



Technical Assistance Report

PUBLIC

Project Number: 55068-001
Knowledge and Support Technical Assistance (KSTA)
September 2022

Lao People's Democratic Republic: Enhancing Debt Management and Transparency

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 27 September 2022)

| | | |
|---------------|---|----------------|
| Currency unit | – | kip (KN) |
| KN1.00 | = | \$0.0000617752 |
| \$1.00 | = | KN16,187.73 |

ABBREVIATIONS

| | | |
|----------|---|---|
| ADB | – | Asian Development Bank |
| COVID-19 | – | coronavirus disease |
| EDL | – | Électricité du Laos |
| EDL-Gen | – | EDL-Generation Public Company |
| GDP | – | gross domestic product |
| IMF | – | International Monetary Fund |
| JICA | – | Japan International Cooperation Agency |
| Lao PDR | – | Lao People's Democratic Republic |
| MEM | – | Ministry of Energy and Mines |
| MOF | – | Ministry of Finance |
| NSEDP9 | – | 9th National Socio-Economic Development Plan |
| PPG | – | public and publicly guaranteed |
| SEPF | – | Public Management, Financial Sector, and Trade Division |
| SOE | – | state-owned enterprise |
| TA | – | technical assistance |

NOTE

In this report, "\$" refers to United States dollars.

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^a Outposted to the Cambodia Resident Mission.

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KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE

| | | |
|---|--|---|
| 1. Basic Data | | Project Number: 55068-001 |
| Project Name | Enhancing Debt Management and Transparency | Department/Division SERD/SEPF |
| Nature of Activity | Capacity Development | Executing Agency Ministry of Finance |
| Modality | Regular | |
| Country | Lao People's Democratic Republic | |
| 2. Sector | | ADB Financing (\$ million) |
| ✓ Public sector management | Public expenditure and fiscal management | 1.500 |
| | Reforms of state owned enterprises | 0.500 |
| Energy | Energy sector development and institutional reform | 0.500 |
| | Total | 2.500 |
| 3. Operational Priorities | | Climate Change Information |
| ✓ OP6: Strengthening governance and institutional capacity | | GHG Reductions (tons per annum) 0 |
| | | Climate Change impact on the Project Low |
| | | ADB Financing |
| | | Adaptation (\$ million) 0.000 |
| | | Mitigation (\$ million) 0.000 |
| | | Cofinancing |
| | | Adaptation (\$ million) 0.000 |
| | | Mitigation (\$ million) 0.000 |
| Sustainable Development Goals | | Gender Equity and Mainstreaming |
| SDG 1.a | | No gender elements (NGE) ✓ |
| SDG 7.a | | |
| SDG 10.4 | | |
| SDG 16.6 | | |
| SDG 17.4 | | |
| 4. Risk Categorization Low | | Poverty Targeting |
| 5. Safeguard Categorization Safeguard Policy Statement does not apply | | General Intervention on Poverty ✓ |
| 6. Financing | | |
| Modality and Sources | | Amount (\$ million) |
| ADB | | 2.500 |
| Knowledge and Support technical assistance: Technical Assistance Special Fund | | 2.500 |
| Cofinancing | | 0.000 |
| None | | 0.000 |
| Counterpart | | 0.000 |
| None | | 0.000 |
| Total | | 2.500 |
| Currency of ADB Financing: US Dollar | | |

I. INTRODUCTION

1. In July 2022, the Government of the Lao People's Democratic Republic (Lao PDR) requested technical assistance (TA) from the Asian Development Bank (ADB) to address debt sustainability concerns and to enhance public debt management in compliance with the 2018 Public Debt Management Law.¹ The TA will help the government and selected public institutions improve debt management and transparency. The TA contributes to ADB's Strategy 2030 by strengthening governance and institutional capacity and is aligned with the government's 9th National Socio-Economic Development Plan (NSED9), 2021–2025.² It is also aligned with ADB's Concessional Assistance Policy for the Asian Development Fund 13 Period and the Sustainable Development Finance Policy of the International Development Association.³

