Country Assistance Policy for Lao People's Democratic Republic (Lao PDR)

April 2012

1. Significance of Assistance

Located in the center of Indochina, Lao PDR shares a border with five countries: Cambodia, China, Myanmar, Thailand, and Vietnam and situated in the heart of the Mekong Region. From this sort of geopolitical condition, the "security and prosperity of Lao PDR" emerges as a precondition for the "security and prosperity of the Mekong Region" and, furthermore, as a precondition for the "security and prosperity of ASEAN as a whole."

Lao PDR has shown a steady economic growth against the backdrop of buoyant development in the areas of mineral resources and hydroelectric power generation. On the other hand, there still remain some issues to be resolved in order to achieve the Millennium Development Goals (MDGs) and graduate from the Least-Developed Countries (LDC) index.

It is indeed meaningful to Japan, which aims for its hand-in-hand growth in Asia, to extend its assistance to Lao PDR from the perspectives of strengthening interconnection of ASEAN and narrowing gaps between its new members and old members toward setting up the ASEAN Community in 2015.

Since 1991 Japan has built good relationships with Lao PDR as the top donor of assistance to the country. For instance, Japan and Lao PDR are in a harmonious relationship in a variety of international arenas such as UN.

2. Basic Policies of Assistance (Overall goals):

Supportingfor

(1) Achieving MDGs by 2015 and

(2) Graduating from the LDC index by 2020

The Lao government declares the goal of attaining more than 8% economic growth in 7th National Socio-economic Development Plan. However, although it regards economic development as an urgent issue, it aims at a well-balanced economic growth from concern about negative effects that may be brought about by rapid economic growth.

Japan assists Lao PDR to achieve its development goals. To that end, Japan has selected the issues of "Development of Economic and Social Infrastructure," "Agricultural Development and Forest Conservations," "Improvement of Educational Environment and Human Resource Development," and "Improvement of Health Care Services" as its priority

areas in light of the matters promoted by ASEAN integration, stronger connectivity and narrowing intra-regional disparities. In particular, Japan provides its assistance with greater emphasis on the promotion of environmentally compatible economic growth.

3. Priority Areas (Intermediary goals)

(1) Development of Economic and Social Infrastructure

Japan extends its assistance which is instrumental to strengthening ASEAN connectivity including development of infrastructure such as roads, bridges, and airports, environmental improvement in investment and trade such as logistics park which will enhance inroads of Japanese enterprises into the Lao market, rectifying disparities in access to electric power within Lao PDR and enhancing power export through expanding electric power in safe and stable manner with the ultimate aim of achieving a sustainable economic growth. At the same time, in order to realize a balanced economic growth, Japan provides its assistance in the fields of environmental management, water treatment plants, and urban planning that contributes to building an environmentally harmonious and comfortable society.

(2) Agricultural Development and Forest Conservations

Japan provides its assistance to increase productivity with irrigated agriculture and promote the cultivation of commercial crop with the aims of achieving a stable economic growth in Lao PDR and narrowing gaps between the urban and the rural generated by economic growth through enhancing the agricultural sector that is the key industry in Lao PDR and increasing the earnings of farmers who constitute a huge majority of poor people. At the same time, Japan extends its assistance for sustainable use of forest resources toward forest conservation and livelihood improvement toward poverty reduction.

(3) <u>Improvement of Educational Environment and Human Resource Development</u>

In order to develop human resources who contribute to socio-economic development, Japan gives its assistance to improve educational environment, raise the quality of teachers, and upgrade school management. In primary and secondary education, focus will be placed on science and mathematics education in which Japan has a rich body of knowledge accumulated through its experiences in a great number of countries. Assistance is given also to higher education and technical and vocational education in order to enhance the private economic sector.

(4) <u>Improvement of Health Care Services</u>

For achieving the health-related MDGs, Japan provides its assistance for strengthening

health systems through development of human resources and improvement of health facilities

to increase access to health care services with a focus on Maternal, Neonatal and Child

Health (MNCH).

4. Issues to be kept in mind

(1) Pay attention to the necessity of improving governance such as administrative capacity,

institutional building and the judicial system from the viewpoints of promoting

development and raising the effects of assistance.

