

**Lao PDR**  
**Road Sector Project (P102398)**  
**(IDA Grant No. H547-LA; PHRD TF093083)**  
**Implementation Support Mission, May 5 - 12, 2010**  
**(DRAFT) AIDE MEMOIRE**

1. An International Development Association (IDA) task team carried out an implementation support mission for the Lao Road Sector Project (LRSP) in Lao PDR during May 5 – 12, 2010. The task team was led by Zhi Liu (Task Team Leader / Lead Infrastructure Project), and comprised Sombath Southivong (Sr. Infrastructure Specialist), Manida Unkuvasapaul (Sr. Environmental Specialist), Chinnakorn Chantra (Procurement Specialist), Souphanthachack Sisaleumsak (Procurement Analyst), Christopher Fabling (Sr. Financial Management Specialist), Nipa Siribuddhamas (Financial Management Specialist), and Thalavanh Vongsonephet (Program Assistant). Sybounheuang Phandanouvong (Social Development Specialist) made a separate trip to Phongsali and Houaphan Provinces to supervise the implementation of resettlement action plans during April 6-10, 2010. The objectives of this implementation support mission were as follows:

- a) Review the procurement process and implementation progress for the civil works to rehabilitate the roads damaged by Typhoon Ketsana, including those planned for retroactive financing;
- b) Review the safeguard works especially RAP implementation related to the upgrading of National Roads 1B and 6A;
- c) Discuss the progress made so far for implementation of each sub-component;
- d) Update the progress toward the Effectiveness and the signing of PHRD Grant Agreement;
- e) Visit the Ketsana affected areas, inspect the recovery civil works, and meet the Provincial Departments of Public Works and Transport.

2. In Vientiane, the mission met the Ministry of Public Works and Transport (MPWT) and discussed and updated the implementation status of the project. H.E. Minister Sommad Pholsena met the mission on May 6, 2010. Accompanied by MPWT officials, TTL Zhi Liu visited four of the five southern provinces hit by Typhoon Ketsana, discussed with the provincial Departments of Public Works and Transport (DPWT) the progress of rehabilitation works for the roads damaged by Ketsana, and visited a few project sites. A wrap-up meeting, chaired by Mr. Oulay Phadouangdeth (Deputy Director General, Department of Planning and Cooperation), was held on May 12, 2010. On **Annex 1** lists the key persons met by the mission. The task team wishes to record its appreciation for the hospitality and collaboration of the MPWT and DPWTs extended to the team during the field visit and meetings.

### **Summary of Key Findings**

3. **Grant Effectiveness Conditions.** The IDA Grant Agreement was signed on April 2, 2010. The Bank has received the Legal Opinion dated 30 April 2010. The only remaining effectiveness condition to be met is the submission of a Financial Management Manual

(FMM) acceptable to the Bank and to be adopted by the Government/MPWT. MPWT indicated that the staff was working on the draft FMM, and interacting with the FM specialists in the Bank team. The mission urged the MPWT to complete the draft FMM and translate it into English for Bank review.

4. ***Component C.1 Repairs and Improvement of Ketsana-Damaged Roads.*** A total amount of US\$7.3 million IDA was allocated under the Project for the recovery civil works. It has fully allocated to the five affected provinces for rehabilitation and repairs of the damaged national roads and local roads. During the field trip to four of the five provinces (Xekong, Attapeu, Champassack and Savannakhet), the mission was informed that most recovery civil works have been completed or are on-going, except a few in Champassack. The works were procured through NCB or Direct Contracting and Request for Quotation procedures using the Standard Bid Document (SBD) used in RMP-2; and in the case of Champassack contracts, the SBD used was the new one issued by the MOF dated May 5, 2009, and required by the LRSP. All works were supervised by the provincial DPWTs. However, no payments were made within the time window of December 17, 2009 and April 2, 2010 (Grant signing date) established for retroactive financing. The mission was pleased with the quick implementation of the recovery works. As verification on advance procurement for retroactive financing and procurement post review will be carried out on all contracts, and technical audit and financial audit will also be performed, the mission requested the provincial departments to keep a good record of all project documents, including contracts, invoices, payment records, photographs taken before and after recovery works, etc. Moreover, the mission requested the MPWT to prepare an eligible expenditure report for the component, so that the Bank could determine how much expenditures could be financed retroactively (see Paragraph 19 for detail).

