

**Grant 0599-LAO: Second Greater Mekong Subregion Tourism Infrastructure for  
Inclusive Growth Project**

**Quarterly Progress Report No. 25**

**Reporting Period: 1 January – 31 March 2025**

**January 2025**

**DRAFT FINAL**

**Ministry of Information, Culture and Tourism**

## TABLE OF CONTENTS

<b>Location map of subprojects</b> .....	<b>3</b>
<b>1. Basic Data</b> .....	<b>4</b>
<b>2. Financing Plan and Allocation of Grant Proceeds</b> .....	<b>4</b>
Financing Plan: .....	4
Detailed Cost Estimates by Expenditure Category and Financier:.....	4
<b>3. Status of Grant Utilization</b> .....	<b>4</b>
Contract Awards and Disbursements: .....	4
Contract Awards by Category: .....	5
Expenditure by Financier: .....	5
Government financing: .....	5
Weighted Progress, Contract Awards and Disbursement against Elapsed Time:.....	5
<b>4. Implementation Arrangements</b> .....	<b>8</b>
<b>5. Implementation Progress</b> .....	<b>8</b>
Project scope: .....	8
Progress to date:.....	9
Progress towards realizing contributions to ADB Results Framework: .....	42
Performance monitoring:.....	44
<b>6. Financial Management</b> .....	<b>45</b>
Disbursement Arrangement: .....	45
Advance Fund Procedure and Statement of Expenditure Procedure:.....	45
Counterpart Fund:.....	46
Accounting: .....	46
Auditing and Public Disclosure:.....	46
<b>7. Procurement</b> .....	<b>47</b>
Procurement Plan: .....	47
Procurement of Goods, Works and Non-consulting Services: .....	47
Recruitment and Utilization of Consulting Services: .....	47
<b>8. Safeguards Implementation and Submission Safeguards Monitoring Reports</b> .....	<b>48</b>
<b>9. Gender Action Plan Implementation Status</b> .....	<b>61</b>
<b>10. Compliance with Grant Covenants</b> .....	<b>61</b>
<b>11. Summary of Workplan for Next Quarter</b> .....	<b>61</b>
Procurement packages/consulting services contracts to be awarded next quarter: .....	61
Main activities planned for Q1 2025: .....	61
Planned disbursements:.....	66
<b>14. Issues and Recommendations</b> .....	<b>66</b>

### Annexes

1. Progress of Output 1 civil works by subproject as of 31 March 2025
2. ASEAN Tourism Standards Certification in Target Provinces Since 2008
3. Eligible Project Support for ASEAN Tourism Standards
4. Record of Output 2 and 3 and Project Management Activities implemented during Quarter 1 of 2025 (1 January - March 2025)
5. Progress towards DMF targets and activity implementation as of 31 March 2025
6. Weighted implementation table with progress as of 31 March 2025
7. Project financial management action plan progress as 31 March 2025
8. Time Bound Action Plan on APFS Audit Findings as of 31 March 2025
9. Goods, works and non-consulting service procurement monitoring tables as of 31 March 2025
10. Consultant recruitment monitoring table as of 31 March 2025
11. Utilization of consulting services as of 31 March 2025
12. Progress of Accident Report's Preventive and Corrective Actions
13. GAP implementation progress as of 31 March 2025
14. Status of compliance with Grant Covenants as of 31 March 2025
15. Internal Audit Report as of 31 March 2025
16. Financial Report as of 31 March 2025

## Location map of subprojects

### LAO PEOPLE'S DEMOCRATIC REPUBLIC

#### Vientiane Province

**LAO-V1** Nam Ngum Reservoir Access Improvements

**LAO-V2** Kaeng Yui Waterfall Access Improvements

**LAO-V3** Western Loop Rural Access Road and Bridge Improvements

**LAO-V4** Vang Vieng Urban Renewal (street beautification etc)

**LAO-V5** Vang Vieng Solid Waste Management Improvements



#### Champasak Province

**LAO-C1** Nakasang Access Road and Port Rehabilitation

**LAO-C2** Don Det-Don Khone Access Improvements

**LAO-C1**

**LAO-C2**

## 1. Basic Data

Grant number:	0599-LAO
Grant Amount:	USD 47,000,000
Board Approval:	31 August 2018
Financing Agreement Signed:	16 October 2018
Grant Effectiveness:	25 December 2018
Physical Completion Date:	31 December 2024
Grant Closing Date:	30 June 2026 (extended from 30 June 2025)
Elapsed Grant Period:	75 months/90 months (83.3%) (from Grant Effectiveness to REVISED Closing: 30 June 2026)
Project Overall Progress:	92.40%
Recipient:	Ministry of Finance, Lao PDR
Executing Agency:	Ministry of Information, Culture and Tourism, Lao PDR
Implementing Agency:	Departments of Information, Culture and Tourism of Champasak, Luang Prabang, and Vientiane Province, and the Vang Vieng Urban Development Administration Authority
Date of Last Review Mission:	17-21 February 2025 (Project Review Mission)

## 2. Financing Plan and Allocation of Grant Proceeds

### Financing Plan:

Source	Amount (\$mill) <sup>a</sup>	Share of Total (%)
ADB Special Funds Resources	47.00	96.5
Government of Lao PDR	1.68	3.5
<b>Total Project Costs</b>	<b>48.68</b>	<b>100</b>

<sup>a</sup> ADB approved on 27 August 2020 a minor change in the project's financing plan, shifting financing of land acquisition and resettlement (LAR) costs from government to ADB.

### Detailed Cost Estimates by Expenditure Category and Financier:

The PAM table showing the Detailed Cost Estimates by Expenditure Category and Financier table is reproduced on page 6 for reference.

## 3. Status of Grant Utilization

### Contract Awards and Disbursements:

As of 31 March 2025, based on GFIS

	2024 (\$ mln)					2025 (\$ mln)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
CA Projections	0.198	0.314	0.337	2.615	3.463	4.205	0.383	0.000	0.000	4.588
Cum CA Projections	37.349	37.663	38.000	40.615		44.820	45.203	45.203	45.203	
Actual CA	0.964	0.345	0.301	3.442	5.052	0.330	0.000	0.000	0.000	0.330
Actual Cum CA	38.324	38.668	38.969	42.411		42.741	42.741	42.741	42.741	
Disb Projections	1.694	1.712	0.689	2.117	6.211	9.674	0.325	0.000	0.000	9.999
Cum Disb Projections	32.484	34.196	34.884	37.001		46.675	47.000	0.000	0.000	
Actual Disb	1.694	1.712	0.689	2.117	6.211	1.524	0.000	0.000	0.000	1.524
Actual Cum Disb	32.484	34.196	34.884	37.001		38.525	38.525	38.525	38.525	

CA = Contract Awards; Cum = Cumulative; Disb = Disbursement; LGFIS = Loan and Grant Financial Information Services; mln = million; Q = quarter.

## Contract Awards by Category:

As of 31 March 2025

Category	Total ADB financing <sup>b</sup> (\$ mln)	Contract Awards (\$ mln)	Uncommitted (\$ mln)
<b>A. Investment Cost</b>			
1. Civil Works	24.98	23.70	1.28
2. Equipment and Vehicles	2.25	1.15	1.10
2. Consulting Services	9.19	9.27	(0.08)
4. Project Management	1.04	0.83	0.21
5. Capacity Building	5.39	4.86	0.53
6. Land Acquisition and Resettlement	1.30	1.26	0.04
<b>Subtotal (A)</b>	<b>44.23</b>	<b>41.08</b>	<b>3.07</b>
<b>B. Recurrent Cost<sup>a</sup></b>			
1. PCU and PIU Staff Cost	0.80	0.57	0.23
2. PCU and PIU Operations	1.08	0.63	0.45
3. PCU and PIU Vehicles and Office Equipment	0.37	0.34	0.03
<b>Subtotal (B)</b>	<b>2.25</b>	<b>1.54</b>	<b>0.71</b>
<b>Total Base Cost (A+B)</b>	<b>46.40</b>	<b>42.62</b>	<b>3.78</b>

<sup>a</sup> The recurrent costs financed by ADB are in-cash and recurrent costs financed by the Government of Lao PDR are in-kind

<sup>b</sup> Allocations reflect revised allocations approved by ADB on 4 September together with the extension of grant closing date from 30 June 2025 to 30 June 2026.

ADB = Asian Development Bank; PCU is project coordination unit; PIU = project implementation unit.

## Expenditure by Financier:

As of 31 March 2025

Expenditures	ADB (\$ mln)	Govt. (\$ mln)	Total (\$ mln)
Actual expenditure for Project Quarter 25 (Q1 2025)	1.193	0.056	<b>1.249</b>
Cumulative expenditure up end of Project Quarter 25 (Q1 2025)	39.017	1.136	<b>40.153</b>

ADB = Asian Development Bank; Govt. = Government; mln = million.

## Government financing:

As per the original PAM (version 22 May 2018), the Government would finance: (i) government counterpart staff salaries and office space (in-kind); and (ii) land acquisition and resettlement (LAR) (in-cash). On 24 August 2020 the Ministry of Finance requested ADB to approve financing land acquisition and resettlement (LAR) costs from the grant proceeds, instead of government's counterpart funds. The justification for this request was fiscal constraints due to the COVID-19 pandemic, during which the government has been experiencing challenges meeting its revenue targets, and budget has been reallocated for the emergency COVID-19 pandemic response and recovery. These constraints are impeding the government's ability to make available and thus timely disburse the required LAR compensation payments to the project's affected households. On 27 August 2020, ADB approved a minor change in the project's financing plan to facilitate this, reducing government's counterpart funding from \$1.8 million (3.7% of total project costs) to \$1.68 million (3.5% of total project costs), and consequently, reducing the total project cost from \$48.8 million to \$48.68 million. This change is reflected in the updated PAM of 30 April 2021.

## Weighted Progress, Contract Awards and Disbursement against Elapsed Time:

A graph showing cumulative weighted progress, contract awards and disbursement in percentage of total against elapsed time (by quarter) is presented on Page 7. The graph has been adjusted to reflect the extended grant closing date, and now runs until end of project quarter 30 (30 June 2026).

### Detailed Cost Estimates by Expenditure Category and Financier

Item	ADB <sup>d</sup>				Government of Lao PDR				Total Cost
	Amount	Amount (Taxes & Duties)	Total	% of Cost Category	Amount	Amount (Taxes & Duties)	Total	% of Cost Category	
<b>A. Investment Cost</b>									
1. Civil Works	22.71	2.27	24.98	100.0%	-	-	-	0.0%	24.98
2. Equipment and Vehicles	2.05	0.20	2.25	100.0%	-	-	-	0.0%	2.25
2. Consulting Services	8.35	0.84	9.19	100.0%	-	-	-	0.0%	9.19
4. Project Management	0.95	0.09	1.04	100.0%	-	-	-	0.0%	1.04
5. Capacity Building	4.90	0.49	5.39	100.0%	-	-	-	0.0%	5.39
6. Land Acquisition and Resettlement <sup>c</sup>	1.30	-	1.30	100.0%	-	-	-	0.0%	1.30
<b>Subtotal (A)</b>	<b>40.26</b>	<b>3.89</b>	<b>44.15</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>44.15</b>
<b>B. Recurrent Cost<sup>a</sup></b>									
1. PCU and PIU Staff Cost	0.73	0.07	0.80	45.6%	0.87	0.09	0.96	54.4%	1.76
2. PCU and PIU Operations <sup>b</sup>	0.98	0.10	1.08	65.2%	0.52	0.05	0.58	34.8%	1.66
3. PCU and PIU Vehicles and Office Equipment	0.34	0.03	0.37	100.0%	-	-	-	0.0%	0.37
<b>Subtotal (B)</b>	<b>2.05</b>	<b>0.20</b>	<b>2.25</b>	<b>59.5%</b>	<b>1.39</b>	<b>0.14</b>	<b>1.53</b>	<b>38.0%</b>	<b>3.78</b>
<b>Total Base Cost (A+B)</b>	<b>42.31</b>	<b>4.09</b>	<b>46.40</b>	<b>96.8%</b>	<b>1.39</b>	<b>0.14</b>	<b>1.53</b>	<b>3.2%</b>	<b>47.93</b>
<b>D. Contingencies</b>									
Physical Contingency	0.30		0.30	83.5%	0.06		0.06	16.5%	0.36
Price Contingency	0.30		0.30	77.7%	0.09		0.09	22.3%	0.39
<b>Sub-total (D)</b>	<b>0.60</b>	<b>-</b>	<b>0.60</b>	<b>80.5%</b>	<b>0.15</b>	<b>-</b>	<b>0.15</b>	<b>19.5%</b>	<b>0.75</b>
<b>Total Project Cost (A+B+C+D)</b>	<b>42.91</b>	<b>4.09</b>	<b>47.00</b>	<b>96.6%</b>	<b>1.54</b>	<b>0.14</b>	<b>1.68</b>	<b>3.4%</b>	<b>48.68</b>
<b>% of Total Project Cost</b>			<b>96.6%</b>				<b>3.4%</b>		<b>100.0%</b>

<sup>a</sup> The recurrent costs financed by ADB are in-cash and recurrent costs financed by the Government of Lao PDR are in-kind; <sup>b</sup> Externally hired staff, office supplies, and fuel.