(2) Based on the action plan for "A Decade toward the Green Mekong" Initiative, pay

attention to the compatibility of environment and economic growth, sustainable

development, and the necessity of measures against climate change.

(3) Unexploded ordnance (UXO) which is still all over the country impedes the expansion of

farm lands and infrastructure lands, thereby presenting a barrier in the way for socio-

economic development. Hence, bear in mind the necessity of UXO clearance as a cross-

sectoral issue.

Attached paper: Rolling Plan

3

Rolling Plan for the Lao People's Democratic Republic

As of April 2015

											73 0	
Basic Policy of Assistance	Assistance	for achieving MDGs a	nd leaving the category of LDC									
Priority Area 1	Development	of Economic and Social	Infrastructure									
	Transport netressential to prolocated in the corolects in this bridges such as Mekong Bridge However, the dibridges and the percentage of p	moting economic growth in the enter of the Mekong Region. sector on a priority basis since National Road Rt13, Rt9, the have been developed with the evelopment of roads in proving proper maintenance of the reserved roads is still only 17%.	ral element of poverty eradication and is ne Lao PDR, as the country is landlocked and Public investment has been allocated to see the 1980s and national trunk roads and e Mekong bridge in Pakse and the 2nd ne support of the Japanese Government. Incest hat link to national trunk roads and oads and bridges are necessary because the In addition, the development of air is of rapid transport and to promote ASEAN	[Strategy] The possil assistance for considered in other sectors developed with the necessity and results of the assistance.	or the real that the control of the	nainten ontext o at the s sed mo ibility o	ance of the social are effe	of trunk synerge and ecor ctively. cance w	and locatic effections of the first and location and loca	cal road ct of cloor frastru field of onside	ds in proviouse coordingture that aviation, fred on the	nces will be ination with thas been the further basis of the
Development issue 1-1	Japan's Assistance Program	Program Summary	Project	Scheme	before JFY2014	JFY2015		edule JFY2017	JFY2018	JFY2019	Assistance Amount (100 million Yen)	Note
Development of		Assistance is provided for effective utilization of major	The Preparatory survey for the Project for the Reconstruction of the Bridges on National Road No.9	PS								
transport		trunk roads and bridges.	Project for Improvement of the Road Management Capability	TCP							7.70	
networks		Based on this principle, cooperation is given for the	Project for the Capacity Development for Transition to the New CNS/ATM Systems in Cambodia, Lao PDR and Vietnam	TCP							5.00	Including study costs in Camboo and Vietnam.
		improvement, maintenance and operation of trunk roads	Planning Advisor to Cabinet Office, Ministry of Public Works and Transport	EXP								
	Program for transport	in provinces. In the field of	ASEAN-Japan Logistics Partnership	Ministry of Land, Infrastructure, Transport and Tourism - TA								
	networks	aviation, assistance is extended to the introduction of	ASEAN-Japan Action Plan on Environment Improvement in the Transport Sector	Ministry of Land, Infrastructure, Transport and Tourism - TA								
	development	new CNS/ATM Systems that enhance air traffic safety, in	ASEAN-Japan Cooperation on Natural Disaster Prevention in the Transport Sector	Ministry of Land, Infrastructure, Transport and Tourism - TA								
		addition to the development of	The Project for Improvement of National Road No.9 as East- West Economic Corridor of the Mekong region	and Tourism - TA							32.73	
		facilities.	Project for Construction of Sekong Bridge on NR16B in the Southern Region of Laos	GA							22.81	
			Grant Aid in the field of telecommunication and transportation	GA	_						0.08	

Vientiane International Airport Terminal Expansion Project

	The Lao PDR priority on hydro earning foreign donors' support transmission an needs in a propadministration a electricity grid, a	ppower development for both currency. These projects are . Additional power generation ad distribution networks are si er and sustainable fashion, e agencies, which deal with dev	potential. The government places a high domestic supply and for export, aiming at being advanced by private funding and and the improvement of electric power till needed on a wide scale. To meet these enhancement of the ability of energy relopment policy and the development of the system for cross-border electricity trade among
Development	Japan's Assistance Program	Program Summary	Project
issue 1-2		Assistance is provided to	XeKatam Hydropower Plant Project
Expansion of		improve the capacity of administering electricity	Power Policy Advisor
safe and stable		enterprises by, for example,	Issue-based training, etc.
power supply		introducing electric power technical standards in order to	Nam Ngum 1 Hydropower Station Expansion Project