5. ***Implementation of Resettlement Action Plans (RAP) and Ethnic Group Development Plans (EGDP) for NR 1B and NR 6A.*** Implementation of the RAP and EGDP is the responsibility of the Government, through the DPWTs of Phongsali Province for NR 1B and Houaphan Province for NR 6A, with assistance from the MPWT. Both DPWTs have agreed to assign staff for the implementation of RAP and EGDP. Phongsali DPWT had experience in Bank resettlement policy through the implementation of the IDA funded Provincial Infrastructure Project. The mission noted that Houaphan DPWT has no such experience and its RAP implementation must be adequately supported by the MPWT. As the completion of RAP implementation would affect the commencement of civil works, the mission urged the MPWT to help both provinces initiate the RAP and EGDP implementation activities soonest possible and also ensure the RAP implementation in full compliance of the Bank Involuntary Resettlement Policy and Indigenous People Policy.

6. ***Proposed Project Launching Workshop.*** The mission proposed the MPWT to consider a half-day project launching workshop during the next implementation support mission after the IDA becomes effective. The participants would include officials from all MPWT departments and provincial departments involved in the implementation of the project. The agenda of the workshop would include the presentation of the Project scope and implementation plan, clarification of roles and responsibilities of relevant units involved in the project implementation, discussion of lessons learned from the implementation of IDA

funded Road Maintenance Program Phase 2, explanation of the project monitoring and evaluation mechanism, and Questions and Answers.

### **Progress of Other Components**

7. ***Component A.1 Network Upgrading.*** The bid committee has submitted the bid documents for NR 1B and NR 6A to the Bank for review and no objection. These documents are now under Bank review and consideration. MPWT informed the mission that the Ministry had submitted the Initial Environment Examination (IEE) report and Resettlement Action Plan (RAP) to Water Resources and Environment Administration (WREA) for review and approval. WREA provided some comments for improvement of the documents, and MPWT is improving the documents. MPWT has also submitted a draft TOR for construction supervision of 1B and 6A (subcomponents A.1.e and A.1.f) and it is being reviewed by the Bank team. The EOI has posted in UNDB on-line and local newspaper.

8. ***Component A.3 Support to National Road Safety Strategy.*** The discussion with Department of Transport (DOT) focused on the TOR for the road safety advisor to be recruited under the ADB/11 Project. DOT informed the mission their discussion with ADB carried out in November 2009 and the ADB concern on the extent of modification of the original TOR. The mission reminded DOT that the discussion with DOT during LRSP Appraisal was to take advantage of the presence of the road safety advisor under ADB/11 Project to gain technical advice for identification of locations for and types of road safety goods and the ways to manage the road safety facilities. The mission stressed that road safety advisor would not be responsible for the implementation and quality of the Component A.3, which would be the responsibility of DOT. Moreover, the mission indicated that the Bank team will also consider the findings of the road safety TA supported by Swedish International Development Agency (SIDA) over the last few years, if relevant and adequate, as a technical basis for the implementation plan of the component.

9. ***Component B.1.d URMF Data Collection.*** The Public Works and Transport Institute (PTI) informed the mission that taking advantage of a similar experience from a data collection effort carried out two years ago during the LRSP preparation, the PTI was ready for initiating the procurement for the subcomponent.

10. ***Component B.1.e Construction Unit Cost Analysis.*** The mission was informed that this subcomponent will be managed by the MPWT's Science and Technology Council.

11. ***Component B.1.f Fiduciary Support to DPC.*** Under this subcomponent, two individual consultants would be recruited to support DPC to carry out procurement and financial management under the project. DPC indicated that under the Road Maintenance Program Phase 2 a local consultant was hired to support the procurement function of the Project Monitoring Division, and asked if local consultants could be hired under this subcomponent. The mission responded that local consultants could be hired if qualified. The mission requested the DPC to prepare TORs and submit to Bank for review.

12. ***Component B.2 Advisory Services and Capacity Development for Environmental and Social Safeguards.*** See Paragraph 21 for detail.

