

**LAO PDR**  
**COUNTRY PERFORMANCE INDICATORS**

Item	1995	1996	1997	1998 <sup>a</sup>	1999 <sup>b</sup>
<b>ECONOMIC INDICATORS</b>					
<b>A. Income and Growth</b>					
1. GDP per Capita (dollars, current)	377.0	395.0	362.0	261.0	281.0
2. GDP Growth (% in constant prices)	7.0	6.9	6.9	4.0	5.2
Agriculture	3.1	2.8	7.0	3.7	5.0
Industry	13.1	17.3	8.1	8.5	7.5
Services	10.2	8.5	7.5	4.8	5.7
<b>B. Saving and Investment (current market prices)</b>					
	<b>(percent of GDP)</b>				
1. Gross Domestic Investment	24.5	29.0	26.2	26.1	23.7
2. Gross Domestic Saving	11.5	12.4	9.4	15.5	13.4
<b>C. Money and Inflation</b>					
	<b>(annual percent change)</b>				
1. Consumer Prices (annual average) <sup>d</sup>	19.4	13.0	19.3	90.1	128.4
2. Broad Money (M2) <sup>e</sup>	16.4	26.7	65.8	113.3	86.3
<b>D. Government Finance<sup>f</sup></b>					
	<b>(percent of GDP)</b>				
1. Total Revenue	12.2	13.0	10.9	9.8	11.3
2. Total Expenditure and Net Lending	21.9	22.1	19.8	23.7	20.6
3. Overall Surplus/Deficit (-) <sup>g</sup>	-9.7	-9.1	-8.8	-13.9	-9.3
<b>E. Balance of Payments</b>					
1. Merchandise Trade Balance (% of GDP)	-15.4	-20.0	-19.0	-16.4	-13.1
2. Current Account Balance (% of GDP) <sup>h</sup>	-13.0	-16.6	-16.8	-10.6	-10.3
3. Export (\$) growth (annual percent change)	4.1	2.5	-1.2	7.7	2.9
4. Import (\$) growth (annual percent change)	4.4	17.1	-6.0	-14.7	-2.9
<b>F. External Payments Indicators</b>					
1. International Reserves (billion dollars, end of period) <sup>i</sup>	92.5	166.7	110.7	112.8	115.9
- months of imports	1.9	2.9	2.1	2.4	2.6
2. External Debt Service (% of exports of goods & services)	5.7	5.9	9.0	11.1	12.0
3. External Debt (% of GDP)	114.8	117.9	132.9	189.0	174.9
<b>Memorandum Items:</b>					
GDP (current prices, billion local currency)	1,419.0	1,726.0	2,201.0	4,260.0	10,119.0
GNP (current prices, billion local currency)	—	—	—	—	—
Exchange Rate (local currency per dollar, annual average)	819.0	926.0	1,260.0	3,296.0	7,108.0
Population (million)	4.6	4.7	4.8	4.9	5.1

<sup>a</sup> Preliminary estimates.

<sup>b</sup> Staff estimates based on partial data and/or projections except for exchange rate and inflation.

<sup>c</sup> Estimates.

<sup>d</sup> Average for the year.

<sup>e</sup> Liquidity growth for 1999 through November.

<sup>f</sup> From 1993 and onwards, figures are on a fiscal year basis where fiscal year ends 30 September.

<sup>g</sup> On cash basis, excluding grants.

<sup>h</sup> Excluding official transfers.

<sup>i</sup> Revised 1997 and 1998 based on latest government figure; 1999 is as of Q3 1999.

Source: National Statistical Centre, State Planning Committee; National Budget Department, Ministry of Finance; Bank of Lao PDR; International Monetary Fund; and staff estimates.