Power

development

program

[Strategy]

In order to increase the power supply for socio-economic development in the Lao PDR, while ensuring it remains stable, sustainable and efficient, assistance is provided for reinforcing the administration of the electricity and power sector. Assistance, with the active utilization of cooperation with the private sector, is also provided for developing energy sources and rural electrification, and for improving electric power transmission, distribution networks and systems operations for the cross-border electricity trade in the ng region.

	ico remain important tasks.										
D					I	Sche	edule			Assistance Amount	
	Program Summary	Project	Scheme	before JFY2014	JFY2015	JFY2016	JFY2017	JFY2018	JFY2019	(100 million Yen)	Note
	Assistance is provided to	XeKatam Hydropower Plant Project	PS								
	improve the capacity of administering electricity	Power Policy Advisor	EXP								
	enterprises by, for example,	Issue-based training, etc.	TR								
	introducing electric power technical standards in order to	Nam Ngum 1 Hydropower Station Expansion Project	LA							55.45	
	expand the power supply in a	Southern Region Power System Development Project	LA							41.73	
	safe and stable fashion. Likewise, assistance is given										
	for the construction of										
	transmission networks and the development of facilities										
	related to rural electrification,										
	thereby contributing to										
	achieving the Lao government's electrification										
	target of 80% by 2015 and										
	90% by 2020.										

[Background and Current Situation] [Strategy] The Lao government has been taking a wide range of measures to push forward Assistance is provided in order to develop infrastructure and the economic development through capital imports. Investment procedures and relevant laws administrative capacity of investment-related ministries/agencies with the have been gradually developed with this in mind. However, there still remain a number of active utilization of Private Sector Partnership, including intangible aspects issues to be solved in terms of systems and the actual operation of laws/rules. Likewise, typically represented by improvement of the judicial system and dispatch of the development of fundamental infrastructure that functions as a pump-priming measure experts for the enhancement of administrative capacity, activation of to attract investment, such as special economic zones and industrial parks, is not investment and improvement of the efficiency of customs procedures. sufficient. Indeed, there are various obstacles that need to be overcome in order to create an environment attractive to investors. As for trade, various issues need to be addressed regarding infrastructure, such as under-development of relevant information, including statistics, as well as complicated customs clearance and trade procedures. Furthermore, in order to enhance trade and investment, it is necessary to promote and nurture appropriate industries. There still remains room for improvement, including: effective policies to promote industries with high potential; administrative measures such as quality control and the application of international standards to expand exports; strengthening the functions of the Chamber of Commerce and Industry that support spontaneous activities in the private Development sector; and securing access to capital. issue 1-3 Investment and Schedule export Japan's Assistance Program Summary Project Scheme Program JFY2015 JFY2016 JFY2017 JFY2018 JFY2019 environment improvements Wide-ranging assistance is Vientiane Logistic Park (VLP) Project PS provided for administrative Laos Pilot Program for Narrowing the Development Gap TCP capacity building in developing towards ASEAN Integration (Tourism) infrastructure, including EXP Economic Policy/Investment Promotion Advisor intangible aspects and Strengthening of governance and trade facilitation in the field **EXP** practical incentive measures of customs Investment to attract investment. Volunteers in the field of industrial development and Climate supporting small and medium sized JOCV/SV

Feasibility Survey for Efficient Charcoal Production System in

SSM

Assistance is also offered for

building in the development

administrative capacity

and dissemination of information on trade-related issues and in businessmatching, thereby promoting

trade.

Improvement

Support

Program

enterprises

Lao PDR

Assistance

Amount

(100 million

Yen)

Note

[Background and Current Situation]

Japan's Assistance

Program

Urban Environment Improvement Program

The urban areas that are expected to fulfill core functions in the socio-economic development of the Lao PDR have been undergoing progressive urbanization, particularly Vientiane Capital. As a result, urban-environmental deterioration problems have arisen, caused by traffic congestion and household wastewater. If such conditions are left as they are, there is concern that investment of foreign capital and industrial development may be impeded, along with concerns that they may have an adverse effect upon residents' living conditions.