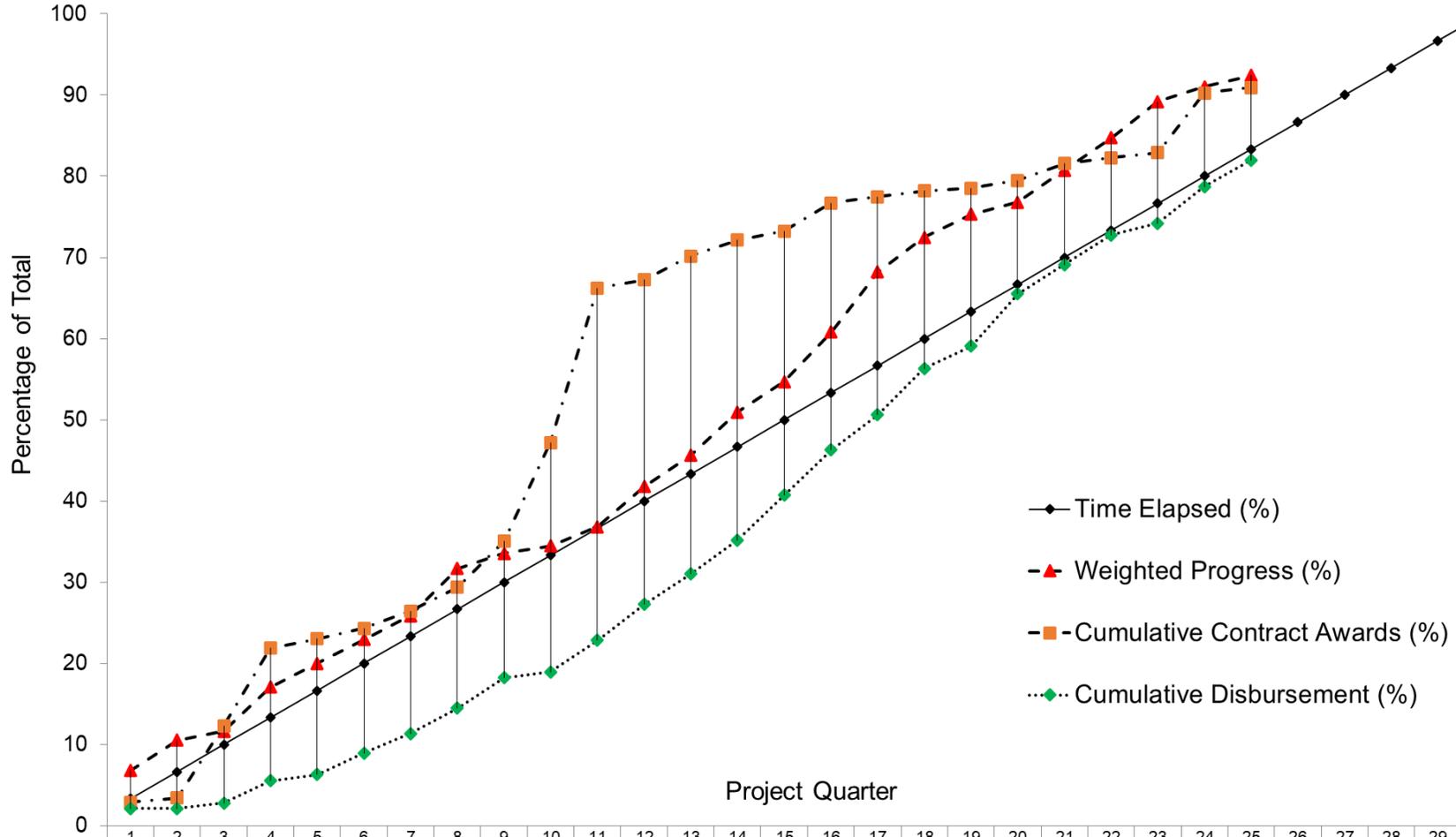
<sup>c</sup> Following a minor change in project's financing plan approved on 27 August 2020, the cost of land acquisition and resettlement, which was originally to be covered the Government of Lao PDR, is now funded by ADB grant.

<sup>d</sup> Allocations reflect revised allocations approved by ADB on 4 September together with the extension of grant closing date from 30 June 2025 to 30 June 2026.

Source: Project Administration Manual (PAM).

### Weighted Progress, Contract Awards and Disbursement against Elapsed Time

As of 31 March 2025



	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Time Elapsed (%)	3.33	6.67	10.00	13.33	16.67	20.00	23.33	26.67	30.00	33.33	36.67	40.00	43.33	46.67	50.00	53.33	56.67	60.00	63.33	66.67	70.00	73.33	76.67	80.00	83.33	86.67	90.00	93.33	96.67	100.0
Weighted Progress (%)	6.78	10.55	11.64	17.09	20.02	22.96	25.88	31.70	33.56	34.47	36.83	41.77	45.60	50.95	54.68	60.80	68.20	72.49	75.30	76.80	80.76	84.71	89.20	91.00	92.40					
Cumulative Contract Awards (%)	2.93	3.43	12.33	21.89	23.06	24.32	26.43	29.36	35.06	47.19	66.21	67.23	70.15	72.13	73.23	76.71	77.49	78.19	78.51	79.49	81.54	82.27	82.91	90.24	90.94					
Cumulative Disbursement (%)	2.13	2.13	2.80	5.56	6.34	8.97	11.34	14.48	18.21	18.97	22.86	27.29	31.02	35.17	40.72	46.29	50.64	56.32	59.09	65.51	69.11	72.76	74.22	78.73	81.97					

#### **4. Implementation Arrangements**

The GMS Tourism Working Group functions as the project's subregional steering committee and coordinates joint marketing and regional tourism standards adoption. The executing agency is MICT. A National Project Steering Committee (NPSC) has been established and meets periodically to review progress. As of 30 July 2021, the NPSC comprises the Vice Minister for Tourism, MICT (Chair), Director General of MICT's Planning and International Cooperation Department and Director Generals of the four tourism departments of MICT. NPSC members also serve on the project's bid evaluation and consultant selection committees. An 11-member project coordination committee has also been established, chaired by the project director, with members from various departments and units in MICT involved in project implementation.

MICT has established a Vientiane-based Project Coordination Unit (PCU) to handle overall project coordination and management, comprising a project director, project manager, financial controller, chief accountant, office manager, office assistant, and an internal auditor. As of 1 October 2021, the PCU financial administration capacity is strengthened with the appointment of an assistant accountant.

MICT has opened and is managing a project Advance Account and is responsible for overall financial management of the project. ADB has disbursed \$1m in into the Advance Account to facilitate implementation of project activities identified in the approved 2019 costed annual workplan for the project using the Statement of Expenditure (SOE) procedure. On 4 December 2020, ADB approved an increase of the ceiling of the advance account from \$1.0 million to \$1.5 million and then on 3 March 2022 by another \$800,000 to \$2,300,000 to finance the Land Acquisition and Resettlement (LAR) cost. After full payment of LAR, the ceiling of advance account was reduced to \$1,470,387.26 as of 31 December 2024.

Provincial- and district-level implementing agencies have established Project Implementation Units (PIUs), embedded within the provincial DICTs of Champasak, Luang Prabang, and Vientiane Province, and the Vang Vieng UDAA, to manage output 1 and select output 3 activities. Each PIU comprises a supervisor, director, manager, finance officer, accountant and secretary, and full-time technical teams consisting of an infrastructure, tourism coordinator, standard and capacity building coordinator, a DMN coordinator, and a marketing and product development coordinator. The PIUs at the Champasak and Vientiane Province DICTs and at the at Vang Vieng UDAA have both an infrastructure technical team to coordinate and support output 1 infrastructure activities, and a tourism technical team to coordinate and support output 2 implementation and manage select output 3 activities. Since there are no infrastructure subprojects in Luang Prabang Province, the PIU there only has a tourism technical team. PIUs have opened and are administering project sub-accounts to facilitate day-to-day project administration. Reporting, financial management, safeguards and knowledge management is led by the PCU in close coordination with all PIUs.

These implementation arrangements differ slightly from how they are described in the initial Project Administration Manual (PAM) (version 22 May 2018). During the project's Mid-term Review Mission, the PAM description has been revised to reflect the actual arrangements, and the changes have been incorporated by ADB in an updated version of the PAM (version 30 April 2021).

#### **5. Implementation Progress**

##### **Project scope:**

The project is designed to help transform secondary GMS central and southern corridor towns into economically inclusive, competitive international tourism destinations by improving road and water transport infrastructure, urban environmental services, and capacity to sustainably

manage tourism growth. It will boost trade in services and deepen regional cooperation and integration among the GMS and Association of Southeast Asian Nations (ASEAN). About 88,000 residents are expected to directly benefit from climate-resilient infrastructure development and increased access to economic opportunities.

The project impact is sustainable, inclusive, and more balanced tourism development achieved. The outcome is tourism competitiveness of secondary towns in Cambodia and the Lao PDR increased. By 2026<sup>1</sup>, Cambodia and Lao PDR's share of ASEAN's international visitor arrivals will increase from 8.0% to 8.3% and project areas will receive 700,000 more international tourists. This will increase aggregate annual visitor expenditure from \$0.55 billion to \$0.91 billion.

The project has three outputs: (i) urban-rural access infrastructure and urban environmental services improved; (ii) capacity to implement ASEAN tourism standards strengthened; and (iii) institutional arrangements for tourism destination management and infrastructure O&M strengthened.<sup>2</sup> Project areas in Lao PDR include Champasak, Luang Prabang and Vientiane provinces, all located along the GMS Central Economic Corridor.

### Progress to date:

#### Outcome: Tourism competitiveness of secondary towns in the Lao PDR increased

Progress towards the project's outcome in Lao PDR as of 31 March 2025 can be summarized as follows:

		As of 31 March 2025		
Outcome Performance Indicators	Baseline (2016)	Targets (2026)	Progress	
a. Lao PDR's share of ASEAN international visitor arrivals increased	3.7%	3.8%	2017:	3.1%
			2018:	3.1%
			2019:	3.3%
			2020:	3.4%
			2021:	0%
			2022:	3.0%
			2023:	3.6%
			2024:	Data not yet available
b. Annual international visitor arrivals in project areas increased	820,100	1,263,100	2017:	941,000
			2018:	1,210,930
			2019:	1,260,051
			2020:	289,661
			2021:	3,590
			2022:	422,198
			2023:	997,400
			2024:	2,233,971
c. Aggregate annual visitor expenditure in project areas increased	\$359.5 million	\$589.0 million	2017:	\$ 338.6 million
			2018:	\$ 506.4 million
			2019:	\$ 468.8 million
			2020:	\$ 112.1 million
			2021:	\$ 0.7 million
			2022:	\$ 181.8 million
			2023:	\$ 615.6 million
			2024:	\$ 1,347.1 million

<sup>1</sup> During a Mission on 22 December 2023, ADB and the EA agreed to revise the timeline for achieving the project's outcome indicator from 2025 to 2026 to reflect the proposed 12-month extension of the grant closing date.