II. ISSUES

2. **Development challenges.** Before the coronavirus disease (COVID-19) pandemic, the Lao PDR was one of the fastest-growing economies in Southeast Asia. Its annual gross domestic product (GDP) increased by more than 7% on average during 2000–2019. However, such impressive growth was reliant on natural resources and the implementation of large capital-intensive infrastructure projects funded by state-owned enterprises (SOEs). This approach in turn led to the accumulation of significant external public debt. The 2019 debt sustainability analysis of the International Monetary Fund (IMF) assessed the Lao PDR as being at high risk of debt distress.⁴ The assessment underlined weaknesses in public institutions and economic governance along with high contingent liability risks, especially those related to SOEs in the power industry.

3. **Recent macroeconomic developments.** The economic impact of the COVID-19 pandemic has been quite severe, and the continuing unfavorable external environment is hampering recovery prospects. After contracting by 0.5% in 2020, the economy grew at 2.3% in 2021 and is projected to grow at 3.3% in 2022, driven by mining and electricity.⁵ Public and publicly guaranteed (PPG) debt climbed to 88% of GDP in 2021 from 72% of GDP in 2020, and local currency depreciation and rising inflation further exacerbate the country's already high level of debt distress. External public debt service obligations over 2022–2026 average \$1.2 billion annually, while gross international reserves were reported at \$1.2 billion at year-end 2021, equivalent to 2 months import cover. In June 2022, Moody's Investors Service downgraded its rating for the Lao PDR to Caa3 stable, noting heightened external and government liquidity risks.⁶

4. **Large exposure to contingent liability through state-owned enterprise lending.** Contingent liabilities arising from SOE operations and complex public–private partnerships have exposed the Lao PDR to risks of debt distress. In 2021, three SOEs involved in hydropower

¹ The TA first appeared in the business opportunities section of ADB's website on 3 May 2021.

² Contribution to Strategy 2030 Operational Priorities (accessible from the list of linked documents in Appendix 3); ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#). Manila; and Government of the Lao PDR. 2021. [9th Five-Year National Socio-Economic Development Plan \(2021–2025\)](#). Vientiane.

³ ADB. 2020. [Concessional Assistance Policy for the ADF 13 Period](#). Manila; World Bank. 2020. [Sustainable Development Finance Policy of the International Development Association](#). Washington, DC; and ADB. 2021. [Fragile and Conflict-Affected Situations and Small Island Developing States Approach](#). Manila.

⁴ IMF. 2019. [Lao People's Democratic Republic: 2019 Article IV Consultation—Press Release; Staff Report; Statement by the Executive Director for Lao People's Democratic Republic](#). IMF Country Report. No. 19/267. Washington, DC.

⁵ ADB. 2022. [Asian Development Outlook 2022: Mobilizing Taxes for Development](#). Manila.

⁶ Moody's Investors Service. 2022. [Rating Action: Moody's Downgrades Laos's Ratings to Caa3, Changes Outlook to Stable from Negative](#). Singapore.

investments—Électricité du Laos (EDL), EDL-Generation Company (EDL-Gen), and Lao Holding State Enterprise—were responsible for 41.9% of total PPG debt, or \$6.1 billion, through onlending and debt guarantee arrangements. Public participation in the hydropower sector was further extended through SOE minority shareholdings in independent power producer projects, which involved collateralized debt finance on commercial terms. Investment projects were also granted large tax exemptions, absent a robust governance framework on the use of public funds to support infrastructure investments and adequate assessments of fiscal risks. This rapid increase in debt-financed hydropower investment has had implications for fiscal and public debt sustainability, and SOEs are facing increasing pressure in meeting near-term external debt service obligations.

