



Community Participation: A Key to Improving Vientiane’s Urban Infrastructure

The Vientiane Urban Infrastructure Services Project¹ supported decentralization, strengthened urban governance and management, and provided sustainable urban services to the people of Vientiane, Lao People’s Democratic Republic. Despite previous investments in roads, as well as drainage and water supply facilities, Vientiane’s urban infrastructure development backlog was so great that both economic growth and the quality of life of urban residents were being compromised. This was true of both the city’s primary and secondary infrastructure networks. These problems particularly affected Vientiane’s population at the community level, the majority of whom lives in low-lying lands that flood for a significant part of the year.

Sustaining development project through community initiatives

The bulk of work under the project thus comprised investments in roads, in drainage and flood protection facilities, and in solid waste collection and disposal services. However, for these improvements to be sustainable, it was imperative that operation and maintenance expenses be covered following project completion. For this reason, the scope of the project was expanded to include improved urban management; cost recovery through policy and institutional reforms; and civic participation in project planning, design, and implementation.

The project was designed to benefit about 162,000 urban residents, of which roughly 30,000 (or 18%) comprised low-income households. To achieve this goal, the following major components were included under the Project: citywide infrastructure and services in the form of primary roads, drainage networks, and solid waste management equipment; village area improvements comprising upgrading of environmental conditions and infrastructure at the community level in 50 poor villages; and capacity building in project management for addressing institutional strengthening and reform requirements, as well as improvement in the efficiency of



VOUSP PROJECT, VIENTIANE

Access road and drainage works during construction

urban governance and project implementation. Agence Française de Développement (AFD, the French development agency) provided a parallel grant for improving traffic management to allow undertaking of city-center improvements, for building institutional capacity, and for providing training.

Implementation difficulties and resolutions

The Vientiane Capital City Administration was responsible for overall execution of the project, the implementing agency being

¹ The project was implemented from August 2001 to August 2007 at a cost of \$37 million, which comprised a loan of \$27 million from an Asian Development Bank Fund grant of \$5 million from AFD, \$5 million from the Government of the Lao People’s Democratic Republic, and the balance from community contributions.



the newly created Vientiane Urban Development Administration Authority. By the end of the project, the Authority was expected to be transformed into a municipality administration capable of generating the revenues required for providing basic urban services, as well as for maintaining the investments made under the project.

Project implementation was initially slow. Aside from the limited experience of project staff and the limited capacity of the local government in processing approvals and in supporting project implementation, village residents were skeptical about the project's goals and, therefore, hesitant to participate. This was particularly true of the initial six beneficiary villages. The collection of 10% of project costs (in cash or in in-kind community contributions) required under the terms of the project proceeded at a pace slower than envisioned. The lack of familiarity and understanding of procedures relating to implementation and those relating to social and environmental safeguards compounded this problem. For example, the project was slow in responding to problems with water flows to That Luang marsh. This was due to issues relating to both improved drainage and resettlement, which eventually led to the suspension of civil works by the Asian Development Bank. Training programs to improve project implementation capacity, particularly in the areas of disbursement, procurement, and resettlement, were conducted.

Shortly before the midterm review of the project, changes took place in both the project's structure and its leadership. Upon resolution of the outstanding environmental and social issues, project implementation progressed quickly. Contract awards and implementation of civil works proceeded ahead of schedule, and the project's outreach activities strengthened. Bidding procedures were simplified, and village leaders mobilized their members well during construction. Implementation in the second and third batches of villages was more successful, and the required contributions amounting to 10% of total costs were collected up front.

Significant impact and positive response

Upgrading the road network positively impacted 88 kilometers (km) of roads which, at the time, comprised 28% of Vientiane's total road network. Improvements to 15 km of drainage works under the project succeeded in reducing flooding in the city by nearly 90%. Likewise, improvement in solid waste management under the project increased coverage from 15,000 households to nearly 70,000 households. In addition, land values increased significantly. Renovation of the city center also included improvements to road markings, which likewise improved traffic conditions.

Major impacts brought about by the village area improvement component, which was enabled through community participation and a sense of ownership achieved under the project, comprised not only the construction of community infrastructure but also a growing sense of trust and improved governance in the community.



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Road and drainage improvements near the Wattay International Airport

The improvements under the village component were achieved at a relatively low average cost of \$75,000, making the return on investment for this component substantial. In addition, most villages now have community funds for maintaining access roads, drains, and solid waste collection; these funds are being managed by village committees.

Without doubt, the project's positive impact on community health has been significant. The incidence of waterborne diseases, and along with it some related health hazards, has decreased. The Ministry of Health noted a considerable reduction in the number of cases of dengue fever during the 2006 wet season. The project likewise promoted good governance by supporting decentralization of urban government, and by empowering village communities in project planning, design, implementation, and operation and maintenance.

Clearer but more modest expectations

Despite the project's overall success, much remains to be done. The degree to which the project's policy and institutional objectives were achieved is less clear, as it had no direct control over such processes. For example, the goal of achieving an autonomous urban entity able to generate sufficient revenues for capital expenditures and operation and maintenance appears in retrospect to have been overly ambitious. Nevertheless, the project did spark dialogue among key stakeholders regarding the need for cost recovery mechanisms, improved urban planning and management, and greater private sector and civic participation. While Vientiane's road infrastructure has, without doubt, improved as a result of the project, the need for effective traffic awareness campaigns remains a pressing one, as the number of motor vehicles, and with it the number of accidents, has increased.