<sup>2</sup> During a Mission on 22 December 2023, ADB and the EA agreed to revise the timeline for achieving the project's outputs from 2024 to 2025 to allow time needed to complete the final works package of TIIGP2-W03a in Lao PDR. Contract award is planned October 2024, and construction completed en end of Q4 2025.

Outcome Performance Indicators	Baseline (2016)	Targets (2026)	Progress
d. Women comprise at least 55% of tourism workers in project areas	50%	55%	As of December 2023, female workers account for 58% of the total workforce in Lao PDR's tourism and hospitality sector. <sup>3</sup> Champasak Province: 61.8% Vientiane Province: 67.4% Luang Prabang Province: 49.5% Aggregate for the three target provinces: 58.3%

International arrival and expenditure results for 2020 and 2021 have been heavily impacted by the border closures and travel restrictions in response to the COVID-19 pandemic. The country re-opened for international tourism in May 2022. It was thought the recovery period may be long, and that as a result performance during the 2022-2026 period be significantly lower than originally projected. While this held true for 2022, international arrivals to Lao PDR during 2023 topped 3.4 million, 71% of the arrivals recorded in pre-pandemic 2019. Arrivals in the project areas bounced back even faster, with 1.0 million arrivals in 2023, 83% of the pre-pandemic 2019 arrivals, and 2.2 million in 2024, nearly double the pre-pandemic 2019 arrivals.

#### Output 1: Urban-Rural Access Infrastructure and Urban Environmental Services Improved

Output 1 will upgrade transport infrastructure and improve environmental conditions at tourist destinations to boost tourist arrivals and receipts and catalyze additional private investment in accommodations and other tourism-related enterprises.

The Project includes the following seven infrastructure subprojects, packaged into five<sup>4</sup> works packages, as follows:

**Works Package: TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvements**

- Subproject C1: Nakasang Access Road and Port Rehabilitation
- Subproject C2: Don Det-Don Khone Access Improvements

**Works Package: TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements**

- Subproject V1: Nam Ngum Reservoir Access Improvements

**Works Package TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements**

- Subproject V2: Kaeng Yui Waterfall Access Improvements
- Subproject V3: Western Loop Rural Access Road and Bridge Improvements

**Works Package TIIGP2-LAO-W03a: Vang Vieng Urban Renewal**

- Subproject V4: Vang Vieng Urban Renewal

**Works Package: TIIGP2-LAO-W04: Vang Vieng Landfill Improvements**

- Subproject V5: Vang Vieng Solid Waste Management Improvements

For Works Packages TIIGP2-LAO-W01 and TIIGP2-LAO-W04, detailed engineering design (DED), bill of quantities (BOQ), technical specification, bidding documents, updated safeguards documents, and recommendations for equipment for O&M were prepared during the Project Preparation Technical Assistance (PPTA) by NorConsult under a direct contract

<sup>3</sup> Tourism sector survey, conducted by 4 PIUs in December 2023.

<sup>4</sup> Originally there were four works packages, when Subproject V4: Vang Vieng Urban Renewal was included in Package TIIGP-LAO-W03. However, during the course of 2020 it became clear that coordination and alignment with the ADB-financed Water Supply and Sanitation Sector Project in Vang Vieng was needed to minimize LAR impacts and streamline execution. To not delay Subprojects V2 and V3, it was decided in September 2020 to separate Subproject V4 from Works Package TIIGP2-LAO-W03 and create a new Works Package for V4, namely TIIGP2-LAO-W03a.

with ADB. These two packages (for subprojects C1, C2 and V5) are referred to as “Stage 1” packages/subprojects.

For Works Packages TIIGP2-LAO-W02 and TIIGP2-LAO-W03/W03a, feasibility studies, preliminary designs, preliminary cost estimates and safeguards documents were prepared during project preparation by Norconsult under a direct contract with ADB. These two packages (for subprojects V1, V2, V3 and V4) are referred to as “Stage 2” packages/subprojects.

The Project Management and Civil Engineering Support (PMCES) Consultant - Ramboll Danmark A/S in association with Specity Solutions Consulting Co. Ltd., mobilized on 5 August 2019 to assist the PCU and PIUs with (i) review and update DED for Stage 1 subprojects; (ii) preparation of DED for Stage 2 subprojects, (iii) safeguards document updating and compliance monitoring, (iv) construction supervision, (v) preparation of operations and maintenance (O&M) plans and asset management technical training, and (vi) project management and administration.

Progress of Output 1: Urban-Rural Access Infrastructure and Urban Environmental Services Improved as of 31 March 2025, is summarized as follows:

As of 31 March 2025

	<b>Activity</b>	<b>W01: Nakasang and Don Det - Don Khone Access Improvements</b>	<b>W02: Nam Ngum Reservoir Access Improvements</b>	<b>W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements</b>	<b>W03a: Vang Vieng Urban Renewal</b>	<b>W04: Vang Vieng Landfill Improvements</b>
1	Prepare civil works design and bidding documents	✓	✓	✓	✓	✓
2	Safeguards document approval	✓	✓	✓	✓	✓
3	Complete land acquisition and resettlement Compensation	✓	✓	→	Not applicable	✓
4	Civil works procurement	✓	✓	✓	✓	✓
5	Implement civil works construction, supervision, and supply equipment	✓	✓	→	→	✓
6	Safeguard Monitoring	✓	→	→	→	→

## **Stage-1: TIIGP2-LAO-W01 and TIIGP2-LAO-W04 (subprojects C1, C2 & V5)**

Stage 1 subprojects are packaged as follows:

### **Works Package: TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvements**

Subproject C1: Nakasang Access Road and Port Rehabilitation

Subproject C2: Don Det-Don Khone Access Improvements

### **Works Package: TIIGP2-LAO-W04: Vang Vieng Landfill Improvements**

Subproject V5: Vang Vieng Solid Waste Management Improvements

### TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvements

The contract was awarded on 23<sup>rd</sup> December 2019 to Phoukhong Construction Sole Co. Ltd. with a contract amount of USD 3,964,308.36 (including Provisional Sums USD 650,000, Contingency USD 333,000.69 and Tax USD 301,300.76).

The commencement letter was issued to the Contractor on 12 May 2020 and the construction work commenced on 26 May 2020. The period of performance is 731 calendar days, and the Intended Completion Date is therefore 25 May 2022. Contract Variation Order No. 1 (VO No. 1) and time extension request was approved by ADB with (i) extending the contract completion date by 319 days (10.6 months) from the intended completion date of 25 May 2022 to 10 April 2023 and (ii) changing of the original quantities of few work items in Bill No.2: Nakasang Access Road Improvements and Bill No.3: Det and Khone Island and Footpath Improvements. The proposed changes will increase the contract amounts under Bill No.2 and Bill No.3, which will be covered by the savings identified under Provisional Sum for 3 Bridges and Physical Contingencies.

Contract Variation Order (VO No. 2) was approved by ADB with (i) extending the contract by 81 days (2.7 months) from the extended completion date of 10<sup>th</sup> April to up to 30 June 2023 to complete all of outstanding works on site, especially (i) Nakasang Port Rehabilitation, (ii) Road Shoulder Improvements of all the access roads in Nakasang, Don Det and Don Khone including restoration of Nakasang, Don Det and Don Khone Accessibility, (iii) Sodding for embankment, (iv) Site Drainage of IRL-01 with Graveling Course; (v) Street light for the port, Road furniture installation of Nakasang, Don Det and Don Khone Access Roads; (vi) replacing the existing wooden bridge with concrete deck slab on Nakasang Port Access Road; and (vii) Nakasang Parking Drainage Improvement and changing the quantities of work items savings identified from the Bill No. 1, Bill No. 2, Day Works and Physical Contingency. The Contract Amount will be remained same as the original Contract of USD3,964,308.36.

The Nakasang and Don Det-Don Khone Access Improvements project was officially completed on June 30, 2023, with a 100% implementation rate. Road works spanning 21.11 km were finished, including significant improvements in Nakasang, Don Det, and Don Khone. Key infrastructure developments included bridges, culverts, parking areas, solar lights, boat ramps, and slope protection.

The project entered a Defect Liability Period until June 30, 2024, during which all minor defects were rectified. A final inspection on August 30, 2024, confirmed that all required corrections had been made to satisfaction. The final account payments were settled in September 2024, and the project was officially closed.

### **Summary of the infrastructure and facilities are as follows:**

The detailed completed road matrix is as follows:

<b>Road No</b>	<b>Completed, Km</b>	<b>Don-Det</b>	<b>Don-Khone,</b>	<b>Nakasang</b>
Road No. IRL-01	1.35	1.35		

Road No	Completed, Km	Don-Det	Don-Khone,	Nakasang
Road No. IRL-02	2.07	2.07		
Road No. IRL-03	2.49	2.49		
Road No. IRL-04	4.62		4.62	
Road No. IRL-05	5.65		5.648	
Road No. IRL-06	1.34		1.335	
Road No. IRL-07	0.10		0.104	
Road No. IRL-08	0.59		0.594	
Nakasang Access Road including River Port	2.90			2.90
<b>Total</b>	<b>21.11</b>	<b>5.91</b>	<b>12.30</b>	<b>2.90</b>

#### Summary of the facilities Completed:

No	Facility Description	Status
1	21.112 Km Road (2.904 Km at Nakasang, 5.907 Km in Don Det, 12.301 Km in Don Khone)	Completed
2	3 Bailey Bridges on Access Road IRL-05 in Don Khone	Completed
3	178.00 m Culvert (16.00 m Culvert at Nakasang)	Completed
4	3 Parking Areas (1 Nakasang, 1 Don Det old Port, 1 Ban Hang Khone)	Completed
5	11 Sets of Solar Light (9 Sets Nakasang Port, 2 Sets Railway Bridge - Both Sides)	Completed
6	2 Boat Ramps (Nakasang River Port)	Completed
7	1 Pontoon (Nakasang River Port)	Completed
8	106.00 m Retaining Wall (Nakasang River Port, upstream side & downstream side)	Completed
9	140.00 m Slope Protection by Rubble Stones (Nakasang River Port)	Completed
10	153.00 m Footpath (Nakasang River Port, upstream & downstream)	Completed
11	25.00 m Drainage & Discharge RC Pipe	Completed
12	Locomotive Area Improvements in Don Khone	Completed
13	View Point in Don Det old Port	Completed
14	Safety Guardrail on Approach Road to Mekong Bridge (both sides Don Det and Don Khone, French Bridge)	Completed
15	Renovation of Port Ticket Office/Waiting Area for Tourists	Completed
16	Renovation of Ticket Office at Nakasang Parking Area	Completed
17	Cross Drainage at End of Nakasang River Port (upstream)	Completed
18	Renovation of Wooden Bridge to Concrete Deck Slab on Access Road Along Nakasang Port (upstream)	Completed

#### TIIGP2-LAO-W04: Vang Vieng Landfill Improvements

Review findings of the DED for Package TIIGP2-LAO-W04 (Subproject V5) carried out in Q3 2019 for the landfill subproject revealed that the existing design required revision, entailing substantial alterations to the design, drawings, BoQ and technical specifications. It was further decided that an environmental compliance audit (ECA) needed to be conducted to test the design information. The PMCES Consultant engaged an ECA sub-consultant team to carry out this work, and the ECA report was approved by ADB on 22 March 2020.

The design revisions commenced during Q2 of 2020. A day-long stakeholder consultative meeting on the Draft Design was held on 26 June 2020 in Vientiane in the presence of the Vice Minister Mr. Ounthouang Khoaphanh, National Project Steering Committee, Head of DICT, Head of UDAA, Department of Housing and Urban Planning, Chief of Villages, other private and public sectors. The stakeholders provided feedback including the need for an O&M capacity assessment for solid waste management as a basis for the development of an O&M

capacity building program for the Vang Vieng landfill and a financial assessment of the Vang Vieng landfill viability to be undertaken for the analysis of economical sustainability to form basis for the site management modality to be selected.