5. **Government reform agenda.** The government is committed to improving PPG debt management and transparency, with measures to taper PPG debt to 64.5% of GDP by 2023. As enshrined in the NSEDP9, the government aims to (i) tackle public debt as a top priority, while shifting its focus away from natural resource extraction backed by PPG to greater investments in human development; and (ii) restructure SOEs and improve their governance and oversight. These reform efforts build on recent progress, such as the 2018 Public Debt Management Law, which defines the direct borrowing procedures, criteria for borrowing, and debt oversight and reporting obligations of government entities. The government also established the Public Debt Management Department at the Ministry of Finance (MOF) in 2021 and continued to build debt management capacity among staff with ADB support.⁷ However, the implementing rules and regulations of the law are yet to be finalized. Upgrading institutional capacity and legal frameworks is critical to the effective enforcement of the law.

6. **Need to improve public debt management and transparency.** The government recognizes the urgent need for transparent and sustainable debt management. First, a robust reporting and coordination mechanism for public debt across public institutions is yet to be established.⁸ Only a few SOEs regularly provide audited financial statements to the MOF's SOE Management and Insurance Department, and often with significant delays. Second, the MOF regularly publishes public debt reports containing aggregated and non-aggregated data and statistics in compliance with the 2018 Public Debt Management Law. However, transaction-level borrowing information is not publicly disclosed, and forums that share PPG debt information with development partners, stakeholders, and the public remain limited. Finally, the law mandates that SOEs shall inform the MOF about business plans, financial positions, and debt servicing plans, including pledging of assets. SOEs are also required to report to the MOF if they are unable to service the debt as planned. However, many SOEs have not complied with the law in the absence of implementing regulations that clearly stipulate the requirements and responsibilities.

7. **ADB experience.** The MOF consulted with ADB and other development partners to tackle the emerging fiscal challenges and identify areas for support under the Strengthening Public Finance Management Program.⁹ ADB encouraged the MOF to incorporate contingent liabilities, especially onlending and guarantees to SOEs, into the reporting and monitoring mechanisms, as required by law. It is working with the MOF to build capacity on debt management, including better cash management for local currency bond market development.¹⁰ Finally, ADB supports the MOF

⁷ ADB. 2019. [Technical Assistance for Debt Analytics and Technical Capacity Building](#). Manila.

⁸ For example, the MOF is mandated to monitor and track contingent liabilities associated with SOEs, but the mechanisms to enable this are weak. Debt and cash management improvements are needed, which require strengthening the functionality of the treasury single account.

⁹ ADB. 2019. [Lao People's Democratic Republic: Strengthening Public Finance Management Program \(Subprogram 1\)](#).

¹⁰ ADB. 2020. [Technical Assistance for Support for ASEAN+3 Bond Market Forum under the Asian Bond Markets Initiative Medium-Term Road Map, 2019–2022](#). Manila.

in its engagement with bilateral and multilateral creditors, donors, and development partners for coordinated public debt and contingent liability management.¹¹

8. **Development partner coordination.** ADB has been working closely with development partners such as the IMF, the Japan International Cooperation Agency (JICA), and the World Bank to complement their roles in public debt management. The IMF focuses its support on the underlying regulatory framework. The World Bank is enhancing the Debt Management and Financial Analysis System, an automated tool for public debt recording. JICA is working with the MOF on a strategy to manage public debt. The government is preparing a road map for debt management with coordinated support from development partners. ADB has also coordinated with the IMF to assess the fiscal outlook and risks and continues to monitor the public debt situation. The TA is aligned with the IMF's 2019 Article IV Consultation recommendations for the Lao PDR to enhance debt management and transparency (footnote 4).