13. **Component B.3 Strengthening Internal Control.** Department of Inspection (DOI) informed the mission that the TOR for the advisory services and training for Internal Control Division (subcomponent B.3.a), which was finalized with the assistance from the Bank task team, has been approved by the Director General of DOI and the Internal Control System Committee. DOI has also posted the REOI on dgMarket and local newspaper Vientiane Times, and is prepared the RFP document.

14. **Component B.4 Provincial Capacity Development.** The mission was informed that the Department of Personnel (DOP) has finalized the 3-year training plan and the first annual plan. These were based on the MPWT's Five-Year Plan for Human Resource Development and the need assessment by the Ministry. The scope of training also includes information and communication technologies (ICT), which was not literally listed in the scope of component (i.e. contract management, technical skills development, financial management, procurement, and safeguard compliance monitoring). The mission clarified that the Project could support the ICT training if it was the skill needed to perform the functions listed in the scope, and asked the DOP to incorporate the ICT training into the training plan in a cost-effective way.

#### **Field Visit to Xekong, Attapeu, Champassack and Savannakhat**

15. The mission visited four of the five provinces hit by Typhoon Ketsana during May 7-9, 2010, accompanied by Mr. Oulay Phadouangdeth (Deputy Director General, DPC) and two Road Administration Division officials. The mission was grateful for the cooperation of the officials from MPWT and the provincial departments who worked with the mission over the weekend. During the field trip, the mission met the provincial department officials and inspected some recovery civil works sites. The mission was showed the pictures and videos of the damaged roads taken before and after the civil works (for the completed sections).

16. The mission was briefed by the respective provincial departments the extent of road damages by Ketsana, the recovery civil works, the procurement process for the recovery civil works planned for financing from LRSP. The mission was informed that the Lao Central Government provided funds shortly after the Ketsana to the provinces for disaster relief, part of which was used for First Phase emergency road works. The IDA fund available under LRSP from the Crisis Response Window was planned for the Second Phase recovery road works. Of the US\$7.3 million available, about US\$1.9 million was allocated to the recovery works for the damaged national roads, and the balance for the local roads.

17. So far, all recovery civil works contracts have been completed or were on-going in Sekong, Attapeu, Savannakhet and Saravanh. In Champassack, the contracts are being signed and would commence soon. All works are supervised he mission was also informed that due to the financial liquidity constraints in the provinces, no payments had been made to the contractors. Most (if not all) contractors borrowed funds from the commercial banks, upon winning of the contracts, to carry out the civil works. Therefore, the provincial governments are anxiously waiting for the disbursement from the LRSP.

18. The mission was impressed with the rapid response by the provincial departments to the disaster damages. The mission advised the MPWT and provincial departments to keep all

documents relating to the recovery civil works, for the convenience of procurement post-review, technical audit and financial audit that the Bank team will arrange soon.

### **Retroactive Financing**

19. Retroactive financing is available from the project for eligible civil works up to an aggregate amount of US\$3 million (or SDR 1.95 million), for a time period from December 17, 2009 to April 2, 2010 (the date when the Financing Agreement was signed). The mission requested the MPWT to provide the Bank an Expenditure Report, with two sections. The first section records all eligible expenditures actually paid before April 2, 2010, including invoices and evidence of payments. The second section records all actual payments made for eligible expenditures and all account payable since April 2, 2010. The information from these two sections would allow the Bank to determine how much actual payments could be reimbursed from retroactive financing.

### **Environmental and Social Safeguards**

20. *Safeguard Responsibilities.* The mission was informed that there is now a clear division of safeguard responsibilities between the Environmental and Social Division (ESD) under the Public Works and Transport Institute (PTI) and Technical and Environmental Division (TED) under the Department of Roads (DOR). TED is responsible for overseeing the implementation and compliance of safeguards for the project, while ESD is responsible for training, technical advice, and updating regulations, procedures, and technical guidelines for road projects. The mandates of ESD and TED will be tested through the implementation of NR 1B and NR 6A. DPWT is responsible for routine monitoring and supervision of contractor performance under supervision of TED. For road maintenance works under the project DPWT will also be responsible for overseeing performance rules and regulations, safeguard screening, preparation of mitigation measures, disclosure of information and consultation with local communities and affected population. TED in consultation with ESD will ensure that appropriate mitigation measures to be carried out by the contractors will be included in the bidding and contract documents, and ensure that the contractors acknowledge this commitment. The Environmental and Social Unit (ESU) or Environmental and Social Officer (ESO) of DPWT will supervise and report on safeguard performance of the contractors with assistance from the supervision engineer, where applicable. Draft TOR for the supervision engineer has included the responsibility to supervise environmental safeguard works of the civil works.