As core cities of each region, Savannakhet, situated on the East–West Economic Corridor, the UNESCO world heritage city of Luang Prabang, and the pivotal southern commercial city of Pakse play vitally important roles in achieving balanced development across the Lao PDR. The urban planning of these local cities is, therefore, an important issue.

[Strategy]

Assistance is provided for urban development planning and infrastructure development in major cities that play important roles in the socio-economic development of the Lao PDR, particularly Vientiane Capital, Savannakhet, Pakse, Luang Prabang, and Thakhek.

Development issue 1-4

Creation of an environmentally harmonious and comfortable society

Urban areas (Vientiane,	٧
Luang Prabang, Savannakhet,	╘
Pakse, and Thakhek, etc.)	Т
fulfill important roles in	C.
economic development.	N P
Focusing on these cities,	
assistance is given in the	V
formulation of urban planning	Е
to create cities where basic	to
urban functions, industrial	Is
development, and a pleasant	2
urban environment coexist in	٧
harmony. In addition,	J
assistance is extended for	
infrastructure development in	Т
the fields of urban transport,	Т
water supply systems, and	E
water treatment systems In	0
such assistance, projects will	G
be formulated and	>
implemented while securing	J
close coordination with the	т
private sector. Furthermore,	٧
cooperation is given to	J
enhance administrative	a Ir
capacity, where necessary, for	F
the effective maintenance and	В
operation of existing	٧
infrastructure.	J
	Τ

Program Summary

			Schedule						Assistance	
	Project	Scheme	before JFY2014	JFY2015	JFY2016	JFY2017	JFY2018	JFY2019	Amount (100 million Yen)	Note
	Vientiane Capital Water Supply Expansion Project	PS								
et,	The Project for Urban Development Management	TCP							2.06	
	Capacity Development Project for Improvement of Management Ability of Water Supply Authorities	TCP							3.90	
	Project for Urban Water Environment Improvement in Vientiane Capital	TCP							2.76	
	The Project to enhance the Capacity of Vientiane Capital Bus Enterprise (Phase II)	TCP								
,	Laos Pilot Program for Narrowing the Development Gap towards ASEAN Integration (Environmental Management)	TCP								
	Issue-based training, etc.	TR								
	Volunteers in the field of Environmental Education	JOCV/SV								
	JICA Partnership Program in the field of Urban Development	JPP								
ì	Thakhek Water Supply Development Project	GA							17.25	
	The Project for Improvement of Solid Waste Management in Environmentally Sustainable Cities	GA							13.84	
	Project for Improvement of Equipment and Facilities on Meteorological and Hydrological Services in Lao PDR	GA							5.84	
	Grant Aid in the living environment sector	GA	_						0.10	
	Verification Survey with the Private Sector for Disseminating Japanese Technology for Low-Emission Public Transportation Systems Utilizing Electric Trikes	SSM								
	Verification Survey with the Private Sector for Disseminating Japanese Technology for New Location Information system and Traffic observation System for Urban Transport Improvement in Vientiane City	SSM								
or	Feasibility Survey for Improvement of Vientiane Capital State Bus Enterprise Infrastructure in Lao PDR	SSM								
	Verification Survey with the Private Sector for Disseminating Japanese Technology of Water Purification System for Highly Turbid Water for Use in Small Town Water Supply	SSM								

Priority Area 2 Agricultural Development and Forest Conservation

[Background and Current Situation]

The agriculture, forestry and fisheries sector in the Lao PDR has tremendous potential for development, due to the enormous amount of undeveloped land. It represents 30% of GDP and 80% of the labor force, thus being an essential sector that holds the key to the Lao PDR achieving stable economic growth in the future.

The Lao PDR attained a 100% self-sufficiency rate for rice, a staple food, at the national level in 2000. However, there are many regions where self-sufficiency in rice has not been achieved due to increases in population and/or geographical conditions.

Residents in rural areas generally engage in self-sufficient farming and fishing. Production levels depend heavily upon climate, and production techniques have not been sufficiently diffused, thereby leaving both product quality and productivity low. Also, farmers have not sufficiently formed organizations and have only limited access to rural funding and market information, which presents a serious obstacle to developing market-oriented farming and fishing industries. As a result, livelihood improvement remains a challenge in rural areas, as economic disparity has been growing between urban districts that are undergoing rapid growth and rural areas.