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

9. The TA is aligned with the following impact: sustainable financing of public services to meet the goals of the NSEDP9, 2021–2025 achieved (footnote 2). The TA will have the following outcome: public debt management capacity and transparency enhanced.¹²

B. Outputs, Methods, and Activities

10. The TA will have the following four outputs.¹³

11. **Output 1: Legal frameworks for debt management and transparency enhanced.** The TA team will support the implementation of the 2018 Public Debt Management Law and help prepare the necessary related legal frameworks. It will help define the rules, procedures, and processes to ensure that public debt complies with the legislation and contract terms of lenders. The team's technical advice and input will inform the public debt management regulations for the government's borrowing programs, and rules and procedures that govern the creation of debt (including guarantees, on lending, and other debt-like contracts), as well as debt management operations, risk management, and debt servicing. This will enable the MOF to fulfill its mandates and functions under the law. The team will also strengthen the legal frameworks for the timely and comprehensive reporting of aggregated and disaggregated public debt data and statistics, as enshrined in the 2018 Public Debt Management Law.

12. **Output 2: Capacity for sustainable finance policies and practices strengthened.** The TA team will conduct training to strengthen policies and good practices on debt management, and to share experience from other countries and development partners. It will promote improvements to debt and cash management, such as strengthening the functionality of the treasury single account. The TA will deepen the understanding of government entities on project financing and the legal requirements of creditors, including development of procedures on finance involving debt collateralization. It will strengthen the capacity of the Ministry of Energy and Mines (MEM), the MOF, and SOEs for economic and financial sustainability analysis and financial management. It

¹¹ ADB. 2019. [Technical Assistance for Southeast Asia Public Management, Financial Sector, and Trade Policy Facility](#). Manila.

¹² The design and monitoring framework is in Appendix 1.

¹³ Tentative List of Technical Assistance Activities (accessible from the list of linked documents in Appendix 3).

will also strengthen the capacity of the respective ministries and SOEs for managing various aspects of public financial management, such as debt management road maps and strategies, corporate governance and fiscal management of SOEs, and reform of selected taxes and subsidies.

13. **Output 3: Public debt data analytics and information exchange supported.** The TA team will provide technical support to improve the analytics and exchange of information among stakeholders on public debt. It will strengthen the quality and comprehensiveness of public debt reporting in line with the annual policy actions of the International Development Association's Sustainable Development Finance Policy, which were harmonized with Asian Development Fund 13 policy actions (footnote 3). It will support policy dialogue on sustainable debt finance and transparent debt management through a conference involving key stakeholders. The government will convene an annual creditor coordination meeting to raise awareness of the need to comply with the legal requirements of creditors.

14. **Output 4: Public debt and contingent liability monitoring and reporting improved.** The TA team will help the MOF, MEM, and selected SOEs strengthen their internal management information systems for better registration, monitoring, reporting, and timely payment of domestic and external debts. This includes comprehensive information on SOEs and their shareholdings in independent power producer projects and other special purpose vehicles, contingent liabilities, debt collateralization—e.g., pledges, guaranteed and nonguaranteed borrowings, payment guarantees, and payment arrears—and project structures such as public–private partnerships. The team will help prepare assessments of fiscal risks from, and financial exposure to, contingent liabilities and other liabilities incurred by SOEs. It will also help prepare quarterly reports on the existing and proposed external debts of the government and its SOEs, both at macro and project levels. The report will include details on pledges or liens created for such external debts.

15. **ADB value addition.** ADB has been a long-term partner for public financial management reforms in the Lao PDR since 2005.¹⁴ Its initial engagement built the foundation for medium-term fiscal planning and evolved into support for the 2018 Public Debt Management Law. The TA offers value addition to the government's efforts in addressing PPG debt management and transparency in three ways. First, interventions in debt collateralization, debt and contingent liability management, and debt transparency have been limited. The TA provides more targeted support to address these lagging areas. Second, the support from development partners typically focuses on the public debt management functions of the MOF, with the line ministries and SOEs on PPG debt issues more modest. The TA is among the first to enhance debt management and transparency of the MEM and key SOEs in the power industry. Third, the TA fills a coordination gap through creating a venue for an annual exchange of information between the government and creditors on best practices in sustainable debt management.

C. Cost and Financing

16. The TA financing amount is \$2,500,000, which will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF 7) public debt management set-aside. The government will provide counterpart support in the form of counterpart staff, office supplies, and other in-kind contributions. The key expenditure items are listed in Appendix 2.

