reduce mother and child mortality rate in the remote villages; construction of rural health centres and village water supply system; construction of kindergarten and campaign to improve enrolment rate of children age 6-10 in 6 targeted villages; training for village vaccinators (2 villages); animal vaccination campaign and access road construction that connect people to markets and public services. Overall, 51% of the beneficiaries are women, which is typical of the excellent gender balance among beneficiaries of the DDF system.

More information

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