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	1985	1990	Latest Year
<b>POPULATION INDICATORS</b>			
Total Population (millions)	3.6	4.14	5.07 (1999)
Annual Population Growth Rate (% change)	2.49	2.49	2.47 (1999)
<b>SOCIAL INDICATORS</b>			
Total Fertility Rate (births per woman)	6.7 (1980-1985)	—	5.6 (1995)
Maternal Mortality Rate (per hundred thousand live births)	750 (1988)	656 (1993)	650 (1990-1998)
Infant Mortality Rate (below 1 year; per '000 live births)	118	104 (1995)	96 (1998)
Life Expectancy at Birth (years)	45	49.7	53.7 (1998)
Female	46	51.3	55 (1998)
Male	—	—	52.5 (1998)
Adult Literacy (%)	44	—	46.1 (1998)
Female	—	—	30.2 (1998)
Male	—	—	61.9 (1998)
Primary School Enrollment (% of school age population) <sup>a</sup>	104.8 (1985/86)	104.8 (1990/91)	116 (1996/97)
Female	—	93.3	106.3
Lower Secondary School Enrollment (% of school age population)	27.3 (1985/86)	31.8 (1990/91)	36.4 (1996/97)
Female	22.9	25.7	30.2
Child Malnutrition (% of under age 5)	35 (1984)	—	43 (1992-1997)
Population Below Poverty Line (%)	—	45 (1992/93)	38.6 (1997/98)
Income Ratio of Highest 20% to Lowest 20%	—	—	4.2 (1997/98)
Population with Access to Safe Water (%)	21 (1985-1988)	—	32 (1990-1998)
Population with Access to Sanitation (%) <sup>b</sup>	10 (1985-1988)	24 (1988-1991)	18 (1990-1997)
Public Education Expenditure as % of GNP	1.3 (1987/88)	1.94 (1990/91)	2.0 (1998/99)
Public Health Expenditure as % of GDP	—	0.73 (1990/91)	1.5 (1998/99)
Human Development Index	—	0.246	0.484 (1998)
Human Development Ranking <sup>c</sup>	—	141	140 (1998)
<b>ENVIRONMENTAL INDICATORS</b>			
	1980	Latest	
<b>Energy Efficiency of Emissions</b>			
GDP per unit of energy use (PPP \$ per kg oil equivalent)	n.a.	n.a.	
Traditional fuel use (% of total energy use)	72.3	86.5	(1996)
Carbon dioxide emissions (total metric tons)	0.2	0.3	(1996)
Carbon dioxide emissions (per capita metric tons)	0.1	0.1	(1996)
<b>Water Pollution</b>			
Emissions of organic water pollutants (kg/day)	n.a.	n.a.	
Industry share of emissions of organic water pollutants	n.a.	n.a.	
Wood (%)	n.a.	n.a.	
Primary Metals (%)	n.a.	n.a.	
Paper and Pulp (%)	n.a.	n.a.	
Chemical (%)	n.a.	n.a.	
Food and Beverages (%)	n.a.	n.a.	
Textiles (%)	n.a.	n.a.	
<b>Land Use and Deforestation</b>			
Forest area (million ha)	n.a.	8.5	
Average annual deforestation (million ha)	n.a.	0.1	(1990-96)
Average annual deforestation (% change)	n.a.	0.6	(1990-96)
Rural population density (people per sq km of arable land)	n.a.	474	(1997)
Arable land (% of land area)	2.9	3.5	(1997)
Permanent cropland (% of land area)	0.1	0.2	(1997)
<b>Biodiversity and Protected Areas</b>			
Nationally protected area (sq km '000)	n.a.	30.8	(1999)
Percent of total land area	n.a.	13	(1999)
Mammals (number of threatened species)	n.a.	30	(1996)
Birds (number of threatened species)	n.a.	27	(1996)
Higher plants (number of threatened species)	n.a.	2	(1997)
Reptiles (number of threatened species)	n.a.	7	(1996)
Amphibians (number of threatened species)	n.a.	0.0	
<b>Urban</b>			
Urban population (millions)	0.4	1.1	(1998)
Percentage urban	13	22	(1998)
Per capita water use	n.a.	n.a.	
Wastewater treated (percent)	n.a.	n.a.	
Per capita solid waste generation (kg/day)	n.a.	0.7	(1999)
<b>Air Pollution</b>			
City population ('000)	n.a.	n.a.	
Total Suspended particulate (micrograms per cubic meter)	n.a.	n.a.	
Sulfur dioxide (micrograms per cubic meter)	n.a.	n.a.	
Nitrogen dioxide (micrograms per cubic meter)	n.a.	n.a.	

n.a.=not available.

<sup>a</sup> Gross enrollment ratio is defined as the number enrolled in a level of education, whether or not they belong in the relevant age group for that level, expressed as a percentage of the population in the age group 6-10 years for primary school, 11-14 years for lower secondary school, and 14-16 years for upper secondary school.

<sup>b</sup> Percentage of population with reasonable access to sanitary means of excreta and waste disposal, including outdoor latrines and composting.

<sup>c</sup> For 1990 and 1998, a total of 173 and 175 countries, respectively, were ranked from high to low human development, using the Human Development Index as basis.

<sup>d</sup> Data refer to most recent year available in the period.

Sources: National Statistical Centre; Ministry of Public Health; Ministry of Education; Ministry of Agriculture and Fishery; *Social Development Assessment and Strategy*, The World Bank, 1995; *World Development Report and World Development Indicators*, The World Bank; *Human Development Report*, UNDP; *FAO Production Yearbooks* and *FAO website*; and staff estimates.

## LAO PDR

## PORTFOLIO PERFORMANCE

**Table 1 : Implementation, Disbursement Performance and Postevaluation Results  
Public Sector Projects only  
(as of 31 December 1999)**

A. Project Portfolio	Net Loan Amount \$ million      %		Rating (No.) <sup>a</sup>										
			Total		Implementation Progress				Development Objectives				
			No.	%	HS	S	PS	U	HS	S	PS	U	
Agriculture and Natural Resources	30.8	7.2	3	17.6	0	3	0	0	0	0	3	0	0
Energy	79.5	18.6	2	11.8	0	2	0	0	0	0	2	0	0
Finance and Industry	24.1	5.6	1	5.9	0	0	1	0	0	0	1	0	0
Social Infrastructure	132.9	31.0	6	35.3	1	5	0	0	0	1	5	0	0
Transport and Communications	161.1	37.6	5	29.4	1	2	2	0	0	1	4	0	0
Others/Multisector	0.0	0.0	0	0.0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>428.3</b>	<b>100.0</b>	<b>17</b>	<b>100.0</b>	<b>2</b>	<b>12</b>	<b>3</b>	<b>0</b>		<b>2</b>	<b>15</b>	<b>0</b>	<b>0</b>

B. Disbursements	OCR	ADF	Total
(1) Total funds available for withdrawal (\$ mn, active loans only)		428.3	428.3
(2) Disbursed amount (\$ mn, cumulative, active loans only)		188.5	188.5
(3) Percentage disbursed [(2)/(1)] (%)		44.01	44.01
(4) Disbursements (\$mn, active loans only, latest year)		46.8	46.8
(5) Disbursement ratio (%) <sup>b</sup>		19.42	19.42
C. Net Transfer of Resources <sup>c</sup> (\$ million)	OCR	ADF	Total
Net transfer in 1995		53.3	53.3
Net transfer in 1996		80.5	80.5
Net transfer in 1997		81.7	81.7
Net transfer in 1998		59.2	59.2
Net transfer in 1999		38.5	38.5