The final detailed design, safeguards documents and bidding documents were submitted for ADB's review during Q3 of 2020 and ADB cleared the design modification, safeguards and bidding documents in September, which were then sent for provincial approval. The invitation for Bids (IFB) for this Package was published on 14 September 2020, with a submission deadline and bid opening on 27 October 2020. The BER was approved in Q4 2020.

The Contract was signed on 19<sup>th</sup> February 2021. The Site possession was issued on 24 March 2021. The Notice to Proceed (NTP) was given on 5<sup>th</sup> April, 2021 with the commencement of works from 19<sup>th</sup> April 2021. The period of performance is 731 calendar days, and the intended completion date is therefore 20<sup>th</sup> April 2023.

ADB provided No Objection on Contract Variation Order (CVO No. 1) on dated 2<sup>nd</sup> March 2023 which enable to extend the Contract's intended completion date by 365 days, from 20<sup>th</sup> April 2023 to 20<sup>th</sup> April 2024, to complete the remaining works without changing the original budget but to change bills allocation due to various quantities changed.

The Civil Works Contract was further extended by 41 days to complete the remaining significant works, including commissioning the test run of the leachate system. Therefore, the extended completion date was May 31, 2024, as approved by ADB.

ADB provided No Objection on Contract Variation Order No. 2 (CVO No. 2) dated 28<sup>th</sup> December 2023 due a change in the quantities of works. The total contract amount increased by \$109,489.90 (3.47% of the original contract amount), from \$3,156,160.08 to \$3,265,649.98.

ADB provided No Objection on 3 April 2024 on Contract Variation Order No. 3 to extend the contract's completion date by 41 days, from 20 April 2024 to 31 May to complete all outstanding works.

The implementation of civil works, including variation orders, was substantially completed in May 2024, and the Completion Certificate has been issued. A defects punch list has been prepared, with the defects liability period running from June 1, 2024, to May 31, 2025. The Civil Works Contract was handed over on 1st June 2024 and the Handing Over ceremony was held on 19 July 2024. All 27 main task activities were successfully completed, with the Handing Over ceremony held on July 19, 2024. The final payment was made, releasing 50% of the retention money upon issuance of the Completion Certificate.

As of March 30, 2025, the Civil Works Contract is under the Defects Liability Period. Several defects have been rectified, and rectification will continue based on the defects punch list, as well as any additional defects identified. The final inspection is scheduled for April 2025 to prepare the final list of defects, allowing the full month of May for the completion of outstanding defect items within the Defects Liability Period.

To obtain the Defects Liability Certificate, the Contractor must complete all necessary repairs within the Defects Liability Period. If any defects remain unresolved, the period will be extended until all issues are fully rectified. Failure to correct defects within the timeframe specified in the Project Management Notice may result in the Project Manager assessing the cost of repairs, which the Contractor will be liable to bear in accordance with GCC Clause 44 of the Conditions of Contract. Non-compliance may also lead to withholding of retention money, delay in Final Acceptance, imposition of contractual penalties, potential legal claims, and safety or operational risks that could affect overall project functionality

Challenges encountered include waste management issues, where waste is being dumped and compacted improperly. Recommendations include regular coordination with relevant authorities and reviewing the agreement with Eco-green, a private waste collection company, for improved landfill management. Other concerns include the need for better public-private partnerships for operating key facilities.

Issues and constraints faced, actions and responsibilities to address these issues or constraints is presented below:

Srl.	Challenges	Recommendation & Result
1	The existing agreement between <b>UDAA and Eco-green</b> , a private waste collection company, was signed before landfill development and includes an annual fee for dumpsite management, which is unsuitable. A new contract was developed last year by the legal expert and Institutional experts, but is yet to be adopted by the UDAA. Eco-green serves only <b>23 out of 61 villages</b> , creating risks for waste management. Wider work is being undertaken by the GGGI looking at how to improve participation and increase the expansion of waste collection services across the district.	The <b>Steering Committee of Vang Vieng</b> has been reviewing the agreement since <b>October 2024</b> for potential modification to improve waste collection coverage and efficiency. The Committee is required to assess and agree on the proposed new contract for waste collection services.
2	<b>Operation of MRF, PDB, and Hazardous Waste Facilities</b>	<b>PPP bid documents</b> were prepared and opened in <b>July 2024</b> to attract private companies. The <b>evaluation is complete</b> , and the <b>PPP arrangement will commence from mid May 2025</b> .
3	<b>Cell Management:</b> Waste compaction is poor, despite guidance provided to gradually close sections of landfill cell 5 to reduce fires. Poor compaction reduces landfill lifespan and increases fire hazards.	Emergency plans and alternative landfill management strategies are being implemented starting from February 2025. Capacity-building programs and training on proper waste compaction also commenced in February 2025 and are ongoing
4	<b>Firefighting Equipment:</b> A water bowser was delivered but has not been used. UDAA staff have not conducted practice sessions, despite repeated instructions to keep the bowser filled and ready. Fires are a major risk, especially during the <b>hot season</b> .	<b>Firefighting training</b> for UDAA staff will start in <b>April 2025</b> , with <b>monthly drills</b> . The <b>water bowser will be maintained</b> and an existing UDAA truck repaired so it can be towed, firebreaks will be established around <b>landfill cell 5</b> , and an <b>emergency response plan will be enforced</b> .
5	<b>Solid Waste Management Coverage:</b> The project supports improving institutional capacity for solid waste management, with a target of <b>12,325 households</b> . Currently, only <b>5,929 households</b> have access, with <b>2,953 (49.81%) actively using</b> the services. As such, only <b>24%</b> of the district are using waste collection services, meaning that 3 out of 4 houses are dumping or burning their wastes (GGGI data, Nov 2024).	<b>GGGI has developed an expansion plan</b> to increase coverage, with implementation scheduled from <b>2025</b> .
6	<b>The ASEAN Clean Tourist City Standard (ACTCS)</b> requires cities to implement efficient waste collection, recycling programs, and sustainable disposal systems. It mandates waste minimization, segregation at source, and public awareness campaigns to promote circular economy practices. Compliance ensures cleaner urban environments, reduced landfill waste, and improved sustainability.	<b>Improving solid waste management in line with the above initiatives is critical to achieving the ACTCS.</b>
7	<b>Financing Solid Waste Management in Vang Vieng</b> from an open dump site to an engineered landfill and a circular economy	Recommendation was placed in a high-level admin meeting for Vang Vieng Administration in March 2025. There are limited options to finance SWM in Vang Vieng. The ones below have the best potential: <ol style="list-style-type: none"> <li>1. Increase municipal tourism business taxes</li> <li>2. Increase volume-based collection fees to tourism businesses</li> </ol>

		3. Introduce a Tourist Tax or Environmental Levy on tourism accommodation businesses  <i>One or a combination of these options, could provide a sustainable solution.</i>
8	Remedial Measures for Outstanding Defects during the Defects Liability Period	Site inspection is scheduled to be conducted by 29 April 2025, allowing one month for the contractor to carry out the defect repairs by or before 31 May 2025.

**Summary of the Infrastructure and facilities are as follow:**

SI	Facility Description	Status	Size/Details
1	Boundary wall including main entrance gate	Completed	1.2 km
2	Gourd House	Completed	16.65 m <sup>2</sup>
3	Weighing Bridge Office Building	Completed	62.45 m <sup>2</sup>
4	Weighing Bridge (One location)	Completed	
5	Workshop/Building Service	Completed	250 m <sup>2</sup>
6	Material Recovery Facility (MRF)	Completed	580 m <sup>2</sup>
7	Administration Office Building	Completed	200 m <sup>2</sup>
8	Hazardous Waste Storage	Completed	180 m <sup>2</sup>
9	Incinerator Room	Completed	100 m <sup>2</sup>
10	Vehicle Washing Ramp	Completed	84.75 m <sup>2</sup>
11	Planted Drying Bed (PDB) (4 cells)	Completed	700 m <sup>2</sup>
12	Secure Landfill Hazardous Waste	Semi-Completed	386.10 m <sup>2</sup> (11.0 x 30.0 x 1.80 m)
13	Capped Cell	Completed	31,320 m <sup>3</sup>
14	Cell No-5	Semi-Operational	33,803 m <sup>3</sup>
15	Cell No-1	To be Operational (2025)	52,666 m <sup>3</sup>
16	Anaerobic Pond	Completed	550 m <sup>3</sup> (16.5 x 29.6 x 3.0 m)
17	Aerobic Pond	Completed	320 m <sup>3</sup> (16.0 x 30.0 x 1.5 m)
18	Wetland Pond	Completed	230 m <sup>3</sup> (16.0 x 25.0 x 1.9 m)
19	Treated Water for Reuse Pond	Completed	356 m <sup>3</sup> (12.0 x 27.23 x 2.70 m)
20	Leachate Water Storage Pits (13 pits)	Completed	1.9 x 1.9 x 4.3 m (each)
21	Inspection Pit	Completed	1.9 x 1.9 x 2.7 m
22	Water Treatment Tanks (3 tanks)	Completed	14.25 m <sup>3</sup> (2.5 x 3.0 x 1.9 m each)
23	Electric Line 22 kV including Transformer and Solar Panel Lights	Completed	800 m (22 kV), 350 m (0.4 kV)
24	Access Concrete Road (4m width)	Completed	0.787 km
25	Internal Access Concrete Road (4m width)	Completed	0.593 km

**Status of Stage-1 Works Packages:**

Sub-project-W01	Status at start	Present Status	Outstanding Works
<p><b>TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvement</b></p> <ul style="list-style-type: none"> <li>• C1: Nakasang Access Road and Port Rehabilitation</li> <li>• C2: Don Det-Don Khone Access Improvements</li> </ul>	<ul style="list-style-type: none"> <li>• DED prepared</li> <li>• IEE/EMP prepared</li> <li>• Social DDR prepared</li> </ul>	<ul style="list-style-type: none"> <li>• DED Review submission by PMCES on 28 August 2019</li> <li>• IEE and EMP approved by ADB on 12 September 2019</li> <li>• ADB No Objection to the Bidding Document on 17 September 2019</li> <li>• IFB issued on 18 September 2019</li> <li>• Environmental Compliance Certificate (ECC) on (IEE/EMP) by PONRE/Champasak Province on 07September for the period of 17 October 2019 to 17 October 2020</li> <li>• DED clearance certificates by DPWT/Champasak on 22 October 2019</li> <li>• Bid opening on 30 October 2019</li> <li>• Bid Evaluation Report, 16 December 2019</li> <li>• ADB No Objection to the Bid Evaluation Committee's recommendation to award the contract on 23 December 2019</li> <li>• ADB No objection to the DDR on 23 December 2019</li> <li>• Contract Award on 26 December 2019</li> <li>• Contract Signing on 30 December 2019</li> <li>• Kick-off meeting on 20 January 2020</li> <li>• Site possession on 7 January 2020</li> <li>• CEMP on 12 May 2020</li> <li>• Revised Work Program on 12 May 2020</li> <li>• UXO clearance on 29 April 2020</li> <li>• Notice to proceed by 12 May 2020</li> <li>• Commencement of Works on 26 May 2020</li> <li>• Water quality tests carried out in September 2020</li> <li>• CAP No Objection for the Safeguards Non-compliance at Nakasang River Port on 25 November 20</li> <li>• CEMP revised based on comments from ADB and resubmitted to ADB on 06 December 2020</li> <li>• CEMP training conducted during 21-23 December 2020</li> <li>• GRM Training with District Authority, Contractor and Supervision Engineer on 18 January 2021</li> <li>• Training on awareness and implementing HIV/AIDS, STI, Human Trafficking, Child Labour Exploitation Prevention Information to all workers (including Gender Action Plan Implementation) on 10 February 2021 at construction site</li> <li>• Approval of Preliminary Design of 3 Bridges in Don Khone in August 2021</li> <li>• Approval of Detailed Engineering Design (DED) of 3 Bridges in Don Khone including BOQ in February 2022</li> <li>• ADB MTR Mission visited the project site on 17 May 2022</li> <li>• Variation Order No. 01 was approved on 26 May 2022 by ADB</li> </ul>	<p>Nil</p>