In the Lao PDR, the administration of agriculture, forestry and fisheries comes under the jurisdiction of the Ministry of Agriculture and Forestry of the central government and the provincial/district Agriculture and Forestry offices. However, in general, the administrative capacity of both central and local government is insufficient in terms of systems, institutions, personnel and finance. Therefore, administrative services such as the formulation of effective policies and strategies suited to the Lao context, and extension activities for farmers, have not been sufficiently delivered.

[Strategy]

Assistance is provided for the diversification of agricultural products and adding value, as well as the enhancement of irrigated farming, extension of production techniques and increased productivity in the agricultural and fishing industries, while taking into account agricultural development that makes effective use of Lao features, thereby increasing earnings in rural areas. Also, assistance is given to cross-border control measures against epizootic diseases.

Development issue 2-1

Increased productivity agriculture a fisheries, ar step-by-ste developme from selfsufficiency market-orient agriculture

d d	Japan's Assistance Program	Program Summary	Projec
/ in		In order to increase the	Participatory Irrigated Agriculture I Southern Areas along the Mekono
and		productivity of the agricultural	Livelihood Improvement Project for
ınd		and fishing industries, as well	and Plateau Areas
ер		as the income of farmers,	Lao Organic Agriculture Promotio
ent - ' to		assistance is provided for: (1) infrastructure development, improvement and extension of farming techniques for	Laos Pilot Program for Narrowing towards ASEAN Integration (Agri Agricultural Policy Advisor
nted e		increased productivity; (2)	Issue-based training, etc.
C		organizing farmers'	Volunteers in the field of Agricultu
		associations, and marketing;	Improvement
		and (3) policy formulation and	JICA Partnership Program in the Fisheries sector

	.,									
					Sche	edule			Assistance	
	Project	Scheme	before JFY2014	JFY2015	JFY2016	JFY2017	JFY2018	JFY2019	Amount (100 million Yen)	Note
	Participatory Irrigated Agriculture Development Project in Southern Areas along the Mekong River	TCP							4.00	
l	Livelihood Improvement Project for Southern Mountainous and Plateau Areas	TCP							3.90	
)	Lao Organic Agriculture Promotion Project	TCP							1.78	
•	Laos Pilot Program for Narrowing the Development Gap towards ASEAN Integration (Agriculture)	TCP								
of	Agricultural Policy Advisor	EXP								
	Issue-based training, etc.	TR								
	Volunteers in the field of Agriculture and Livelihood Improvement	JOCV/SV								
	JICA Partnership Program in the Agriculture, Forestry and Fisheries sector	JPP								

Program for agricultural and	capacity building of administrative organizations.	Project for Strengthening Research and Development on Fisheries and Aquaculture	GA	-			7.14	
rural		Grant Aid in the Agriculture, Forestry and Fisheries sector	GA	_			0.11	
development and		Comprehensive Assistance Program for SPS-related Measures and Cross-boarder Control of Infectious Diseases	ML					
strengthening		Program for Veterinary Sanitation Measures in Asia and the Pacific Region	ML		_			
the administration of	of	Project on Controlling Animal Diseases and Strengthening Food Security under "One Health Concept" (provisional	ML			-		
agriculture and fisheries		ASEAN+3 Program for Long and Medium-term Demand and Supply Outlook Information Development	ML					
listieties		Improving Statistics Data on Food Processing and distribution in ASEAN region	ML					
		Program for Contributions to the Complete Transition to ASEAN+3 Emergency Rice Reserve System	ML					
		Project for Promotion of Sustainable Fisheries in Southeast Asia	ML					
		Project for support to food security in Mekong River Basin	ML	-	-			
		Survey on Crop Rotation and Food Manufacturing of Konjac in Lao PDR	SSM					
		The Study on Disaster Management Plan in Rural Areas	Ministry of Agriculture, Forestry and Fisheries - TA					
		Study on effective introduction of technologies for agriculture and rural development	Ministry of Agriculture, Forestry and Fisheries - TA					_
		The High Level Official's Seminar	Ministry of Agriculture, Forestry and Fisheries - TA					

[Background and Current Situation]

The Lao PDR constitutes approximately 35% of the Mekong River Basin area and has rich and diverse forests. However, due to slash-and-burn agriculture beyond the sustainability threshold, and excessive and illegal logging, forest coverage has drastically decreased from some 70% in 1940 to 40.3% in 2010. Hence, an important issue is to firmly execute the 'Forest Strategy to the Year 2020', formulated by the Lao government, which shows policies and activities for forest conservation and management by 2020. At the same time, forest degradation and destruction seriously impact poor people living in mountainous regions (in particular minority ethnic people) who must depend upon forest resources for their livelihoods. A challenge is to reduce slash-and-burn agriculture and ensure alternative means of livelihood.