D. Postevaluated Projects (By Year of Approval)	1968 - 1977		1978 - 1987		1988 - 1999		1968 - 1999			
	No.	%	No.	%	No.	%	No.	%		
<b>1. Postevaluation Rating (as of 31 December 1999)</b>										
Rated Generally Successful (GS)	1	50.0	4	50.0	5	55.6	10	52.6		
Rated Partly Successful (PS)	1	50.0	3	37.5	2	22.2	6	31.6		
Rated Unsuccessful (US)	0	0.0	1	12.5	0	0.0	1	5.3		
No Rating	0	0.0	0	0.0	2	22.2	2	10.5		
<b>Total</b>	<b>2</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>	<b>9</b>	<b>100.0</b>	<b>19</b>	<b>100.0</b>		
<b>2. Postevaluation Rating by Sector</b> 1968-99 (as of 31 December 1999)	<b>GS</b>		<b>PS</b>		<b>US</b>		<b>NR</b>		<b>Total</b>	
	No.	%	No.	%	No.	%	No.	%	No.	%
Agriculture and Natural Resources	0	0.0	2	33.3	1	100.0	1	50.0	4	21.1
Energy	3	30.0	3	50.0	0	0.0	0	0.0	6	31.6
Finance and Industry	0	0.0	0	0.0	0	0.0	1	50.0	1	5.3
Social Infrastructure	2	20.0	1	16.7	0	0.0	0	0.0	3	15.8
Transport and Communications	5	50.0	0	0.0	0	0.0	0	0.0	5	26.3
Others/Multisector		0.0	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total</b>	<b>10</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>19</b>	<b>100.0</b>

<sup>a</sup> HS: Highly satisfactory; S: Satisfactory; PS: Partially satisfactory; U: Unsatisfactory

<sup>b</sup> Ratio of disbursement during the year over the undisbursed net loan balance less cancellations at the beginning of the year. Effective loans during the year have also been added to the beginning balance of undisbursed loans.

<sup>c</sup> Includes private sector projects for countries with private sector operations.

Source : Programs (A), CTD (B & C), OEO (D)

**LAO PDR**  
**PORTFOLIO PERFORMANCE**  
**Table 2: Status of Project Implementation**  
**Public Sector Projects Only**  
**(As of 31 December 1999)**

Sector <sup>a</sup>	Project Title	Net Loan Amount		Approval Date (mm/yy)	Effectivity Date (mm/yy)	Closing Date		Project Progress (% complete)	Cum Contract Awards (\$ million)	Cummulative Disbursement (\$ million)	Project Performance Rating <sup>b</sup>	
		OCR (\$ million)	ADF			Original (mm/yy)	Revised (mm/yy)				Implementation Progress	Development Objective
AGR	Community Managed Irrigation Sector		14.0	Nov-96	Oct-97	Jun-04		39	7.4	4.0	S	S
AGR	Industrial Tree Plantation		11.1	Dec-93	Aug-94	Sep-01		64	3.1	4.0	S	S
AGR	Shifting Cultivation Stabilization		5.6	May-99	Nov-99	Dec-05		0	0.0	0.0	S	S
ENE	Nam Leuk Hydropower		49.1	Sep-96	Jan-97	Mar-00		99	47.2	46.2	S	S
ENE	Power Transmission & Distribution		30.4	Sep-97	Mar-98	Jun-02		10	2.9	1.3	S	S
F&I	Financial Sector Program Loan II		24.1	Sep-96	Dec-96	Oct-99	Jul-00	51	13.5	12.4	PS	S
SOC	Northern Provincial Towns Water Supply		12.6	Nov-93	Jun-94	Sep-99	Mar-99	100	12.5	12.6	Closed	Closed
SOC	Vientiane Integrated Urban Development		17.5	Aug-95	Feb-96	Dec-00	-	71	15.2	9.9	S	S
SOC	Secondary Towns Urban Development		26.7	Jun-97	Apr-98	Jun-03	-	19	4.3	2.3	S	S
SOC	Water Supply and Sanitation Sector		20.0	Nov-99	-	Jun-06	-	0	0.0	0.0	S	S
SOC	Education Quality Improvement		12.6	Sep-91	Mar-92	Jun-98	Dec-99	100	12.4	12.6	Closed	Closed
SOC	Primary Health Care		4.7	Jan-95	May-95	Oct-00	-	87	3.6	3.8	HS	HS
SOC	Postsecondary Education		18.1	Sep-95	Dec-95	Jun-02	-	55	10.2	4.5	S	S
SOC	Basic Education (Girls)		20.5	Jun-98	May-99	Jul-05	-	15	0.0	0.0	S	S
T&C	Sixth Road Improvement		25.6	Jun-93	Dec-93	Jun-99	Jun-01	63	23.6	17.6	PS	S
T&C	Airports Improvement		14.7	Nov-93	Jun-94	Jun-98	Jun-01	80	13.1	12.8	PS	S
T&C	Champassak Road Improvement		42.5	Aug-95	Dec-95	Jun-00	-	87	38.4	35.0	HS	HS
T&C	Xieng Khouang Road Improvement		46.6	Sep-97	Feb-98	Jun-02	-	15	29.9	9.6	S	S
T&C	GMS: East-West Corridor		31.7	Dec-99	-	Dec-04	-	0	0.0	0.0	S	S
<b>Total</b>		<b>0.0</b>	<b>428.3</b>						<b>237.3</b>	<b>188.5</b>		

<sup>a</sup> Sector:

AGR: Agriculture & Natural Resources

ENE: Energy

F&I: Finance and Industry

SOC: Social Infrastructure

T&C: Transport and Communications

OTH: Others/Multisector

<sup>b</sup> HS: Highly satisfactory; S: Satisfactory; PS: Partially satisfactory; U: Unsatisfactory

**LAO PDR**  
**OVERALL EXTERNAL ASSISTANCE**  
(in \$ million)

External Source	Past 3-5 Years <sup>a</sup> (annual average)		2000 Program <sup>b</sup>	
	Loan/Credit	TA	Loan/Credit	TA
<b>A. Multilateral Assistance</b>				
ADB	79.4	5.1	65.8	6.3
UNDP	—	10.4	—	2-4
World Bank	41.5	—	10-60	—
Subtotal	120.9	15.5	75.8-125.8	8.3-10.3
<b>B. Bilateral Assistance</b>				
Australia	—	14.0	—	20.0
France	—	12.6	—	7-8
Germany	—	21.4	—	20.0
Japan	—	78.2	—	95.0
Sweden	—	13.8	—	10.0
Switzerland	—	4.6	—	5.0
Thailand	—	4.5	—	5.0
United States	—	8.0	—	10.0
Subtotal	0.0	157.1	0.0	172-173
<b>Total</b>	<b>120.9</b>	<b>172.6</b>	<b>75.8-125.8</b>	<b>180.3-183.3</b>
Memo Items:				
External Assistance as % of Current Expenditures		—		
External Assistance as % of Capital Expenditures		—		

<sup>a</sup> On disbursement basis.

<sup>b</sup> On commitment basis.

Sources: UNDP Report (1999), each agency's report, and staff estimates.

**LAO PDR**  
**LENDING PIPELINE AND TECHNICAL ASSISTANCE PROGRAM, 2001-2003**

Sector/Project Name	Poverty Classification <sup>a</sup>	Crosscutting Operational Priority <sup>b*</sup>	Responsible Division	Year of PPTA	PROJECT COST (in \$ million)					
					TOTAL	Bank			Gov't	Cofinancing (Others)
						OCR	ADF	Total		
<b>2001 FIRM LOANS</b>										
<b>Social Infrastructure</b>										
1 Second Education Quality Improvement	PI	HD	AWEH	2000	25.0	0	20	20.0	4.0	1.0
2 Vientiane Urban Development II	ODI	ENV	AWWU	1999	35.0	0	25	25.0	5.0	5.0
<b>Subtotal</b>					60.0	0	45	45.0	9.0	6.0
<b>Others</b>										
3 Transport & Energy Socio-Environmental Management Program	PI	ENV	ENVD	2000	20.0	0	15	15.0	0.0	5.0
<b>Subtotal</b>					20.0	0	15	15.0	0.0	5.0
<b>Total</b>					80.0	0.0	60.0	60.0	9.0	11.0
<b>2001 STANDBY LOANS</b>										
4 Northern Area Rural Power Distribution	ODI	PSD	IWEN	1998	50.0	0	20	20.0	20.0	10.0
5 Financial Sector Development	ODI		IWFI	2001	37.5	0	15	15.0	7.5	15.0
<b>2002 FIRM LOANS</b>										
<b>Agriculture and Natural Resources</b>										
1 Smallholder Development <sup>c</sup>	CPI	GAD	AWAR	2000	20.0	0	15	15.0	5.0	TBD
2 Nam Ngum River Basin Development	CPI	ENV	AWFN	2000	20.0	0	15	15.0	5.0	TBD
<b>Subtotal</b>					40.0	0	30	30.0	10.0	0.0
<b>Energy</b>										
3 Northern Area Rural Power Distribution	ODI		IWEN	1998	50.0	0	20	20.0	20.0	10.0
<b>Subtotal</b>					50.0	0	20	20.0	20.0	10.0
<b>Finance and Industry</b>										
4 Financial Sector Development	ODI	PSD	IWFI	2001	37.5	0	15	15.0	7.5	15.0
<b>Subtotal</b>					37.5	0	15	15.0	7.5	15.0
<b>Total</b>					127.5	0.0	65.0	65.0	37.5	25.0
<b>2002 STANDBY LOANS</b>										
5 GMS: Northern Economic Corridor <sup>d</sup>	ODI	RC	IWTC	2000	94.0	0	20	20.0	4.0	70.0
6 Small Towns Development <sup>e</sup>	PI	ENV/GG	AWWU	2000	30.0	0	20	20.0	5.0	5.0
<b>2003 FIRM LOANS</b>										
<b>Agriculture and Natural Resources</b>										
1 Rural Finance Development <sup>f</sup>	CPI	GAD	AWAR	2002	10.0	0	10	10.0	0.0	TBD
<b>Subtotal</b>					10.0	0	10	10.0	0.0	0.0
<b>Social Infrastructure</b>										
2 Small Towns Development <sup>e</sup>	PI	ENV/GG	AWWU	2000	30.0	0	20	20.0	5.0	5.0
<b>Subtotal</b>					30.0	0	20	20.0	5.0	5.0
<b>Transport and Communication</b>										
3 Rural Access Roads II	ODI		IWTC	2001	25.0	0	20	20.0	5.0	TBD
4 GMS: Northern Economic Corridor <sup>d</sup>	ODI	RC	IWTC	2000	94.0	0	20	20.0	4.0	70.0
<b>Subtotal</b>					119.0	0	40	40.0	9.0	70.0
<b>Total</b>					159.0	0.0	70.0	70.0	14.0	75.0
<b>2003 STANDBY LOANS</b>										
5 Health Sector Efficiency and Management	PI	HD	AWEH	2002	25.0	0	20	20.0	5.0	TBD
6 Second Industrial Tree Plantation	ODI	ENV	AWFN	2001	12.0	0	10	10.0	2.0	TBD
7 GMS: Tourism Development Project	ODI	ENV/RC	AWWU	1999	13.0	0	10	10.0	3.0	TBD

TBD=To be determined.