21. *Social Safeguards of NR 1B and NR 6A.* Mr. Sybounheuang Phandanouvong (Social Development Specialist) jointed the TED staff in a visit to Houaphan and Phongsali Provinces to discuss with the provinces and DPWTs the implementation of RAPs. DPWTs are aware of the need to carry out detailed survey and consultation with the affected population and will set up specific units and resettlement committees. ESD will provide training to ensure compliance with the Bank policy and Government Compensation and Resettlement decree.

22. In a meeting with ESD and TED on May 13, 2010, ESD/TED proposed to hire a local consultant to supervise the implementation of RAP and EGDP. The mission asked ESD/TED to submit a draft TOR. The mission indicated that it would be important to specify the

necessary qualification for the consultant, such as familiarity with Bank safeguard policies and Government policies, relevant practical experiences, and proficiency in English writing.

23. ***Institutional Capacity Building (Component B.2).*** A draft implementation plan including budget allocation for component B.2 was submitted to the mission for review. The mission commented that the plan was broadly consistent with the defined scope of the component in the Project Appraisal Document, and ESD and TED should give more careful consideration to the scope of consultant services and detailed training program, so that the scope of the component will be fully covered in the most cost-effective manner. Given that the new EIA decree has been recently approved and effective, the mission discussed with ESD/PTI on the need to update MPWT internal regulations and guidelines in line with the new decree. Training of MPWT staff on the new EIA decree and the Compensation and Resettlement decree and the updated regulations will also be necessary. ESD will review the ESOM in close consultation with the Department of Environment and Social Impact Assessment (DESIA) and provide training to DOR and DPWTs staff as soon as possible.

24. ***Consultant Services and Goods.*** The ESD and TED proposed to hire locally one environmental consultant and one social consultant, and on the need basis internationally one consultant, to support the implementation of component B.2. The mission stressed that it is important to ensure the TORs cover the full scope of the component, and to ensure the local consultants are qualified. Both ESD and TED indicated the need for a motor vehicle for each division to carry out the dissemination and supervision of ESOM and other safeguard works especially relating to NR 1B and NR 6a which require extensive traveling. The mission responded that the procurement or renting of motor vehicles, if justified for the purpose of the project implementation, could be supported under the project. The MPWT should provide a proposal with justification and cost comparison between purchasing and renting, for Bank consideration

### **Communication with MPWT**

25. MPWT suggested a protocol for the communication between the Bank team and MPWT. For technical level matters, the Bank team may directly communicate with line departments of MPWT. For project management matters, the Bank team may communicate with Director General of DPC and copy to the secretariat of the Infrastructure Sector Working Group (ISWG). A list of email addresses for key officials and ISWG Secretariat were provided by the MPWT to the mission.

### **Signing of PHRD Project Co-financing Grant**

26. The Letter Agreement of the PHRD Project Co-financing Grant in an amount of US\$1.0 million is scheduled for signing on June 4, 2010. The mission reminded the MPWT to invite, through the MOF, the Japan Embassy to attend the signing ceremony.

### **Next Steps**

- MPWT to complete the Financial Management Manual acceptable by IDA as soon as possible.

- MPWT and Provincial DPWTs in the five southern provinces to keep full records of procurement and implementation progress of all contracts for the repairs and improvement of roads damaged by Ketsana.
- MPWT to prepare an eligible expenditure report for Component C.1.
- IDA to arrange procurement post-review, technical audit, and financial audit for all contracts for the repairs and improvement of roads damaged by Ketsana.
- MPWT and provincial DPWTs in Phongsali and Houaphan to initiate the implementation of RAP and EGDP for NR 1B and NR 6A.
- ESD/TED to prepare a draft TOR for a social safeguard consultant to assist the implementation of RAP and EGDP for NR1b and NR 6A, and to fine-tune the safeguard implementation plan.
- MPWT to prepare the agenda for the project launching workshop.