The Lao government considers the measures for Reducing Emissions from Deforestation and Forest Degradation (REDD+) as effective for forest conservation in the Lao PDR, helping combat global warming and climate change. The government has started efforts by participating in the Forest Carbon Partnership Facility and the Forest Investment Program by the World Bank.

The administration of agriculture, forestry and fisheries in the Lao PDR is under the jurisdiction of the Ministry of Agriculture and Forestry of the central government and the provincial/district Agriculture and Forestry Offices. However, in general, their capacity is insufficient in terms of systems, institutions, personnel and finances. Therefore, administrative services such as the formulation of effective policies and strategies suited to the Lao context, and extension activities for farmers, have not been sufficiently delivered.

[Strategy]

To achieve the sustainable use of forest resources, assistance is provided for the improvement of policies and institutions, the development and extension of effective land use planning at the village level and alternative means of livelihood, and the improvement of forest management and monitoring.

Development issue 2-2

Sustainable use of forest resources and livelihood improvement

							Sche	edule			Assistance	
	Assistance ogram	Program Summary	Project	Scheme	before JFY2014	JFY2015	JFY2016	JFY2017	JFY2018	JFY2019	Amount (100 million Yen)	Note
		To achieve sustainable use of forest resources and	Participatory Land and Forest Management Project for Reducing Deforestation in Lao PDR (PAREDD)	TCP							6.35	
		livelihood improvements, assistance is provided for: (1)	Capacity Development Project for Establishing National Forest Information System for Sustainable Forest Management and REDD+	TCP							1.89	
Fo	Forest the	ne development and diffusion	Sustainable Forest Management and REDD+ Support Project	TCP							7.00	
	ervation i	of means to reduce deforestation; and (2) the	Issue-based training, etc.	TR								
Impro	vement	policy formulation, capacity	JICA Partnership Program in the field of forestry resource utilization	JPP								
Pro	gram		Forest Information Management (FIM)	GA							10.00	
		infrastructure development.	Grant Aid in the Forestry Management sector	GA							0.11	

I Hority Area 3	•		ent and Human Resource Development									
	The Lao PDR capacity of teach the Lao government however, the consultation in the capacity of the capacity	nd Current Situation] It has a paucity of education for thers, and a limited education ment, the net enrolment rate is ompletion rate has not. As for pols and classrooms to accomplete undergone courses in school institutes. However, their country the delivery of high-quality	primarily rela 2015. To im- education, p	ated to to prove the rimary of the frastruth ho have ted. If to raise ool man sciene	the Jap ne rate: educat acture f e finish se the c nagemone	panese s of en ion infrommer ion early ed prin quality ent, as mathe	New E rolmen astruct y secon ary ed of educ well as	ducation t and coure will andary equication cation, and cation, and	onal Co ompleti be imp ducation will be assista ding the	operation on in primaroved. And will be determined in the properation of the properation	Policy 2011– ary d, at the leveloped so vided to f teachers,	
							Sch	edule			Assistance	
	Japan's Assistance Program	Program Summary	Project	Scheme	before JFY2014	JFY2015	JFY2016	JFY2017	JFY2018	JFY2019	Amount (100 million Yen)	Note
Development		In order to raise the quality	Project for Supporting Community Initiative for Education Development (Phase 2)	TCP							3.90	
issue 3-1		of education, comprehensive assistance is provided	Project for Improving Teaching and Learning Mathematics for Primary Education	TCP								
Improvement of		including improvement of curriculum, textbooks, the	Education Policy Advisor	EXP								
basic education		teacher training curriculum, and the capacity of teachers,	Improvement of Quality of Textbooks and Teacher's Manuals on Sciences and Mathematics for Primary Education	CTR								
		especially in mathematics	Issue-based training, etc.	TR								
		where the low learning	Volunteers in the field of Basic Education	JOCV/SV								
	Basic Education	outcomes need to be addressed. This assistance	JICA Partnership Program in the field of Basic Education	JPP								
	Improvement	utilizes Japan's rich	The Project for Improving Secondary School Environment in the Southern Provinces	GA				-			10.69	
	Program	experience accumulated through past Japanese	Grant Aid in the education research sector	GA	_						1.26	
		assistance activities in the Lao PDR. Assistance is also extended	Ninth Poverty Reduction Support Operation	LA							5.00	This is also listed in Maternal and Child Health Improvement Program.
		to develop infrastructure and improve school management.										