<sup>a</sup> CPI = Core Poverty Intervention; PI = Poverty Intervention; ODI = Other Development Interventions.

<sup>b</sup> ENV = Environmental Protection; GAD = Gender and Development; GG = Good Governance; HD = Human Development; PSD = Private Sector Development; and RC = Regional Cooperation.

<sup>c</sup> Project was renamed from Agriculture Sector Development to appropriately reflect the scope of the project.

<sup>d</sup> Project was renamed from GMS: Kunming-Chiang Rai Economic Corridor and slipped from 2001.

<sup>e</sup> Name changed from Rural Water Supply and Sanitation.

<sup>f</sup> The Project was slipped from 2001 to reflect outcomes of the ongoing cluster TA.

\* This classification was completed prior to the finalization of the improved and redesigned classification system in December 2000, which will be applied from January 2001.

**LAO PDR**  
**LENDING PIPELINE AND TECHNICAL ASSISTANCE PROGRAM, 2001-2003**

Sector/Project Name	Responsible Division	Type of TA	Amount (\$ '000)		
			ADB	JSF	Total
<b>2001 FIRM TECHNICAL ASSISTANCE PROGRAM</b>					
<b>Agriculture and Natural Resources</b>					
1 Second Industrial Tree Plantation	AWFN	PPTA	700.0	0.0	700.0
2 Northern Community Managed Irrigation	AWFN	PPTA	700.0	0.0	700.0
	<b>Subtotal</b>		<u>1,400.0</u>	<u>0.0</u>	<u>1,400.0</u>
<b>Transport and Communications</b>					
3 Rural Access Roads II	IWTC	PPTA	350.0	0.0	350.0
4 Implementation of the Road Strategy	IWTC	ADTA	150.0	0.0	150.0
5 GMS: Northern Economic Corridor	IWTC	PPTA	600.0	0.0	600.0
	<b>Subtotal</b>		<u>1,100.0</u>	<u>0.0</u>	<u>1,100.0</u>
<b>Finance and Industry</b>					
6 Financial Sector Development	IWFI	PPTA	400.0	0.0	400.0
	<b>Subtotal</b>		<u>400.0</u>	<u>0.0</u>	<u>400.0</u>
<b>Others</b>					
7 Institutional Strengthening of the National Audit Office <sup>a</sup>	PW3	ADTA	400.0	0.0	400.0
8 Capacity Building for Transport & Energy Environmental Management	ENVD	ADTA	600.0	0.0	600.0
9 Institutional Strengthening of Public Investment Management	PW3	ADTA	400.0	0.0	400.0
10 Capacity Building in Project Financial Management	COPP	ADTA	0.0	400.0	400.0
11 Capacity Building of the Lao Women's Union	SOCD	ADTA	0.0	300.0	300.0
	<b>Subtotal</b>		<u>1,400.0</u>	<u>700.0</u>	<u>2,100.0</u>
<b>Total</b>			<u>4,300.0</u>	<u>700.0</u>	<u>5,000.0</u>
<b>2001 STANDBY TECHNICAL ASSISTANCE PROGRAM</b>					
<b>Social Infrastructure</b>					
Local Resource Mobilization for Municipal Authorities	AWWU	ADTA	250.0	0.0	250.0
	<b>Subtotal</b>		<u>250.0</u>	<u>0.0</u>	<u>250.0</u>
<b>Others</b>					
Project Implementation and Performance Monitoring	PW3	ADTA	500.0	0.0	500.0
	<b>Subtotal</b>		<u>500.0</u>	<u>0.0</u>	<u>500.0</u>
<b>Total</b>			<u>750.0</u>	<u>0.0</u>	<u>750.0</u>
<b>2002 FIRM TECHNICAL ASSISTANCE PROGRAM</b>					
<b>Agriculture and Natural Resources</b>					
1 Rural Finance Development (Cluster TA)	AWAR	ADTA	545.0	0.0	545.0
2 Rural Finance Development	AWAR	PPTA	150.0	0.0	150.0
	<b>Subtotal</b>		<u>695.0</u>	<u>0.0</u>	<u>695.0</u>
<b>Social Infrastructure</b>					
3 Northern and Central Water Supply and Sanitation Sector	AWWU	PPTA	800.0	0.0	800.0
4 Strengthening Decentralized Education Management <sup>d</sup>	AWEH	ADTA	700.0	0.0	700.0
5 Health Sector Efficiency and Management <sup>e</sup>	AWEH	PPTA	800.0	0.0	800.0
	<b>Subtotal</b>		<u>2,300.0</u>	<u>0.0</u>	<u>2,300.0</u>
<b>Finance and Industry</b>					
6 Strengthening Corporate Governance and Management of SOCBs II	IWFI	ADTA	700.0	0.0	700.0
	<b>Subtotal</b>		<u>700.0</u>	<u>0.0</u>	<u>700.0</u>
<b>Energy</b>					
7 Renewable Energy Development	IWEN	PPTA	800.0	0.0	800.0
	<b>Subtotal</b>		<u>800.0</u>	<u>0.0</u>	<u>800.0</u>
<b>Total</b>			<u>4,495.0</u>	<u>0.0</u>	<u>4,495.0</u>
<b>2003 FIRM TECHNICAL ASSISTANCE PROGRAM</b>					
<b>Social Infrastructure</b>					
1 Education Sector Development <sup>f</sup>	AWEH	PPTA	700.0	0.0	700.0
2 Capacity Building for Local Governments II <sup>g</sup>	AWWU	ADTA	550.0	0.0	550.0
	<b>Subtotal</b>		<u>1,250.0</u>	<u>0.0</u>	<u>1,250.0</u>
<b>Finance and Industry</b>					
3 Strengthening Accounting and Audit Functions in Government <sup>h</sup>	IWFI	ADTA	800.0	0.0	800.0
	<b>Subtotal</b>		<u>800.0</u>	<u>0.0</u>	<u>800.0</u>
<b>Total</b>			<u>2,050.0</u>	<u>0.0</u>	<u>2,050.0</u>