### **Annex 1: A List of Key People Met**

#### **MPWT**

H.E Mr. Sommad Pholsena,	Minister, MPWT
Mr. Oulay Phadouangdeth	DDG, DPC
Mr. Souvanny Ratanavong,	DDG, DoP
Mr. Pothong Ngonphachanh,	DDG, DoR
Mr. Chanhthoula Panalasy	DDG, DoI
Mr. Thongvanh Phetthaviseng	DDG, DoT
Mrs Phonguen Souvannavong	DD, PTI
Mr. Soumountha Somchanhmavong	Dir., DPS/DPC
Mr. Bounta Kounlavong	Dir.,DOT
Mr. Sengdarit Khattygnasack,	Dir. LRD/ DoR
Mr. Sak Darath	Dep. Dir. RAD/DoR
Mr. Alounchanhsay Bounsaythip	Dep. Dir. DPS/DPC
Mr. Thongdeun Khammany	Dep. Dir. DD/DOR
Mr. Viengnam Douangphachanh	Dep. Dir. PTI
Mr. Somnuk Mektakul	Head of NRSC office, DoT
Mr. Latsamy Ariyavongsing	Project Manager, NR1B
Mr. Xaysomphone Suksivongsay	Staff, DoR

(MPWT: Please add the full list of MPWT and PDPWT officials met.)

## **Annex 2. Proposed Safeguard Implementation Plan**

### **A. Safeguard Implementation and Capacity Building Plan**

**Background.** During the preparation of the LRSP, the following actions were completed: (1) ESOM and the Bank process to apply "UCS" for OP4.01 for the project; (2) RPF and EGDF; (3) ESMF for the unidentified subprojects (road maintenance); (4) RAPs, EGDP, the Alignment Sheets for 1B and 6A; and (5) disclosure of Lao translation of these documents. Preparation of safeguard activities is summarized below while that for the implementation of RAPs is described in Section C.

**Safeguard responsibility.** In line with the reorganization of MPWT, the following divisions are assigned to be responsible for implementation of safeguard activities for roads 6A and 1B:

- TED/DOR and DPWTs (assist by supervision consultant) to ensure that safeguard specific requirement is included in the BD/CD and the contractor is well aware of this obligation
- ESU/ESO of DPWT (assisted by the supervision consultant) is responsible for routine supervision of contractors performance safeguard and fill-in/sign off in the safeguard monitoring form and include the result in the project progress report.
- TED/DOR supervises ESU/ESO and contractor safeguard performance every month and provides training as needed. However, ESD will first provide training to TED and DPWTs as necessary.

**For Institutional capacity building:**

- ESD (assisted by consultants (NC/RC) will provide training on ESOM.

**For periodic maintenance subproject:**

- TED conduct he screening and IEE/EIA as needed in close coordination with the project owner and consultation with ESD (as needed) conduct
- TED and project owners conduct safeguard screening, fill in the form and proceed with next steps.
- If no IEE/EIA is not required, apply good engineering practice by include specific requirement into bidding and contract document and inform the contractors, and supervise/report the results.
- If an IEE is needed, prepare an IEE and submit to ESD for review and recommend to WREA for approval
- If an EIA is needed, consult ESD on next steps.

### **B. Safeguard activities to be carried out under LRSP**

**For 1A and 6B –safeguard implementation.** DPWTs with close cooperation with TED/DOR will take the lead in the implementation while ESD/TPI will provide training, advises, and conduct annual monitoring and reporting. Key activities include:

- DPWT/TED disclose information/Consult EG on RAPs and other details
- DPWT/TED complete RAPs before starting construction
- DPWT/TED include specific safeguard requirement for contractor in bidding and contract document
- DPWT/TED supervise/report performance of contractors using the Alignment Sheet
- ESD (assisted by consultants as needed) conduct M/E for RAPs to confirm compliance with RPF and EGDF and for other major contracts –use the Alignment Sheet.