Sub-project-W01	Status at start	Present Status	Outstanding Works
		<ul style="list-style-type: none"> <li>• ADB No Objection to extend the contract completion date by 319 days from the intended completion date of 25 May 2022 to 10 April 2023</li> <li>• Extend the contract's completion date by 81 days, from 10 April 2023 to 30 June 2024, to enable completion of the remaining works</li> <li>• Certificate of Completion on 23 June 2023 by the Contractor</li> <li>• The Employer issued the Completion Certificate on 30 June 2023 to the Contractor</li> <li>• The Civil Works Contract has been taken over and the 365 days Defects Liability Period has been started from 1st July 2023.</li> <li>• As –built drawings were submitted on 10 September 2023</li> <li>• O&amp;M training for the infrastructure facilities completed on 10 September 2023</li> <li>• The Defects Liability Inspection by the Committee were completed in May and Aug 2024</li> <li>• The Contractor completed repairing of defects on Aug 2024</li> <li>• The Evaluation Committee visited the site and found no Defects.</li> <li>• The Defects Liability Certificate was issued on Sep 2024</li> <li>• The Closure Report was disclosed on Sep 2024</li> <li>• Final accounts was settle on Sep 2024</li> <li>• All payment was released on Sep 2024</li> <li>• The Civil Works File for TIIGP2-LAO-W01 was closed on Sep 2024</li> <li>• The Closure Report was disclosed on Sep 2024</li> <li>• Final accounts was settle on Sep 2024</li> <li>• All payment was released on Sep 2024</li> <li>• The Civil Works File for TIIGP2-LAO-W01 was closed on Sep 2024</li> </ul>	

Sub-project-W04	Status at start	Present Status	Outstanding Works
<b>TIIGP2-LAO-W04:</b> Vang Vieng Landfill Improvements V5: Vang Vieng Solid Waste Management Improvements	<ul style="list-style-type: none"> <li>• DED prepared</li> <li>• IEE/EMP prepared</li> <li>• IP drafted</li> </ul>	<ul style="list-style-type: none"> <li>• DED Reviewed in September 2019</li> <li>• ECA completed on 12 March 2020</li> <li>• DED and BD Submission by PMCES on 18 August 2020</li> <li>• ADB No Objection to the DED on 8 September 2020</li> <li>• ADB No Objection to the Bidding Document on 11 September 2020</li> <li>• ADB No Objection to the IEE and EMP on 15 September 2020</li> <li>• ADB No Objection to the EGDRP on 15 September 2020</li> <li>• IFB issued on 15 September 2020</li> <li>• Bid opening on 27 October 2020</li> </ul>	<ul style="list-style-type: none"> <li>• Continue Surface water quality: pH, To, TSS, DO, BODS, COD, Total N, Turb, Oil, CaCO<sub>3</sub> and Grease, Hg, Cd, Pb, Ni, Zn, Cu, Cr (VI), Fe, Cl-, Coliform by every 6 months</li> <li>• Continue monitoring of groundwater quality pH, TSS, DO, BODS, COD,</li> </ul>

		<ul style="list-style-type: none"> <li>• DED clearance certificate by DPWT/Vientiane Province on 04 November 2020</li> <li>• GRM training for PIU and the resettlement committee conducted (Vang Vieng District) on 14 December 2020</li> <li>• UXO clearance by the Vang Vieng District Governor/Vientiane Province on 16 Dec 2020</li> <li>• Compensation Payment to the affected people on dated 17 December 2020</li> <li>• Environmental Compliance Certificate (ECC) on (IEE/EMP) issued by PONRE/Vientiane Province on 22 December for a period of 21 Dec 2020 to 20 Dec 2021</li> <li>• ADB No Objection to the BER on 28 December 2020</li> <li>• The Letter of Acceptance was issued on 12 February 2021</li> <li>• The Contract was signed on 19 February 2021</li> <li>• The site possession was given on 24 March 2021</li> <li>• Kick-off meeting was conducted on 2nd April 2021</li> <li>• The CEMP was approved with conditions by PMCES on 5th of April 2021</li> <li>• The Notice to Proceed (NTP) was given on 5th of April 2021 with commencement of works from 19th of April 2021</li> <li>• CEMP Training for the Contractor dated 18 June 2021</li> <li>• Groundwater monitoring in Sep-Dec 2021</li> <li>• Surface water monitoring in Sep-Dec 2021</li> <li>• ADB MTR Mission visited the project site on 19th May 2022</li> <li>• Groundwater monitoring in July 2022</li> <li>• Surface water monitoring in July 2022</li> <li>• CCR for Vang Vieng Solid Waste Management Improvements has been posted on the web.</li> </ul> <p><a href="https://www.adb.org/projects/documents/lao-49387-002-smr">https://www.adb.org/projects/documents/lao-49387-002-smr</a> dated 12Sep22</p> <ul style="list-style-type: none"> <li>• ADB approved SMR No. 5 and disclosed on 27 Dec 2022 including accident Report</li> <li>• ADB No Objection on Contract Variation (CV No. 1) on dated 02 March 2023 including the Extension of the intended completion date by 365 days, from 20 April 2023 to 20 April 2024, to enable completion of the remaining works.</li> <li>• Extend the contract's intended completion date by 365 days, from 20 April 2023 to 20 April 2024, to enable completion of the remaining works</li> <li>• ADB No Objection on Contract Variation Order (VO No. 2) on dated 28 December 2023</li> </ul>	<p>Total N, Turb., P043-, Oil, CaCO<sub>3</sub> and Grease, Hg, Cd, Pb, Ni, Zn, Cu, Cr (VI), Fe, Cl<sup>-</sup>, Coliform by every 6 months</p> <ul style="list-style-type: none"> <li>• Continue Leachate samples: pH, BODS, COD, Turb., and heavy metal such as Cd, As, Zn, Cr (VI), Pb, and Cu by every 6months interval.</li> <li>• As –built drawings</li> <li>• O&amp;M training for the infrastructure facilities</li> <li>• The Defects Liability Inspection by the Committee</li> <li>• The Defects Liability Certificate</li> <li>• The Closure Report</li> <li>• Final accounts &amp; payment release</li> <li>• Closure of File</li> </ul>
--	--	---	--

		<ul style="list-style-type: none"> <li>• Contract Variation Order No. 2 (CVO-2) Agreement will be signed by the parties on dated 02 January 2024</li> <li>• Extend the contract's intended completion date by 41 days, from 20 April 2024 to 31 May 2024, to enable completion of the remaining Works.</li> <li>• The Civil Works Contract is handed over on 1st June 2024. The official ceremony took place on 19 July 2024.</li> <li>• The defects liability is for 365 days scheduled to end 31 May 2025.</li> </ul>	
--	--	---	--

**Stage-2: TIIGP2-LAO-W02, TIIGP2-LAO-W03 and TIIGP2-LAO-W03a (subprojects V1, V2, V3 & V4)**

In parallel to the work on the Stage-1 subprojects, the PMCES Consultant completed the final detailed design, engineering-related and safeguard-related bidding documents and updated safeguards documents, and provided inputs in the bidding documents, which have been prepared in collaboration with the Financial Management and Procurement Specialists (individual consultants engaged by the Project) for the stage-2 subprojects V1, V2, V3 & V4, packaged as follows:

**Works Package: TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements**

Subproject V1: Nam Ngum Reservoir Access Improvements

**Works Package TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements**

Subproject V2: Kaeng Yui Waterfall Access Improvements

Subproject V3: Western Loop Rural Access Road and Bridge Improvements

**Works Package TIIGP2-LAO-W03a: Vang Vieng Urban Renewal**

Subproject V4: Vang Vieng Urban Renewal

**TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements (Subproject V1)**

During Q2 2020, a stakeholder consultative meeting on Draft Design for the subproject Nam Ngum Reservoir Access Improvements (V1) was held. The Detailed Engineering Design (DED), incorporating feedback from the consultation meeting, was submitted to MICT and ADB and was cleared by ADB in Q3 2020. The invitation for Bids (IFB) for this Package was published on 18<sup>th</sup> September 2020, with a submission deadline and bid opening on 30<sup>th</sup> October 2020.

ADB issued NOL to the BER on 20 April 2021. The Letter of Acceptance was issued on the same day to the Contractor. The contract was awarded on 26<sup>th</sup> April 2021. The site possession was given on 4<sup>th</sup> June 2021. The Notice to Proceed (NTP) was given on 16<sup>th</sup> June 2021 with commencement of works from 1<sup>st</sup> July 2021. The period of performance is 731 calendar days, and the intended completion date is therefore 30<sup>th</sup> June 2023. The Intended Completion Date was extended from 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024 as approved by ADB on 28<sup>th</sup> June 2023 because of the COVID-19 pandemic in 2021-2022 and the updated resettlement plan which was Contract Variation Order No. 1.

Contract Variation Order (VO No. 2) was approved by ADB on dated 22<sup>nd</sup> December 2023 cost implication to the project due to modification of design for (i) the slope stability against overturning and sliding for both the marina and access road, (ii) extension of Kitchen behind the shop houses, (iii) quantities missed in the BoQ, and (iv) construction of the MPS temporary Facilities, and (v) Additional rock transportation cost outside of the project area. The total contract amount will increase by \$661,734.14 (14.17% of the original contract amount), from \$4,669,065.14 to \$5,330,799.28.

The Intended Completion Date was extended once more from July 1, 2024, to September 30, 2024, as approved by the ADB on July 31, 2024. This extension was due to unforeseen ground conditions at the marina landscape site, which led to the issuance of Variation Order No. 3.

The Works for TIIGP2-LAO-W02 Consists of:

- Construction of a 1,200m<sup>2</sup> parking area which has a capacity of 4 buses and 34 cars and an overflow parking area, which has a capacity of around 27 cars.
- Improving the existing public marina to safely accommodate 50 to 60 local tour boats and launch small recreational vessels, e.g. kayaks and sailboats;
- Renovation of the existing walkway into a friendly walking path and boardwalk, with view decks and a step landscape allowing visitors to relax, improve the accessibility of disable.
- Redevelopment of unsanitary and poorly constructed market stalls and small shops/restaurants into new 3,860m<sup>2</sup> public market and shop houses that incorporate Lao traditional architectural design
- Construction of five private pavilions, and one iconic circular pavilion, which is the landmark of this recreational area.
- Installation of septic tanks in all public buildings and a wastewater pump out station/ holding tank at the marina, wetland treatment and Construction new site storm drainage and slope protection
- Improve domestic water supply by construction new treatment tank.
- Install new outdoor lighting, landscape fixture and waste bins.
- Construction access road and install of floating ferry dock.
- Construction of 32 Nos of Shop houses

The implementation of civil works, including variation orders, was substantially completed in November 2024, and the Completion Certificate has been issued. A defects punch list has been prepared, with the defects liability period running from October 1, 2024, to September 30, 2025. The civil works handover took place on December 3, 2024, and the final payment was made, releasing 50% of the retention money upon issuance of the Completion Certificate. The contract remains valid until the Defects Liability period is passed.

As of March 31, 2025, the Civil Works Contract is under the Defects Liability Period. Several defects have been rectified, and rectification will continue based on defects punch list as well as any additional defects are identified.

To obtain the Defects Liability Certificate, the Contractor must complete all necessary repairs within the Defects Liability Period. If defects remain unresolved, the period will be extended until all issues are rectified. Failure to correct defects within the timeframe specified in the Project Management Notice will result in the Project Manager assessing the cost of repairs, which the Contractor must bear as per GCC 44 of the Conditions of Contract. Non-compliance may lead to withholding of retention money, delayed Final Acceptance, contractual penalties, legal claims, and safety or operational risks affecting project functionality.