<sup>a</sup> Slipped from 2000.<sup>b</sup> Slipped from 2000.<sup>c</sup> Renamed from Poverty Assessment Study and advanced from 2002 to ensure timely linkage and follow-on to Government's poverty strategy.<sup>d</sup> Slipped from 2001.<sup>e</sup> Slipped from 2001.<sup>f</sup> Slipped from 2002.<sup>g</sup> Slipped from 2001 and piggy-backed to Small Towns Development Project.<sup>h</sup> Slipped from 2002.

**LAO PDR**  
**FIRM LENDING PROGRAM, 2001-2003**  
**BY POVERTY CLASSIFICATION, CROSSCUTTING OPERATIONAL PRIORITY, AND SECTOR**

Classification	2001		2002-2003	
	No.	%	No.	%
<b>I. By Poverty Classification *</b>				
A. Core Poverty Intervention	0	-	3	0.4
B. Poverty Intervention (Non-core)	2	66.7	1	0.1
C. Other Development Interventions	1	33.3	4	0.5
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>8</b>	<b>1.0</b>
<b>II. By Crosscutting Operational Priority *</b>				
A. Environment	2	66.7	2	28.6
B. Gender and Development	0	0.0	2	28.6
C. Good Governance	0	0.0	1	14.3
D. Human Development	1	33.3	0	0.0
E. Private Sector Development	0	0.0	1	14.3
F. Regional Cooperation	0	0.0	1	14.3
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>7</b>	<b>100.0</b>
<b>III. By Sector</b>				
A. Agriculture and Natural Resources	0	0.0	3	37.5
B. Energy	0	0.0	1	12.5
C. Finance and Industry	0	0.0	1	12.5
D. Social Infrastructure	2	66.7	1	12.5
E. Transport and Communications	0	0.0	2	25.0
F. Others/Multisector	1	33.3	0	0.0
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>

\* This classification was completed prior to the finalization of the improved and redesigned classification system in December 2000, which will be applied from January 2001.

## LAO PDR

PROJECT PROFILE					
1. <b>Project Name:</b> Second Education Quality Improvement Project			2. <b>Sector/Subsector:</b> Education		
3. <b>Poverty Classification:</b> <sup>a *</sup> PI			4. <b>Crosscutting Operational Priority:</b> <sup>b *</sup> HD		
5. <b>Rationale &amp; Objectives:</b>  The proposed Project will contribute to poverty reduction by strengthening quality and equity of basic education, thus providing the poor with the opportunity to improve their economic status and to increase their participation both in the workforce and in society at large.			6. <b>Beneficiary Participation/Consultation Needs:</b>  In addition to consulting MOE, participatory meetings will be held at provincial, district and village levels (urban, rural and ethnic minority areas). The meetings will be attended by key stakeholders and beneficiaries, including educationists, principals, teachers, parents, students, community representatives, representatives from Lao Women's Union and NGOs, and future employers.		
7. <b>Scope:</b>  The Project will assist in (i) promoting equitable access to complete primary education for students in underserved areas, particularly for girls and ethnic minority groups; (ii) improving the quality of primary and secondary education through support to teacher development and teacher training systems; (iii) strengthening MOE's capacity to manage, plan and monitor teacher development and teacher training systems; and (iv) assisting in formulating and implementing financing policies and targets to ensure satisfactory education sector development.  The Project will be prepared within the framework and priorities of the Education Sector Development Plan, and MOE's policy framework and objectives. The Project is expected to support further policy reforms for equitable access, teacher development and training systems, institutional capacity, and education finance.					
8. <b>Estimated Cost &amp; Financing Plan:</b>			<b>Remarks:</b>		
<b>Loan Project Cost (\$m)</b>					
<b>Financing (Source)</b>	<b>FC</b>	<b>LC</b>			<b>Total</b>
ADB					20.0
Co-financing					1.0
Borrower					4.0
Sub-borrowers					-
<b>Total</b>			<b>25.0</b>		
9. <b>Estimated Benefits and Beneficiary Groups:</b>  The Project will help increase primary school enrollment and retention of poor/disadvantaged children; improve teacher competencies and learning achievements at the primary and secondary levels; and improve efficiency and sustainable education financing. The Project will help bring more students, especially females and ethnic minorities, into the mainstream of socioeconomic development by progressively improving their educational level, thereby enabling them to participate in the workforce of a market economy; increasing their productivity, employment opportunities, and life choices; and contributing to improved health and welfare status.					
10. <b>Executing Agency:</b> Ministry of Education (MOE)			11. <b>Project Implementation Period:</b> Start: 2002 End: 2007		
12. <b>Environment Category:</b> C			13. <b>Processing Year:</b> 2001		

<sup>a</sup> CPI = Core Poverty Intervention; PI = Poverty Intervention; ODI = Other Development Interventions.

<sup>b</sup> ENV = Environmental Protection; GAD = Gender and Development; GG = Good Governance; HD = Human Development; PSD=Private Sector Development; and RC = Regional Cooperation.