**Road maintenance – screening, preparation, and implementation.** All DPWTs were trained on ESSF during RMP2. DPWTs in close cooperation with TED/DOR will take the lead in the implementation while ESD/TPI will provide training (as needed), advises, and conduct annual monitoring and reporting. Key activities include:

- Conduct safeguard screening per ESOM. Record on ESSF must be kept in the project files
- Prepare EA and EMP as required by ESOM –may have to be revised in line with the new EIA decree. Due attention will be given to ensure that appropriate design standard will be applied to reduce forest clearance, land acquisition is minimized and ethnic groups are properly consulted, and safety during construction and operation phase is addressed.
- Disclose safeguard information on IEE, EIA, or EMP, Raps, EGDP, etc.

#### **Emergency works**

- ESD prepare a standard guideline to be included in the contract or/and provide training to staff and conduct post monitoring and reporting on the impacts during or after the works. The guidelines can be adjusted as needed. Due attention will be given to reduce impacts due to road safety, erosion, borrow pits.
- DPWT will carry out the works with due diligence given due attention on safety aspect.
- DPWT, DOR, and ESD will keep proper records on safeguard performance of each event.

**Institutional support.** See budget revision and work schedule in the tables in section D and E.

### **C. Social safeguard**

**Implementation of RAPs:** A mission comprising a social specialist (Syboun) joined the DOR staff from the Technical and Environment Division visited Houphan (HP) and Pongsalee (PSL) during April 6-10, 2010. The main objectives of the mission were to (a) discuss the establishment of an Environmental and Social Unit (ESU) within each of the Department of Public Work and Transport (DPWT) at the provincial level and Office of Public Work and Transport (OPWTs) at the district level in the two provinces to participate in the LRSP's Sub-component B2: Advisory services and capacity development for environmental and social (E&S) safeguards, and (b) review the institutional arrangement and readiness of the two provinces to implement the social safeguard: RAPs and EGDPs for the LRSP's Component A: National Road Improvement to upgrade two priority national roads, 1B (109 Km) in PSL and 6A (62 Km) in HP. Key findings are summarized below.

The DPWTs of both provinces agreed to officially appoint a team/unit of two staff from their offices and OPWTs from those districts to be affected by the rehabilitation of the 1B and 6A roads (under Component A). These provincial and district ESU staff together with the DPWT's Directors (or their Deputies) will participate in the project Sub-component 2 for E&S safeguard capacity development. One of the ESU' staff will be a focal person for social safeguard and the other for environmental management. The trained staff will then participate in the implementation of the RAPs and EGDPs for the two roads improvement as part of experiential learning on the social safeguard. The letters of appointment for the ESUs have been issued by the DPWT's Directors of the two provinces.

After the project effectiveness date, expectedly June 1 2010, the primary task for the ESUs from PSL and HP together with those from the remaining 14 provinces of Laos is to attend in the ESOM training. The provincial and district ESUs from the HP and PSL provinces will then be provided with in-depth E&S safeguards subject-matter training combined with study visits. This safeguard training program will be organized by the ESD of PWI in collaboration with WREA. Experienced consultant(s) and speaker(s) from the WB or other development agencies will be invited to the training workshops to share their practical experiences with the participants. The trained DPWT and OPWT staff in the two provinces would need to jointly prepare implementation work plans with detailed inventory lists of households and assets to be affected by the rehabilitation of the two national roads. The RAPs and EGDP implementation and all compensations for the PAPs would need to be completed in both provinces one month prior to the road construction work to commence expectedly in October this year. Consultants would be required to help the two provinces TED/DOR prepares the work plans and to monitor the social safeguard implementation.

The meeting with the Vice-governor of HP and Head of Provincial Governor Office of PSL confirmed their commitment to implementing the RAPs and EGDPs in compliance with the government policy on resettlement and the Bank safeguard requirements. To oversee and implement the stated safeguard plans, the governments of the two provinces have appointed Resettlement and Grievance Committees (RGCs) at provincial and district levels. Both provinces have the similar structure of the RGCs chaired by the Provincial Vice-governor and consisting of representatives from concerned offices including DPWTs/ESUs, LMAs, LFNCs and LWUs. At district level, the RGCs have the same institutional composition chaired by the Vice-governor. In all villages of Laos, there is an already existing grievance committee made up by the Village Elder or Clan leader, Soldier, LWU and Village Headman. Hence, the existing structures in the affected villages will be built on and strengthened through the LRSP

to become an effective grievance handling mechanism for the 1B and 6A road rehabilitation. The village grievance committees will report to the district RGCs which in turn report to province RCGs respectively. The letter of appointment for the RGC in HP was signed by the provincial governor while that for PSL will be signed and sent to the TED/DOR (and copied the Bank) by April 23 (after the Lao New Year break).