The Revised Contract Price at the end of the completion period was \$5,330,799.28, reflecting a 14.17% increase from the original contract price of \$4,669,065.14, in accordance with Contract Variation Order No. 2

The PMCES Consultant is currently supporting the preparation and implementation of the following additional small works packages under the Nam Ngum 1 Reservoir Recreational Area, following the completion of contract TIIGP2-LAO-W02:

- **TIIGP2-LAO-W07:** Small Works for Boat Docking Facility

- **TIIGP2-LAO-W08:** Small Works for Road Improvement from parking to public boat landing and new loop road including guardrail installation.
- **TIIGP2-LAO-G09:** Installation of electricity supply for restaurant boats + Waste water treatment system improvements at Nam Ngum 1 Reservoir Recreational Area

These packages have been newly created to implement supplementary facilities and are scheduled for procurement in **Q2/2025** under the **Shopping** method. The consultant's role includes technical review, coordination with stakeholders, support for procurement, and monitoring of implementation progress.

TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements (subprojects V2, V3)

During the period of Q2 2020, a stakeholder consultative meeting on draft design for the subprojects Kaeng Yui Waterfall Access Improvements (V2), Western Loop Rural Access Road and Bridge Improvements (V3), Vang Vieng Urban Renewal (V4) was held. The Detailed Engineering Design (DED), incorporating feedback from the consultation meeting, was submitted to MICT and ADB and was cleared by ADB the last reporting period. The invitation for Bids (IFB) for this Package was published on 1 October 2020, with a submission deadline and bid opening on 12 November 2020. The BER was approved on dated 15 July 2021. The contract was awarded on 23 July 2021. The Notice to Proceed (NTP) was given on 24<sup>th</sup> August with commencement of works from 1<sup>st</sup> September 2021. The period of performance is 731 calendar days, and the intended completion date is therefore 1<sup>st</sup> September 2023.

The Intended Completion Date was extended from 2nd September 2023 to 1st September 2024, as approved by ADB due to the impact of the COVID-19 pandemic in 2021-2022 and the delay in testing bored piles for Nam Xong Bridge, which constituted Variation Order No. 1 with internal cost adjustments without altering the original contract amount of USD 8,829,630.71.

The Intended Completion Date was again extended from 2nd September 2024 to 28th February 2025, as approved by ADB dated 21 August 2024 due to the impact of the unforeseen ground conditions of the Kaengyui Landscape Site, which constituted Variation Order No. 2 with internal cost adjustments without altering the original contract amount of USD 8,829,630.71 but to revise quantities of some work items and adjust the corresponding budget.

CVO-3 grants a 121-day Extension of Time (EOT) from March 1, 2025, to June 30, 2025, due to delays beyond the Contractor's control with no cost implications, while a net variation of USD 153,439.12, resulting from quantity adjustments in the V2 and V3 subprojects and Provisional Works, is covered by contingency and savings, ensuring that the Revised Accepted Contract Price remains unchanged at USD 8,829,630.71, which includes an outstanding contingency of USD 236,403.60, with ADB providing its no-objection on February 26, 2025

The Works for the updated TIIGP2-LAO-W03 Package (Subprojects V2 and V3) consists of:

Key Scopes	V2	V3	Total
Road Rehabilitation in Km	6.0 (Rigid pavement)	26.595 (Flexible pavement/DBST)	32.595 km Pavement
Pipe culverts Nos.	12 (5 nos. of 600 dia., 2 nos. of 800 dia., 4 nos. of 1000 dia., 1 no. of 1200 dia.)	52 (20 nos. of 600 dia., 11 nos. of 800 dia., 13 nos. of 1000 dia., 8 no. of 1200 dia.)	64 nos. pipe culverts
Causeway Culvert Nos.	1 (with sluice gate)	3	4 nos.

Key Scopes	V2	V3	Total
New Bridge over NamXong	NA	1 no. bridge of 3 spans (27.9 x 3 = 83.70m) simply supported pre-stressed concrete I-girder bridge of deck width 11.6m	1 no.
Nos. of Bridge Repair	1 no.	3 nos.	4 nos.
Existing bridge slope protection	2 nos.	3 nos.	5 nos.
Retaining Wall (m)	60m	NA	60m
Breast Wall (m)	520m	540m	1,060m
Roadside Drains	V-shaped unlined, Lined trapezoidal and RCC Rectangular	V-shaped unlined, Lined trapezoidal and RCC Rectangular	
Landscape and building	<ul style="list-style-type: none"> <li>- Renovating dining pavilions, kitchen, public toilet</li> <li>- Building changing hut</li> <li>- Renovating suspension bridge</li> <li>- Building 2 arch bridge in reinforced concrete</li> <li>- Improving forest walkway (trekking and stone stairs)</li> <li>- Construction of new view deck near waterfall</li> </ul>	<ul style="list-style-type: none"> <li>- Remove existing deck and its support</li> <li>- Install new decking and support frame</li> <li>- Install new railing</li> </ul>	

As of March 31, 2025, the overall implementation progress stands at 91.10%, falling short of the scheduled target of 93.51% as outlined in the revised work program under the amended contract and approved extension of time in February 2025. The progress achieved in March 2025 was 1.71%, which is below the planned target of 3.71%.

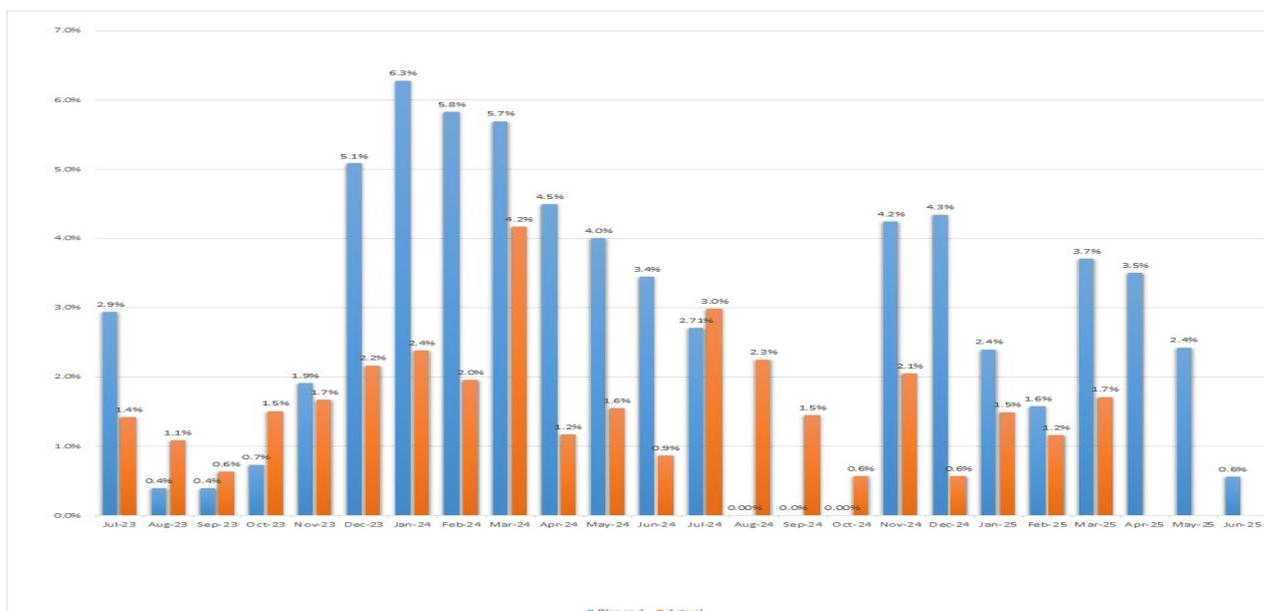
During this quarter, the Contractor achieved 4.36% progress against a target of 6.7%, falling short by 2.41% due to inadequate resources.

During the reporting period, the Contractor undertook various activities including (i) Installation of concrete curbs and blocks for parking and walkway at Kaeng Yui landscaping; (ii) Installation of handrails for bridge 3 and viewing deck; (iii) Pouring concrete pavement for parking; (iv) Minor slope protection through gabion mattresses construction in the parking area; and (v) painting of brick wall for clothes changing hut.

In terms of road infrastructure, activities included (i) Applying 1<sup>st</sup> seal coat for road R1 in Western Loop; (ii) Laying stone masonry protection for bridge road 1 in the Western Loop; and (iii) Construction of RC retaining walls for two causeways in Western Loop.

Key completed activities include the View Point and Walk Bridge, while major outstanding works focus on the landscape area and access road finishing. Risk NOT to complete the Sub-project (V2) is still high, however, critical activities reduced from 3 to 1. Labour engagement is on 15 while 21 labour forces are required.

The progress chart of the reporting period is presented below:



Specific site progress included Kaeng Yui (88% out of this Access Road 86%, Landscape 66% and building 96%), the Western Loop (96%), and the Nam Xong bridge (97%).

### Works executed in Q12025 (Jan – Mar 2025)

Item	Description	January to March 2025	
		Amount (USD)	Progress
BILL No. 01: GENERAL PROVISIONS		5,650.00	
BILL NO. 02: PROVISIONAL SUM FOR DAYWORK (COPETITIVE)		-	
BILL No. 1 LANDSCAPE FOR KAENG YUI		85,912.04	
BILL No. 2 BUILDING FOR KAENG YUI		49,506.79	
BILL No. 3: ROAD IMPROVEMENT FOR KAENG YUI		2,180.25	
BILL No. 4: ALL CULVERTS FOR KAENG YUI		8,586.00	
BILL No. 5: BRIDGE REPAIR FOR KAENG YUI		-	
BILL No. 2: BRIDGE REPAIR FOR WESTERN LOOP		-	
BILL No. 3: ROAD IMPROVEMENT FOR WESTERN LOOP		140,457.74	
BILL No. 4: ALL CULVERTS FOR WESTERN LOOP		52,125.11	
'BILL No. 5: BRIDGE FOR WESTERN LOOP		27,631.73	
<b>Total Executed Amount</b>		<b>372,049.66</b>	<b>4.36%</b>

Consultant's Findings	Results as of 31 December 2025
(i) meet monthly progress target in August, September and October 2023,	<ul style="list-style-type: none"> <li>Progress in Aug 1.1% (Target 0.4%)</li> <li>Progress in Sep 0.6% (Target 0.4%)</li> <li>Progress in Oct 1.5% (Target 0.7%)</li> <li>Progress in Nov 1.7% (Target 1.9%)</li> <li>Progress in Dec 2.2% (Target 5.1%)</li> <li>Progress in Jan 2.4% (Target 6.3%)</li> <li>Progress in Feb 1.96% (Target 5.8%)</li> <li>Progress in Mar 4.17% (Target 5.69%)</li> <li>Progress in Apr 1.17% (Target 4.50%)</li> <li>Progress in May 1.55% (Target 4.01%)</li> </ul>