¹⁴ ADB. 2005. [Technical Assistance to the Lao People's Democratic Republic for Public Expenditure Planning for National Growth and Poverty Eradication Strategy](#). Manila.

D. Implementation Arrangements

17. ADB will administer the TA through the Public Management, Financial Sector, and Trade Division (SEPF) of its Southeast Asia Department. The MOF will be the executing agency. The implementing agencies include the MOF, MEM, EDL, EDL-Gen, and Lao Holding State Enterprise. SEPF will select, supervise, and evaluate the consultants. SEPF will maintain regular contact with the government and consultants to ensure that work proceeds according to the agreed schedules and expected outputs. Quarterly meetings with the MOF will be convened to monitor and evaluate TA activities, with a quarterly report (output 4) prepared by the MOF within 30 days after each quarter. SEPF will collaborate with the Lao Resident Mission and the Energy Division of the Southeast Asia Department, and the Office of the General Counsel to ensure a One ADB approach to TA implementation. The implementation arrangements are summarized in the table.

| Implementation Arrangements | | | |
|----------------------------------|--|----------------------------------|-------------|
| Aspects | Arrangements | | |
| Indicative implementation period | September 2022–December 2026 | | |
| Executing agency | Ministry of Finance | | |
| Implementing agency | Ministry of Finance, Ministry of Energy and Mines, EDL, EDL-Generation Public Company, Lao Holding State Enterprise | | |
| Consultants | To be selected and engaged by ADB | | |
| | Firm: QCBS (80:20) | International (30 person-months) | \$1,000,000 |
| | | National (30 person-months) | |
| | Individual selection | International (24 person-months) | \$600,000 |
| Individual selection | National (24 person-months) | \$300,000 | |
| Procurement ^a | Procurement of goods and services will follow the ADB Procurement Policy (2017, as amended from time to time) and its associated staff instructions. | | |
| Disbursement | Disbursement of TA resources will follow ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time). | | |

ADB = Asian Development Bank, EDL = Électricité du Laos, QCBS = quality- and cost-based selection, TA = technical assistance.

^a Equipment procured under the TA will be turned over to the government after TA completion.

Source: ADB.

18. **Consulting services.** The TA will require 108 person-months (54 international and 54 national) of firm and individual inputs. ADB will engage consultants following the ADB Procurement Policy (2017, as amended from time to time) and its associated staff instructions.¹⁵

IV. THE PRESIDENT'S DECISION

19. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$2,500,000 on a grant basis to the Lao People's Democratic Republic for Enhancing Debt Management and Transparency, and hereby reports this action to the Board.

¹⁵ Terms of Reference for Consultants (accessible from the list of linked documents in Appendix 3).

DESIGN AND MONITORING FRAMEWORK

| Impact the TA is Aligned with Sustainable financing of public services to meet the goals of the 9th National Socio-Economic Development Plan, 2021–2025 achieved ^a | | | |
|---|--|---|--|
| Results Chain | Performance Indicators | Data Sources and Reporting Mechanisms | Risks and Critical Assumptions |
| Outcome Public debt management capacity and transparency enhanced | By 2027: a. Debt sustainability assessment rating improved (2019 baseline: high risk of debt distress) (OP 6.1.1, OP 6.1.4) b. Clear fiscal strategy developed and implemented (2018 baseline: public expenditure and financial accountability report rating of <i>D+</i> ; no clear fiscal strategy in FPBS) (OP 6.1.1, OP 6.1.4) | a. IMF Article IV Consultation—Debt Sustainability Analysis b. Public expenditure and financial accountability report and/or MOF's FPBS | R: Deteriorating macroeconomic situations undermine public debt sustainability. |
| Outputs 1. Legal frameworks for debt management and transparency enhanced 2. Capacity for sustainable finance policies and practices strengthened | By 2026: 1a. At least one assessment of the public debt management legal framework covering debt transparency completed (2022 baseline: no assessment completed) (OP 6.1.1, OP 6.1.4) 1b. Implementing rules and procedures that enhance debt management and transparency adopted by the MOF in compliance with the 2018 Public Debt Management Law (2022 baseline: no implementing rules and procedures established) (OP 6.1.1, OP 6.1.4) 2a. At least 50 technical staff of the MOF, MEM, and selected SOEs trained and reporting increased knowledge of, and capacity to implement good practices in public debt management (2022 baseline: no technical staff of the MOF trained) (OP 6.1.1, OP 6.1.4) 2b. At least 25 technical staff of the MOF, MEM, and related SOEs trained and reporting increased knowledge of, and capacity to implement financial sustainability analysis and financial management to promote sustainable finance practices in the planning of | 1a. MOF reports 1b. MOF's ministerial instructions for the Public Debt Management Law; MOF reports 2a. MOF reports 2b. MOF reports | R: Political resistance to public debt management and transparency and/or change in political priorities hinder effectiveness and sustainability of TA activities. |