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## LAO PDR

PROJECT PROFILE				
1. <b>Project Name:</b> Vientiane Urban Development II			2. <b>Sector/Subsector:</b> Urban Development	
3. <b>Poverty Classification:</b> <sup>a *</sup> ODI			4. <b>Crosscutting Operational Priority:</b> <sup>b *</sup> ENV	
5. <b>Rationale &amp; Objectives:</b>  While considerable improvement is being made to the urban environment under the first ADB loan, Vientiane Integrated Urban Development Project, the backlog of infrastructure and service needs is sizeable. The Project will complement and build on the interventions and experience gained in the first loan. The objectives of the Project are to (i) improve the living conditions of urban residents, especially the poor, (ii) create a platform for sustained economic growth through expansion of urban infrastructure and improvement in urban services in the Vientiane urban area, and (iii) strengthen Vientiane Urban Development Administration Authority as an autonomous, self-sufficient, and well-functioning urban local authority .			6. <b>Beneficiary Participation/Consultation Needs:</b>  Project components will be determined through consultation with potential beneficiaries and other stakeholders, including participatory workshops.	
7. <b>Scope:</b>  The Project will include extension of infrastructure services such as roads, drainage, water supply, sanitation, solid waste disposal, market development, slum improvement, and land development to unserved municipalities in the Vientiane urban area.				
8. <b>Estimated Cost &amp; Financing Plan:</b>				<b>Remarks:</b>
<b>Loan Project Cost (\$m)</b>				
<b>Financing (Source)</b>	<b>FC</b>	<b>LC</b>	<b>Total</b>	
ADB			25.0	
Co-financing			5.0	
Borrower			5.0	
Sub-borrowers			-	
<b>Total</b>			<b>35.0</b>	
9. <b>Estimated Benefits and Beneficiary Groups:</b>  Expected benefits are improved sanitation facilities and maintenance services, drainage, road and traffic management resulting in enhanced urban productivity and an improved quality of life for urban residents, especially the poor.				
10. <b>Executing Agency:</b>  Vientiane Urban Development Administration Authority			11. <b>Project Implementation Period:</b> Start: 2002 End: 2007	
12. <b>Environment Category:</b> B			13. <b>Processing Year:</b> 2001	

<sup>a</sup> CPI = Core Poverty Intervention; PI = Poverty Intervention; ODI = Other Development Interventions.

<sup>b</sup> ENV = Environmental Protection; GAD = Gender and Development; GG = Good Governance; HD = Human Development; PSD=Private Sector Development; and RC = Regional Cooperation.

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## LAO PDR

PROJECT PROFILE				
1. <b>Project Name:</b> Energy and Transport Socio-Environmental Management Program			2. <b>Sector/Subsector:</b> Environment	
3. <b>Poverty Classification:</b> <sup>a *</sup> PI			4. <b>Crosscutting Operational Priority:</b> <sup>b *</sup> ENV	
5. <b>Rationale &amp; Objectives:</b> The Government has demonstrated its concern for the environmental and social impacts of development generally, and the need for a strong policy, legislative and coordination base for environmental and social considerations in major infrastructure development. The country could benefit from a carefully focused assistance package centering on the transport and energy sectors, which provide the platform for improving the well-being of the Lao people but also have significant social and environmental challenges. The proposed program loan would assist the Government to strengthen its capacity for socio-environmental management of such development.			6. <b>Beneficiary Participation/Consultation Needs:</b> There will be extensive consultation and participation during formulation of the program loan among selected representatives of local communities, local government, central government, other development agencies, and the donor community.	
7. <b>Scope:</b> The specific target of the program loan would be the environmental and social management of energy and transport sectors infrastructure development. The program loan would closely tie-in with other ongoing and proposed projects supported by the donor community, and the Government's own programs. The program loan would strengthen the Government's capacity to plan, design, implement and monitor projects in the energy and transport sectors that maximize environmental and social benefits while ensuring that adverse environmental and social impacts are minimized. Possible elements of the program loan would include strengthening the policy, institutional and legislative base for environmental assessment; developing and implementing regional/strategic economic-cum-environmental planning, especially as concerns watershed management related to hydropower development; strengthening decentralization of environmental management; strengthening the integration of environmental and social considerations into the process for reviewing and approving proposed infrastructure projects; and establishing national or sectoral environment funds; etc.				
8. <b>Estimated Cost &amp; Financing Plan:</b>				<b>Remarks:</b> Grant cofinancing on the order of \$5 million will be sought.
<b>Loan Project Cost (\$m)</b>				
<b>Financing (Source)</b>	<b>FC</b>	<b>LC</b>	<b>Total</b>	
ADB	15.0	0.00	15.0	
Co-financing	5.0	0.0	5.0	
Borrower	0.0	0.0	0.0	
Sub-borrowers	0.0	0.0	0.0	
<b>Total</b>	<b>20.0</b>	<b>0.0</b>	<b>20.0</b>	
9. <b>Estimated Benefits and Beneficiary Groups:</b> The ultimate beneficiaries are expected to be local communities through improved infrastructure development which maximizes social and environmental benefits from energy/road projects and avoids or minimizes the potential adverse impacts from the early planning stages through to project operation.				
10. <b>Executing Agency:</b> To be determined			11. <b>Project Implementation Period:</b> Start: 2001 End: 2004	
12. <b>Environment Category:</b> C			13. <b>Processing Year:</b> 2001	

<sup>a</sup> CPI = Core Poverty Intervention; PI = Poverty Intervention; ODI = Other Development Interventions.

