

Lao People's Democratic Republic: Water Supply and Sanitation Sector Project (Additional Financing)

Project Name	Water Supply and Sanitation Sector Project (Additional Financing)		
Project Number	45301-003		
Country	Lao People's Democratic Republic		
Project Status	Approved		
Project Type / Modality of Assistance	Grant		
Source of Funding / Amount	Grant 0604-LAO: Water Supply and Sanitation Sector Project (Additional Financing)		
	concessional ordinary capital resources lending / Asian Development Fund		US\$ 30.50 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Governance and capacity development Partnerships		
Sector / Subsector	Water and other urban infrastructure and services - Water and other urban infrastructure and services		
Gender Equity and Mainstreaming	Effective gender mainstreaming		
Description	<p>Recognizing the importance of provincial water utilities, or provincial nam papas (PNPs), in providing sustainable water supply and sanitation (WSS) services, the Asian Development Bank (ADB), on 9 October 2013, approved a loan amounting to \$35 million from ADB's Special Fund and a grant totaling \$6 million from Phu Bia Mining Limited, to be administered by ADB, for the Water Supply and Sanitation Sector Project (current project) to the Lao PDR.</p> <p>Since its approval in 2013, the current project has helped improve the performance of PNPs and expand access to better WSS services for urban residents in select small towns of the Lao PDR. Given the current project's good performance and achievements, the additional financing will continue to strengthen PNPs and expand access to more efficient, and climate- and disaster resilient WSS services for urban residents in small towns. It will support the implementation of subprojects in six new towns, in addition to those ongoing in nine towns.</p> <p>With the additional financing, the overall project will (i) expand access to high-quality and reliable piped water supply services for the urban population, (ii) strengthen the PNPs' capacity to manage water supply systems in a resilient manner, and (iii) support government and community efforts to deliver urban WSS. The inclusion of women and poor people will remain a priority. The current project's approach and structure will apply under the additional financing.</p>		
Project Rationale and Linkage to Country/Regional Strategy	<p>Phu Bia Mining Limited's withdrawal resulted in a \$6 million funding shortfall and reduced project benefits, accordingly. Having overcome the slow start and having strengthened the sector's oversight through the DWS, the government was keen to ramp up its efforts and therefore requested additional financing of \$30.50 million to expand WSS coverage and improve PNPs' performance. Helped by an experienced DWS, project management staff, and consultants, the government is fitted to using funds successfully to achieve its 2030 WSS targets. With the additional financing, the current project will be almost doubled. Based on the DWS performance for the last six months, the government is confident of implementing the overall project successfully.</p>		
Impact	Urban access to quality and reliable piped water supply and sanitation services in the Lao PDR improved		
Project Outcome			
Description of Outcome	Performance of participating provincial nam papas (provincial water utilities) in delivering sustainable water supply and sanitation services increased		
Progress Toward Outcome			

Implementation Progress	
Description of Project Outputs	Sector coordination and policy implementation improved NRW management and water supply development improved New water supply systems in small towns developed Community action in urban water supply and sanitation enhanced Capacity for project implementation and O&M strengthened
Status of Implementation Progress (Outputs, Activities, and Issues)	
Geographical Location	Ban Namthouam, Ban Viangkham, Lamam, Muang Samakhixai, Sopbao, Xam Nua

Safeguard Categories	
Environment	B
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	

Stakeholder Communication, Participation, and Consultation	
During Project Design	
During Project Implementation	
Responsible ADB Officer	Coloma Brotons, Javier
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Urban Development and Water Division, SERD
Executing Agencies	<i>Ministry of Public Works and Transport Dept of Housing and Urban Planning, Lao PDR, Lane-Xang Ave., Vientiane Lao PDR P.O. Box 206</i>

Timetable	
Concept Clearance	-
Fact Finding	05 Mar 2018 to 16 Mar 2018
MRM	09 May 2018
Approval	13 Sep 2018
Last Review Mission	-
Last PDS Update	13 Sep 2018

Grant 0604-LAO

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
13 Sep 2018	-	-	30 Sep 2023	-	-

Financing Plan			Grant Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	35.93		Cumulative Contract Awards			
ADB	30.50		13 Sep 2018	0.00	0.00	0%

Counterpart	5.43	Cumulative Disbursements			
Cofinancing	0.00	13 Sep 2018	0.00	0.00	0%

Project Page <https://www.adb.org/projects/45301-003/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=45301-003>

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