	<ul style="list-style-type: none"> <li>• Progress in June 0.86% (Target 3.45%)</li> <li>• Progress in July 2.99% (Target 2.71%)</li> <li>• Progress in Aug 2.25% (Target 2.84%)</li> <li>• Progress in Sep 1.45% (Target 2.71%)</li> <li>• Progress in Oct 0.57% (Target 2.98%)</li> <li>• Progress in Nov 2.06% (Target 4.24%)</li> <li>• Progress in Dec 0.57% (Target 4.34%)</li> <li>• Progress in Jan 2025 1.49% (Target 2.40%)</li> <li>• Progress in Feb 2025 1.16% (Target 1.31%)</li> <li>• Progress in Mar 2025 1.71% (Target 3.71%)</li> </ul> <p><b>Result: Satisfactory for Aug, Sep, Oct, Nov 2023, July 2024, Aug 2024 and un-satisfactory for Dec, 2023, Jan, Feb, Mar, Apr, May, Jun, Sep, Oct, Nov, Dec 2024, Jan, Feb &amp; Mar 2025</b></p>
(ii) meet at least 90% of planned equipment, manpower, materials,	<ul style="list-style-type: none"> <li>• Manpower – 47%, Equipment - 60%, Material – 95% in Aug 2023</li> <li>• Manpower – 56%, Equipment - 52%, Material – 96% in Sep 2023</li> <li>• Manpower – 70%, Equipment - 71%, Material – 95% in Oct 2023</li> <li>• Manpower – 38%, Equipment - 57%, Material – 38% in Nov 2023</li> <li>• Manpower – 38%, Equipment - 49%, Material – 47% in Dec 2023</li> <li>• Manpower – 26%, Equipment - 47%, Material – 23% in Jan 2024</li> <li>• Manpower – 24%, Equipment - 33%, Material – 25% in Feb 2024</li> <li>• Manpower – 24%, Equipment - 32%, Material – 77% in Mar 2024</li> <li>• Manpower – 25%, Equipment - 31%, Material – 15% in Apr 2024</li> <li>• Manpower – 24%, Equipment - 29%, Material – 87% in May 2024</li> <li>• Manpower – 21%, Equipment - 23%, Material – 27% in June 2024</li> <li>• Manpower – 21%, Equipment - 23%, Material – 27% in July 2024</li> <li>• Manpower – 49%, Equipment - 64%, Material – 72% in Aug 2024</li> <li>• Manpower – 55%, Equipment - 63%, Material – 92% in Sep 2024</li> <li>• Manpower – 55%, Equipment - 62%, Material – 54% in Oct 2024</li> <li>• Manpower – 40%, Equipment - 69%, Material – 31% in Nov 2024</li> <li>• Manpower – 36%, Equipment - 57%, Material – 45% in Dec 2024</li> <li>• Manpower – 38%, Equipment - 69%, Material – 43% in January 2025</li> <li>• Manpower – 43%, Equipment - 65%, Material – 43% in February 2025</li> <li>• Manpower – 47%, Equipment - 53%, Material – 45% in March 2025</li> </ul> <p><b>Result: Unsatisfactory</b></p>
(iii) EA reassesses progress of DBST Works outsources to a new Contractors.	<ul style="list-style-type: none"> <li>• 4.0Km of 1st Seal coat of DBST completed before rainy season of 2023</li> <li>• 6.0Km of 1st Seal coat of DBST completed in October 2023 (R1+R2)</li> <li>• 4.0Km of 1st Seal coat of DBST is completed in Nov 2023</li> <li>• 3.0Km of 1st Seal coat of DBST is completed in Dec 2023</li> <li>• 4.0Km of 1st Seal coat of DBST is completed in Dec 2023</li> <li>• 1.3Km of 1st Seal coat of DBST is completed in Jan 2024</li> <li>• 0.0Km of 1st Seal coat of DBST is completed in February 2024</li> <li>• 4.60Km of 1st Seal coat of DBST is completed in March 2024</li> <li>• Trail length of 2nd Seal coat of DBST is completed in April 2024</li> <li>• 12.5Km of 2nd Seal coat of DBST is completed in May 2024</li> <li>• 3.2Km of 2nd Seal coat of DBST is completed in Jun 2024</li> <li>• 5.0Km of 2nd Seal coat of DBST is completed in Jul 2024</li> <li>• 0Km of 2nd Seal coat of DBST is completed in Aug 2024</li> <li>• 0Km of 2nd Seal coat of DBST is completed in Sep 2024</li> <li>• 0Km of 2nd Seal coat of DBST is completed in Oct 2024</li> <li>• 0Km of 2nd Seal coat of DBST is completed in Nov 2024</li> <li>• 0Km of 2nd Seal coat of DBST is completed in Dec 2024</li> <li>• 5.6 km 2nd Seal coat of DBST is completed in January 2025</li> <li>• 1.0 km 2nd Seal coat of DBST is completed in February 2025</li> </ul> <p><b>Result: Unsatisfactory</b></p>

**Below is the Special Consultant’s Report on the Contractor’s Performance as of 31 March 2025.**

### Key Issues and Concerns

- **Critical Slow Progress:** The contractor has failed to meet key milestones within the agreed timeframe.
- **Inadequate Resource Allocation:** Only **18 laborers** are currently on site instead of the required **50 personnel without subcontracting arrangement**.
- **Cash Flow Management Issues:** Limited financial resources have hindered subcontractor engagement, further slowing progress.
- **Defects and Pending Works:** Key unfinished activities include DBST sealing, embankment and bridge protections, drainage work, landscape work, footpaths, road traffic control and safety, street lighting, retaining walls, and concrete approach roads.

### Required Actions

Given the limited remaining time, the only viable option to complete the project is **subcontracting the remaining works with proper cash-flow management**. The following actions are required:

1. **Immediate Subcontracting Authorization:** The contractor must authorize the nominated subcontractor to take over key remaining tasks.
2. **Urgent Resource Mobilization:** Additional manpower, equipment, and materials must be deployed immediately.
3. **Accelerated Work Plan:** The contractor must submit a **detailed recovery schedule**, including task prioritization, deadlines, and resource allocation.

### Contractor Commitment:

The contractor, Xayya Construction, committed to completing principal activities by 15 June 2025 while maintaining a daily workforce of 21 workers and mobilizing specialized subcontractors for guardrails, signage, and lighting. The mission emphasized strict timeline adherence, quality, safety, and environmental compliance, confirming that no further contract extensions will be allowed beyond 30 June 2025, after which liquidated damages will apply.

### Consultant Recommendation:

Proactive contract management through identification of critical activities and required actions, strict monitoring of milestone dates, and mobilization of specialized subcontractors to complete the outstanding works

The risk not to complete the works is still very high.

### TIIGP2-LAO-W03a: Vang Vieng Urban Renewal

Package TIIGP2-LAO-W03a had been on hold pending physical completion of Contracts TIIGP2-LAO-W02 and TIIGP2-LAO-W03 of 50% as recommended by the ADB during the Midterm Review mission in May 2022. This criteria was met in Q2 2023, and rescoping has been taken place in Q3 2023, and DED to reflect revised design, safeguards documents, as well as bidding documents are being prepared aiming for issuance of invitation for bids by Q2 2024, contract award by Q3 2024 and commencement of works by Q4 2024. The expected contract period is 15 months, and so an extension of the project was needed, as the construction period would run beyond the grant closing date (30 June 2025). The EA has received approval of MOF as well as ADB for a 12-month project extension, until 30 June 2026.

The 1st Draft Final design was prepared in August 2020. During this month, consultations with the local authority were completed, rescoping was finalized, and modifications were made to the Detailed Engineering Design (DED) by the PMCES. Out of the originally planned 21 sections, a total of 11 sections have been considered in the revised design.

The DED is now more aligned with the Vang Vieng Town and Environs Tourism Master Plan (2023-2033), it ensures that the detailed engineering design of the project is consistent with the broader vision and objectives set forth in the master plan. This alignment is crucial for

achieving sustainable development, minimizing conflicts, maximizing efficiency, and ensuring that the project contributes positively to the overall development goals of Vang Vieng.

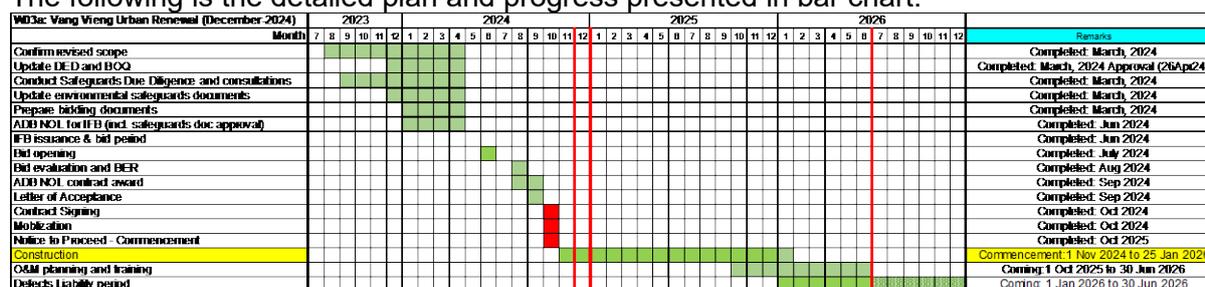
The bidding documents were submitted to ADB for review and approval. ADB approved the documents in early June 2024, and they were subsequently issued and advertised in the Vientiane Times on 7, 10, and 11 June 2024. The bid opening took place on 8 July 2024, and ADB provided No Objection to the Bid Evaluation Report (BER) on 19 September 2024. The Notification of Intention to Award was issued on 20 September 2024, and the Letter of Acceptance was sent on 25 September 2024. The contract was signed in 17 October 2024. The site possession was given on 21 October 2024. The Notice to Proceed (NTP) was issued on 25 October 2024. The Civil Works commenced on 1st November 2024.

As of March 31, 2025, the overall implementation progress stands at 15.24%, behind the scheduled target of 19.24%. The progress achieved in March 2025 was 6.54%, which is behind the planned target of 13.62%.

During the reporting period, the contractor focused on casting gullies, concrete kerbs at the construction camp, while carrying out (i) cleaning the existing U-ditches of Road B at Km 0+800 – 0+000 L/S and R/S; (ii) kerb installation of Road B at Km 0+800 – 0+000 L/S and R/S; installation of gullies for Road B at Km 0+900 – 0+000 L/S and R/S including gutter construction; and (iii) New U-ditch construction of Road E at 0+000 – 0+100 L/S and at Km 0+100 – 0+180 L/S including catch basins; and (iv) New U-ditch construction of Road E1 at Km 0+000 – 0+220 L/S and R/S including catch basins.

During the reporting period, the contractor focused on casting gullies and concrete kerbs at the construction camp, while carrying out pothole repairs on-site. The Contractor is preparing Shop Drawings and Variation of the Contract Quantities to present to the Project Implementation Unit (PIU) and Project Coordination Unit (PCU) through the Consultants since there were potholes adjustment and adjustment of Asphalt Overlay to keep the road sustainable.

The following is the detailed plan and progress presented in bar chart:



Status of Stage-2 Works Packages:

Sub-project W02	Status at start	Present Status	Outstanding Works
<b>TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements</b> • V1: Nam Ngum Reservoir Access Improvements	<ul style="list-style-type: none"> <li>Preliminary design</li> <li>IEE/EMP drafted</li> <li>RP drafted</li> <li>IP drafted</li> </ul>	<ul style="list-style-type: none"> <li>Conceptual design prepared and confirmed following consultation with stakeholders on 15 August 2019 and 16 September 2019</li> <li>Technical Engineering Survey both Topographical and Geotechnical completed on 29 February 2020</li> <li>Updated FS cost on 31 March 2020</li> <li>DED and BD Submission by PMCES on 28 July 2020</li> </ul>	<ul style="list-style-type: none"> <li>As –built drawings</li> <li>O&amp;M training for the infrastructure facilities</li> <li>Routine monthly Defects Repairing Follow-up</li> <li>The Defects Liability</li> </ul>

Sub-project W02	Status at start	Present Status	Outstanding Works
		<ul style="list-style-type: none"> <li>• ADB No Objection to the DED on 14 August 2020</li> <li>• DED clearance certificates by DPWT/ Vientiane Province on 04 September 2020</li> <li>• ADB No Objection to the Bidding Document on 16 September 2020</li> <li>• ADB No Objection subject to condition to the IEE and EMP on 17 September 2020</li> <li>• IFB issued on 18 September 2020</li> <li>• ADB No Objection to the RP on 25 September 2020</li> <li>• Bid opening, on 30 October 2020</li> <li>• DED clearance certificates by DPWT/Vientiane Province on 04 September 2020</li> <li>• Environmental Compliance Certificate (ECC) on (IEE/EMP) by PONRE/Vientiane Province on 07 September for the period of 01 September 2020 to 31 August 2021</li> <li>• GRM training for PIU and the resettlement committee conducted on 07 December 2020</li> <li>• Public consultations conducted at the village level with project beneficiaries and affected households on dated 08 Dec 2020;</li> <li>• Obtain the government's approval on the use of the protected forest areas on 11 Dec 20</li> <li>• Further updated the IEE and EMP based on outcome of these consultations to the ADB on 29 December 2020</li> <li>• ADB No objection to updated IEE/EMP dated on 26 January 2021</li> <li>• ADB Disclosed updated IEE/EMP on the Website dated on 26 February 2021</li> <li>• The National Regulatory Authority (NRA) office did the UXO survey issued a certificate of no risk of UXOs at site for the Nam Ngum Access Improvement subproject on 11 March 2021</li> <li>• ADB No Objection to the BER on 20 April 2021</li> <li>• The Letter of Acceptance was issued on 20 April 2021</li> <li>• The Contract was signed on 26 April 2021</li> <li>• The site possession was given on 4 June 2021</li> <li>• Kick-off meeting was conducted on 2nd April 2021</li> <li>• The Notice to Proceed (NTP) was given on 16th of June 2021 with commencement of works from 1st of July 2021</li> <li>• CEMP Training for the Contractor was conducted on 26 August 2021</li> </ul>	<p>Inspection by the Committee</p> <ul style="list-style-type: none"> <li>• The Defects Liability Certificate</li> <li>• The Closure Report</li> <li>• Final accounts and payment release</li> <li>• Closure of File</li> </ul>