[Background and Current Situation]

Twenty years have passed since the transition to a market economy. However, the private sector has not yet fully grown. Therefore, the development of engineers and management personnel who support the private sector is important, as well as the development of administrative officials who will assume responsibility for promoting the private sector. To that end, long-term measures are required, and the National University of Laos is expected to play an important role in this process. One essential task for the Lao PDR is to strengthen higher education while taking into account industry-academia collaboration. Likewise, with an increase in foreign investment and the development of special economic zones, it will become increasingly necessary to supply labor markets with people who have basic academic and technical abilities. To meet this need, vocational training and technical education in various fields will be required.

[Strategy]

Assistance, such as the establishment of MBA courses, is also offered through projects implemented by the Lao–Japan Human Resource Cooperation Center for the development of business people. In addition, assistance is extended, targeting primarily those who have completed early secondary or higher education, to cultivate human resources with basic academic abilities and capabilities of responding to changes in labor market demands.

Development issue 3-2

Expansion of higher and technical education that is instrumental in strengthening the private sector and the transition to a market economy

						Sche	edule			Assistance	
Japan's Assistance Program	Program Summary	Project	Scheme	before JFY2014	JFY2015	JFY2016	JFY2017	JFY2018	JFY2019	Amount (100 million Yen)	Note
	Assistance is primarily provided to the National	Project for the Capacity Development of Business Persons through Laos-Japan Human Resource Development Institute	TCP							4.97	
	University of Laos in order to strengthen the private sector and develop people for the	ASEAN University Network / Southeast Asia Engineering Education Development Network (AUN/SEED-Net) Project Phase3	TCP							39.34	This is the total amount including amounts to other countries.
Higher and	transition to a market	Advisor to Savannakhet University for Development of Industrial Human Resource	EXP								
Technical	economy. Assistance is also provided to business people.	Issue-based training, etc.	TR								
Education Quality	provided to business people.	Volunteers in the field of higher education	JOCV/SV								
Improvement		In-Country Training in the field of higher and technical education	ICT								
Program		JICA Partnership Program in the field of higher and technical education	JPP							1.41	
		Japanese Grant Aid for Human Resource Development Scholarship	GA							47.13	
		Skills Evaluation System Promotion Program	Ministry of Health, Labour and Welfare - TA								
		Special Program for Capacity Building in the Food Industry in ASEAN Least Developed Countries	ML								