**Next steps:** As per the attached work plan, next steps for E&S safeguard work will be to: assist the ESD/MPWT to organize the ESOM training for DPWTs from all provinces of Laos and the E&S subject-matter safeguard training specifically for PSL and HP soon after the project effectiveness has been announced expectedly in June, recruit part-time social consultants to assist the trained provincial and district staff to prepare the detailed RAP's and EDGP's work plans and monitor the social safeguard performance in the two provinces from 21 June, 2010. A minimum of 6 man-month TA inputs from the consultants would be required to support the two provinces for the successful safeguard implementation.

#### D. Budget

Summary of key activities and budget for ES safeguard strengthening program (draft dated May 6, 2010)

Activities	Per PAD	Revised Estimated Budget (\$)			Outputs	Remarks
	Total \$	Total	ESD	TED		
<b>I. ESM</b>						
1.1 Update ESOM	20,000	20,000	20,000	0	Updated ESOM in line with EIA decree and C&R technical guideline (TG) and Public Involvement (PI) guideline	Per EIA decree and C&R decree, including c consultation. NC/RC consultants will be hired
1.2 Institutional support	100,000	100,000	100,000	0	Updated MPWT and/or DOR regulations and TGs: EIA/IEE; C&R; TG; PI;	Review of MPWT regulations and guidelines, especially those related to social aspect of roads, including consultation and translation of document; NC/RC will be hired.
1.3. External ES capacity	30,000	30,000	30,000	0	MPWT/DPWT staff understand and can implement the EA/SA process and comply with C&R decree	Training of MPWT (at national and provinces) on the EIA, C&R TG, PI process; To be conducted by ESD in cooperation with WREA
1.4 International training for ESD	30,000	0	0	0	ESD need one car for M/E and training	This budget will be allocated to 1 vehicle for 1 ESD under equipment sub-

						component
<b>II. Capacity building</b>						
2.1 ESOM training	15,000	15,000	15,000	0	DPWT understand and can implement ESOM (revised)	Countrywide; 6 time in Year 2 and 3; conducted by ESD
2.2 Specialized training (by IC)	25,000	25,000	25,000	0	DOR and DPWT understand and the can implement the internal safeguard regulations and TGs	Training on the updated/new regulations to DOR and DPWT staff; To be conducted by ESD
2.3 Strengthening ESOs and ESUs	60,000	60,000	0	60,000	ESOs and ESUs has capacity to monitor and report on the safeguard contractor performance	In-depth training for the project staff at national and local level responsible for timely completion of RAPs, including conducting field survey. ESD will provide training to TED and ESOs/ESUs.
<b>III. Equipment/vehicles</b>						
3.1 M/E	60,000	90,000	30,000	60,000	Vehicles and equipment available for use	1 car for ESD including driver; Motorcycles, camera, computers, GPS, etc.
3.2 GIS software and hardware	10,000	10,000	5,000	5,000	The system that improve planning capacity of ESD and TED	The system should be connected and compatible
Total	350,000	350,000	225,000	125,000	Increased capacity and submission of reprot	

Notes: \* Highest priority will be given to ESOs and ESUs responsible for implementation of the two priority roads (1A and 6B). Other priority would be given to those with high commitment and also responsible for the subproject for road maintenance.

### E. Work schedule

Tasks/Activities	2010		2011				2012				2013				2014	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
1. Implement RAPs											Include conduct detailed survey and consultation with PAPs					

ESD provide in-depth training on RAPs and EGDF to TED and the two priority roads																Budget is allocated under 2.3 for TED
TED, ESU, ESD disclose/consult PAPs and conduct detailed survey and RAP																Budget is allocated under 2.3 for TED
2. Procurement of vehicles, equipment																Budget is allocated under 3.1 for TED and ESD
3. ESU, ESO, TED (assisted by SPN consultant) supervise and report safeguard performance during civil works execution																
4. ESD M/E civil works and reporting																
5. ESD/WREA training on C&R and EIA decree and PI																
6. ESD/WREA update MPWT regulations and TGs, PI and																