| Results Chain | Performance Indicators | Data Sources and Reporting Mechanisms | Risks and Critical Assumptions |
|---|---|---|--------------------------------|
| <p>3. Public debt data analytics and information exchange supported</p> <p>4. Public debt and contingent liability monitoring and reporting improved</p> | <p>investment project financing (2022 baseline: no technical staff of the MOF trained) (OP 6.1.1, OP 6.1.4)</p> <p>2c. At least three reports prepared that inform medium-term public finance reform efforts and help to achieve Vision to 2030 and Public Finance Development Strategy to 2025 (2022 baseline: no report on medium-term public finance management strategies prepared) (OP 6.1.1, OP 6.1.4)</p> <p>2d. Procedures for managing projects involving debt collateralization and asset pledges prepared (2022 baseline: no procedures exist) (OP 6.1.1, OP 6.1.4)</p> <p>3a. At least three knowledge products prepared and disseminated to development partners (2022 baseline: no knowledge products prepared and disseminated) (OP 6.1.1, OP 6.1.4)</p> <p>3b. One conference involving key regional and international stakeholders convened (2022 baseline: no conference convened) (OP 6.1.1, OP 6.1.4)</p> <p>3c. Four annual creditor outreach coordination meetings held (2022 baseline: no annual creditor coordination meetings) (OP 6.1.1, OP 6.1.4)</p> <p>4. At least 16 quarterly reports prepared by the MOF and submitted to ADB (2022 baseline: no quarterly report prepared and submitted to ADB) (OP 6.1.1, OP 6.1.4)</p> | <p>2c. MOF reports</p> <p>2d. MOF reports</p> <p>3a. MOF web page; ADB web page</p> <p>3b. MOF web page; ADB web page</p> <p>3c. MOF web page</p> <p>4. MOF reports</p> | |
| <p>Key Activities with Milestones</p> <p>1. Legal frameworks for debt management and transparency enhanced</p> <p>1.1 Identify the regulatory gaps for implementing the 2018 Public Debt Management Law and related legal frameworks that enhance debt transparency (October 2022–September 2023)</p> | | | |