Priority Area 4	Improvement	of Health Care Services										
	The state of hertility rate. Ma maternal mortal region. Local revery difficult to especially in moincluding pneuminfants caused and 80% of deli	ternal and child health in part lity and child and infant morta sidents lack awareness of pu access basic medical service buntainous areas. The main of monia and diarrhea, followed by premature birth. 60% of pr iveries occur at home without	acterized by a low life expectancy and a high icular is still a pressing issue because lity rates are high for the Southeast Asia iblic health and hygiene. Furthermore, it is still is because of undeveloped infrastructure, rauses of child death are infectious diseases, by non-infectious diseases affecting neonatal regnant women do not receive antenatal care, skilled birth attendants; mothers do not have per healthcare services for safe delivery and	[Strategy] In the field and strength implementat services at larea," in ord Millennium I Assistance facilities and and improve UHC.	nen inst ion at cocal lev ler to im Develop e is also I access	tutiona entral l el, part prove ment d provice sibility t	I capadevel ar evel ar icularly matern Goals (I led to e o quali	city for a nd impro target al and MDGs). enhance ty healt	appropove accing the child he	riate po cess to CLV "[ealth to ervice of ces, str	plicy-makir public head Development ward achie quality of herengthen s	alth care ent Triangle eving the realth safeguards,
Development issue	Japan's Assistance Program	Program Summary	Project	Scheme	before JFY2014	JFY2015		edule JFY2017	JFY2018	JFY2019	Assistance Amount (100 million Yen)	Note
Strengthening		Assistance is provided to	Capacity Development for Sector-wide Coordination in Health Phase 2	TCP							2.59	
health systems		enhance the capacity of the Ministry of Health and	Project for Strengthening Integrated Maternal, Neonatal and Child Health Services	TCP							3.61	
to improve maternal and child health		provincial-level authorities to implement maternal and child	Project for Sustainable Development of Human Resource for Health to Improve Maternal, Neonatal and Child Health Services	TCP							2.62	
services		health services, particularly in the southern provinces.	The Project for Development of Innovative Research Technique in Genetic Epidemiology of Malaria and Other Parasitic Diseases in Lao PDR for Containment of Their Expanding Endemicity	TCP							4.00	
	Maternal and		Project for Improving Quality of Health Care Services	TCP								
	Child Health Improvement		Health Policy Advisor	EXP								
	Program		Issue-based training, etc.	TR								
			Volunteers in the field of improvement of maternal, neonatal and child health services and improvement of health management at communities	JOCV/SV								
			JICA Partnership Program in the field of Health Care Services	JPP								
			The Project for Strengthening Health Service Network in Southern Provinces	GA							7.41	
			Grant Aid in the medical and health sector	GA	_						0.89	
			Ninth Poverty Reduction Support Operation	LA							5.00	This is also listed in Basic Education Improvement Program.

Others			,								
	Japan's Assistance Program	Program Summary	Project	Scheme	before JFY2014	JFY2015	Sche JFY2016	JFY2018	JFY2019	Assistance Amount (100 million Yen)	Note
		Assistance is provided to	Project for Human Resource Development in the Legal Sector (Phase 2)	TCP						4.51	
		develop human resources an financial statistics in the	Project for Establishing Public Investment Plan under NSEDP	TCP						3.77	
(Others)	Governance Strengthening Program	Ministry of Finance.	Financial Statistics and Policy Advisor	EXP							
		Assistance is also provided to develop management	Volunteers for the strengthen governance capacity of provinces and counties	JOCV/SV				 			
		techniques for public investment projects, and	Regional Seminar on Good Governance for Southeast Asian Countries	Ministry of Justice - TA							
		human resource development at central and local levels of the Ministry of Planning and Investment (MPI), thereby strengthening public financial management. At the same time, support is extended for building the capacity of personnel and institutions in judicial affairs and the administration of justice, in order to develop judicial systems appropriate to social and economic conditions while considering the transition to a market economy governed by the rule of law.	Laos Pilot Program for Narrowing the Development Gap								
	Others		towards ASEAN Integration (LPP) Project for Strengthening Management Capacity of UXO Lao	TCP				 		12.50	
			Advisor for Strengthening Training Management Capacity and Promoting Poverty Reduction through UXO Clearance in Lao PDR	EXP		_					
			Project for Acceleration of UXO Clearance for Rural Development and Poverty Eradication	GA						8.64	
			Grant Aid in the field of UXO Clearance	GA						1.58	
			Volunteers in the field of emotional education and culture development	JOCV/SV				 			
			Volunteers in the field of sports, budo etc.	JOCV/SV				 			
			Grant Aid in the field of sports	GA						0.06	

Legend: [PS] = Preparatory Survey, [TCP] = Technical Cooperation Project, [EXP] = Expert, [CTR] = Country-focused Training, [TR] = Issue-based Training Program for Young Leaders, [JOCV] = Japan Overseas Cooperation Volunteers, [SV] = Senior Volunteers, [JPP] = JICA Partnership Program, [xx-TA] = Technical Assistance implemented by organizations other than MOFA and JICA, [GA] = Grant Aid (other than specific grant aid schemes listed below), [LA] = Loan Aid (ODA Loan), [ML] = Multilateral Cooperation, [SSM] = Support for Small and Medium seized Enterprise, Solid Line [------] = Tentative Schedule