<sup>b</sup> ENV = Environmental Protection; GAD = Gender and Development; GG = Good Governance; HD = Human Development; PSD=Private Sector Development; and RC = Regional Cooperation.

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PROJECT PROFILE				
1. <b>Project Name:</b> Northern Area Rural Power Distribution			2. <b>Sector/Subsector:</b> Energy/Power	
3. <b>Poverty Classification:</b> <sup>a *</sup> ODI			4. <b>Crosscutting Operational Priority:</b> <sup>b *</sup>	
5. <b>Rationale &amp; Objectives:</b>  Currently, only a very limited portion of rural population in Lao PDR has access to electricity. To promote their economic growth and to ensure equitable economic opportunities, rural electrification of northern areas of the country is needed.  The objective is to increase access to electricity of people in northern Lao PDR.			6. <b>Beneficiary Participation/Consultation Needs:</b> Will be undertaken during project preparation.	
7. <b>Scope:</b>  Rural electrification in areas surrounding Xieng Khouang, Luang Prabang, Xayaburi, and Xanakham in northern and central parts of the country, either by extending the grid or using isolated renewable energy sources. Reinforcement of the 115 kV northern/central grid also will be undertaken if proved viable.				
8. <b>Estimated Cost &amp; Financing Plan:</b>				<b>Remarks:</b>  Possibilities of cofinancing renewable energy components will be explored.
<b>Loan Project Cost (\$m)</b>				
<b>Financing (Source)</b>	<b>FC</b>	<b>LC</b>	<b>Total</b>	
ADB	20.0	0.00	20.0	
Co-financing	10.0	0.0	10.0	
Borrower	0.0	20.0	20.0	
Sub-borrowers				
<b>Total</b>	<b>30.0</b>	<b>20.0</b>	<b>50.0</b>	
9. <b>Estimated Benefits and Beneficiary Groups:</b>  To be determined after the completion of the project preparatory study (PPTA is ongoing).				
10. <b>Executing Agency:</b>  Electricite du Laos			11. <b>Project Implementation Period:</b> Start: 2002/2003  End: 2005/2006	
12. <b>Environment Category:</b> To be determined			13. <b>Processing Year:</b> 2001 - Standby 2002 - Firm	

<sup>a</sup> CPI = Core Poverty Intervention; PI = Poverty Intervention; ODI = Other Development Interventions.

<sup>b</sup> ENV = Environmental Protection; GAD = Gender and Development; GG = Good Governance; HD = Human Development; PSD=Private Sector Development; and RC = Regional Cooperation.

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<b>PROJECT PROFILE</b>				
<b>1. Project Name:</b> Financial Sector Development		<b>2. Sector/Subsector:</b> Finance and Industry/Finance		
<b>3. Poverty Classification:</b> <sup>a *</sup> ODI		<b>4. Crosscutting Operational Priority:</b> <sup>b *</sup> PSD		
<b>5. Rationale &amp; Objectives:</b>  Development of a strong and sound financial sector is essential for economic growth. The objective of the project is to develop the financial sector to enable it to mobilize domestic resources and efficiently allocate capital for productive investments that will promote sustainable private sector-led economic growth. This project will support a program of policy reforms in the financial system that uniquely responds to the needs of Lao PDR and enables the Government to achieve its vision for the economy and the financial sector. The reforms will address structural constraints impeding the development of the financial sector.		<b>6. Beneficiary Participation/Consultation Needs:</b>  <b>Bank of Lao PDR</b> - for formulation of market-responsive policies, strengthening of regulatory framework, and development of market infrastructure and institutions <b>Ministry of Finance</b> – for formulation and implementation of strategy and plans for bad debt disposal, reform of state-owned commercial banks <b>State-owned commercial banks</b> – corporate governance and prudential management		
<b>7. Scope:</b>  The project will support systems and institutional arrangements for efficient operation of interbank markets for kip, foreign exchange, and government securities essential for effective monetary management. The reform program will promote market mechanisms for pricing financial products and services. The project will encourage market-based lending for developing an operationally sustainable and financially viable rural financing system. The problems of policy and directed lending, including the heavy burden to state-owned commercial banks of bad debts of state-owned enterprises, will be addressed. Project scope will also include corporate governance in the financial system, restructuring of the state-owned commercial banks, enabling environment for the private sector, and reform of state-owned enterprises.				
<b>8. Estimated Cost &amp; Financing Plan:</b>				<b>Remarks:</b>  Cofinancing with World Bank
<b>Loan Project Cost (\$m)</b>				
<b>Financing (Source)</b>	<b>FC</b>	<b>LC</b>	<b>Total</b>	
ADB	15.0		15.0	
Co-financing	15.0		15.0	
Borrower		7.5	7.5	
Sub-borrowers			-	
<b>Total</b>	<b>30.0</b>	<b>7.5</b>	<b>37.5</b>	
<b>9. Estimated Benefits and Beneficiary Groups:</b>  Bank of Lao PDR, Ministry of Finance, regulatory authorities, state-owned commercial banks, rural and microfinance institutions, private sector, small and medium enterprises, cooperatives, village and farmer groups.				
<b>10. Executing Agency:</b> Bank of Lao PDR (in close coordination with the Ministry of Finance)			<b>11. Project Implementation Period:</b> Start: 2002 End: 2005	
<b>12. Environment Category:</b> C		<b>13. Processing Year:</b> 2001 - standby 2002 - firm		

<sup>a</sup> CPI = Core Poverty Intervention; PI = Poverty Intervention; ODI = Other Development Interventions.

<sup>b</sup> ENV = Environmental Protection; GAD = Gender and Development; GG = Good Governance; HD = Human Development; PSD=Private Sector Development; and RC = Regional Cooperation.

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