| Results Chain | Performance Indicators | Data Sources and Reporting Mechanisms | Risks and Critical Assumptions |
|---|------------------------|---------------------------------------|--------------------------------|
| <p>1.2 Prepare implementing rules and procedures of the 2018 Public Debt Management Law and related legal frameworks that enhance debt transparency (September 2023–December 2026)</p> <p>2. Capacity for sustainable finance policies and practices strengthened</p> <p>2.1 Conduct training on project financing and legal requirements of creditors, including on ADB's negative pledge clause (January 2023–December 2026)</p> <p>2.2 Conduct training on economic and financial sustainability analysis and financial management (January 2024–December 2026)</p> <p>2.3 Provide advisory services on public finance and SOE medium-term reform issues (January 2024–December 2025)</p> <p>2.4 Prepare and disseminate procedures for projects involving debt collateralization and asset pledges (April 2023–December 2026)</p> <p>3. Public debt data analytics and information exchange supported</p> <p>3.1 Prepare at least 3 knowledge products (January 2023–December 2026)</p> <p>3.2 Engage service providers and resource persons for a debt conference (July 2023–December 2023)</p> <p>3.3 Engage service providers for an annual creditor meeting (January 2023–December 2026)</p> <p>4. Public debt and contingent liability monitoring and reporting improved</p> <p>4.1 Strengthen the MOF's internal management information system on domestic and external debt (October 2022–December 2026)</p> <p>4.2 Conduct assessments on fiscal risks and exposure to contingent liabilities and SOEs (March 2023–December 2025)</p> <p>4.3 Support the MOF in preparing and submitting at least 16 quarterly reports to ADB (January 2023–December 2026)</p> | | | |
| <p>Inputs</p> <p>ADB: \$2,500,000 (TASF 7)</p> <p>Note: The government will provide counterpart support in the form of counterpart staff, office supplies, and other in-kind contributions.</p> | | | |

ADB = Asian Development Bank, FPBS = fiscal policy and budget statement, IMF = International Monetary Fund, MEM = Ministry of Energy and Mines, MOF = Ministry of Finance, OP = operational priority, R = risk, TA = technical assistance, TASF = Technical Assistance Special Fund.

^a Government of the Lao People's Democratic Republic. 2021. [9th Five-Year National Socio-Economic Development Plan \(2021–2025\)](#). Vientiane.

Contribution to Strategy 2030 Operational Priorities:

The expected values and methodological details for all OP indicators to which this TA will contribute results are detailed in Contribution to Strategy 2030 Operational Priorities (accessible from the list of linked documents in Appendix 3). Source: ADB.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

| Item | Amount |
|--|----------------|
| Asian Development Bank^a | |
| 1. Consultants | |
| a. Remuneration and per diem | |
| i. International consultants | 1,200.0 |
| ii. National consultants | 500.0 |
| b. Out-of-pocket expenditures | |
| i. International and local travel | 150.0 |
| ii. Reports and communications | 50.0 |
| 2. Knowledge products ^b | 100.0 |
| 3. Training, seminars, and conferences ^c | |
| a. Facilitators | 50.0 |
| b. Venue rental and related facilities | 50.0 |
| c. Participants | 50.0 |
| 4. Equipment ^d | 100.0 |
| 5. Miscellaneous administration and support costs ^e | 50.0 |
| 6. Contingencies | 200.0 |
| Total | 2,500.0 |

Note: The technical assistance (TA) is estimated to cost \$2,750,000, of which contributions from the Asian Development Bank (ADB) are presented in the table. The government will provide counterpart support in the form of counterpart staff, office supplies, and other in-kind contributions. The value of the government contribution is estimated to account for 9.1% of the total TA cost.

^a Financed by ADB's Technical Assistance Special Fund (TASF 7) public debt management set-aside.

^b Supports knowledge sharing of policies and reforms for at least one knowledge product under the TA. To ensure wide dissemination, the knowledge product(s) may be printed publications or digital publications or both.

^c In-country capacity building activities, including workshops, conferences, and stakeholder engagement activities, will be organized. This also includes payment to Resource Persons engaged for the workshops.

^d Information technology equipment and software will be procured as guided by the ADB Procurement Policy (2017, as amended from time to time); and ADB. 2016. Asset Management and Inventory Control. *Administrative Orders*. AO 4.02. Manila.

^e Includes translation, communications, surveys, focus group discussions, and related logistical costs.

Source: ADB estimates.

LIST OF LINKED DOCUMENTS

<http://www.adb.org/Documents/LinkedDocs/?id=55068-001-TARreport>

1. Terms of Reference for Consultants
2. Contribution to Strategy 2030 Operational Priorities

Supplementary Documents

3. Tentative List of Technical Assistance Activities
4. Approved Technical Assistance Concept Paper