Sub-project W02	Status at start	Present Status	Outstanding Works
		<ul style="list-style-type: none"> <li>• CEMP monitoring training was conducted during 25-26 November 2021 by the PMCES Environment Specialists.</li> <li>• ADB No Objection to the Revised RP on 29 March 2022</li> <li>• Compensation to AHs in Marina was fully implemented in April 2022</li> <li>• Soil disposal area was confirmed/approved in April 2022 by DONRE</li> <li>• Site possession to the Marina was given on 22 April 2022 with commencement of marina works from 6th May 2022</li> <li>• CEMP was approved in May 2022</li> <li>• ADB MTR Mission visited the project site on 19th May 2022</li> <li>• ADB approved SMR No. 5 and disclosed on 27 Dec 2022 including accident Report</li> <li>• ADB provided no-objection on 28 June 2023 to the Variation Order No.01 related to the Extension of the Intended Completion Date until 30 June 2024</li> <li>• ADB No Objection on Contract Variation Order (VO No. 2) on dated 22 December 2023</li> <li>• Contract Variation Order No. 2 (CVO-2) Agreement was signed by the parties on dated 25 December 2023</li> <li>• ADB No Objection on Contract Variation Order (VO No. 3) on dated 31 July 2024 - The Intended Completion Date was extended once more from July 1, 2024, to September 30, 2024, as approved by the ADB on July 31, 2024.</li> <li>• Certificate of Completion by the Contractor was requested on 23 Nov 2024</li> <li>• The Employer issued the Completion Certificate on 25 Nov 2024 to the Contractor/</li> <li>• The Civil Works Contract has been taken over and the 365 days Defects Liability Period has been started from 1st October 2024.</li> <li>• Final payment at the end of 100% substantial completion was done with 50% retention release.</li> <li>• Outstanding Defects List have been prepared and regularly following up.</li> <li>• Outstanding Defects List have been prepared and regularly following up.</li> </ul>	

Sub-project- W03	Status at start	Present Status	Outstanding Works
<b>TIIGP2-LAO-W03:</b> Kaeng Yui Waterfall Access Improvements	<ul style="list-style-type: none"> <li>• Preliminary design</li> <li>• IEE/EMP drafted</li> </ul>	<ul style="list-style-type: none"> <li>• Conceptual design prepared and confirmed following consultation with stakeholders on 16 August 2019 and 17 September 2019</li> </ul>	<ul style="list-style-type: none"> <li>• Continue with approving of</li> </ul>

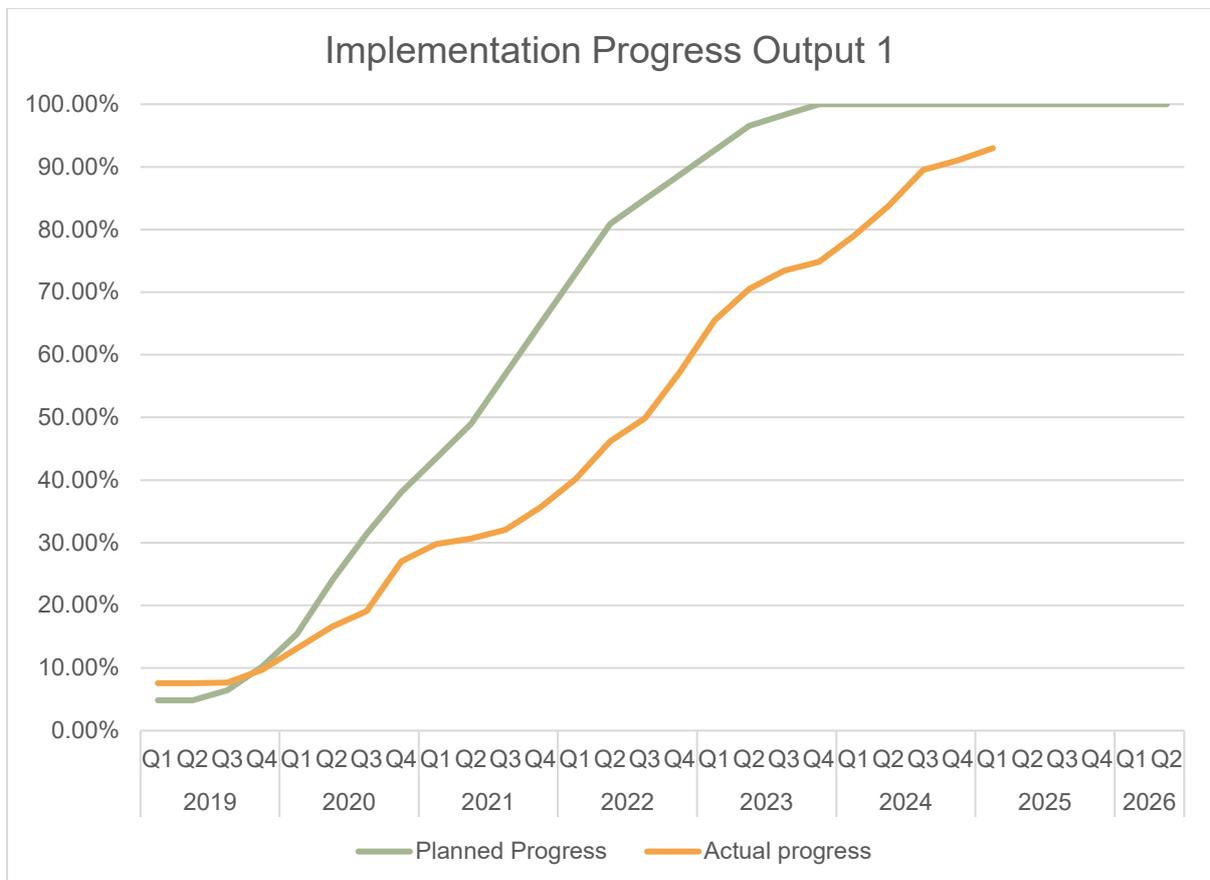
Sub-project-W03	Status at start	Present Status	Outstanding Works
<p>and Western Loop Rural Access Road and Bridge Improvements</p> <ul style="list-style-type: none"> <li>• V2: Kaeng Yui Waterfall Access Improvements,</li> <li>• V3: Western Loop Rural Access Road and Bridge Improvements,</li> </ul>	<ul style="list-style-type: none"> <li>• RP drafted</li> <li>• IP drafted</li> </ul>	<ul style="list-style-type: none"> <li>• Technical Engineering Survey both Topographical and Geotechnical completed on 29 February 2020</li> <li>• Updated FS cost on 31 March 2020</li> <li>• DED and BD Submission by PMCES on 07 August 2020</li> <li>• ADB No Objection to the DED on 24 September 2020</li> <li>• ADB No Objection to the EGDRP on 28 September 2020</li> <li>• ADB No Objection subject to conditions to the IEE and EMP on 29 September 2020</li> <li>• ADB No Objection to the Bidding Document 29 September 2020</li> <li>• IFB issued on 01 October 2020</li> <li>• Bid opening on 12 November 2020</li> <li>• DED clearance certificate by DPWT/Vientiane Province on 04 November 2020</li> <li>• The Governor of Vang Vieng District issued a certificate of no risk of UXOs at site for the Western Loop Rural Access Road and Bridge Improvements subproject on 16 December 2020</li> <li>• GRM training for PIU and the resettlement committee conducted (Vang Vieng District) on 14 December 2020</li> <li>• Public consultations with affected people conducted on 15 and 16 December 2020</li> <li>• Compensation Payment to the affected people on dated 16 December 2020</li> <li>• IEE/EMP Safeguard is updated and submitted by PMCES on 12-Feb-2021 based on outcome of additional consultations and pending approval from ADB</li> <li>• The Sang Seng Xor 1 Division of Army office at Vang Vieng District who did the UXO survey issued a certificate of no risk of UXOs at site for the Kang Yui Waterfall subproject on 18 February 2021</li> <li>• Environmental Compliance Certificate (ECC) on (IEE/EMP) by PONRE/Vientiane Province on 07April for the period of 01 April 2021 to 31 March 2022</li> <li>• Government assurances regarding /CB Works Package TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements on 7 July 2021ADB No Objection to the BER on 15 July 2021</li> <li>• The Letter of Acceptance was issued on 20 July 2021</li> <li>• The Contract was signed on 23 July 2021</li> <li>• The Notice to Proceed (NTP) was given on 24th August with commencement of works from 1st of September 2021</li> </ul>	<p>Shop-drawings by April 2025</p> <ul style="list-style-type: none"> <li>• Continuation of DBST by April 2025</li> <li>• Continue retaining wall and slope protection for Abutments A1&amp;A2 and approach roads of Nam Xong Bridge Construction by April 2025</li> <li>• Continue construction of Kaeng Yui landscaping by April 2025</li> </ul>

Sub-project-W03	Status at start	Present Status	Outstanding Works
		<ul style="list-style-type: none"> <li>• The site possession was given on 03 September 2021</li> <li>• Kick-off meeting was conducted on 03 September 2021</li> <li>• CEMP monitoring training was conducted on 29 November 2021 by the PMCES Environment Specialists.</li> <li>• The 28 Nos of Bored Pile Construction completed by 10th of April 2022</li> <li>• ADB MTR Mission visited the project site on 20th May 2022</li> <li>• ADB approved SMR No. 5 and disclosed on 27 Dec 2022 including accident Report</li> <li>• ADB No Objection on Contract Variation Order (VO No. 1) on dated 01 September 2023 Extend the contract's completion date by 365 days, from 2 September 2023 to 1st September 2024, to enable completion of the remaining Works</li> <li>• ADB No Objection on Contract Variation Order (VO No. 2) dated 21 Aug 2024 on Extend the contract's completion date by 179 days, from 2 September 2024 to 28<sup>th</sup> February 2025, to enable completion of the remaining Works</li> <li>• ADB No Objection on Contract Variation Order (VO No. 3) dated 26 February 2025 on Extend the contract's completion date by 121 days, from 1 March 2025 to 30th June 2025, to enable completion of the remaining Works</li> </ul>	

Sub-project-W03a	Status at start	Present Status	Outstanding Works
<b>TIIGP2-LAO-W03a:</b> TIIGP2-LAO-W03a: Vang Vieng Urban Renewal <ul style="list-style-type: none"> <li>• V4: Vang Vieng Urban Renewal</li> </ul>	<ul style="list-style-type: none"> <li>• Preliminary design</li> <li>• IEE/EMP drafted</li> <li>• RP drafted</li> <li>• IP drafted</li> </ul>	<ul style="list-style-type: none"> <li>• Conceptual design prepared and confirmed following consultation with stakeholders on 16 August 2019 and 17 September 2019</li> <li>• Technical Engineering Survey both Topographical and Geotechnical completed 29 February 2020</li> <li>• Updated FS cost on 31 March 2020</li> <li>• DED and BD Submission by PMCES on 07 August 2020</li> <li>• ADB No Objection to the DED on 24 September 2020</li> <li>• DED clearance certificate by DPWT/Vientiane Province on 04 November 2020</li> <li>• Modified DED and BD Submission by PMCES on 29 February 2024</li> <li>• Modified IEE and EMP Submission by PMCES on 06 February 2024</li> <li>• Due Diligence Report (DDR) Submission by PMCES on 06 February 2024</li> <li>• ADB approved the bidding documents on 16 May 2024.</li> </ul>	<ul style="list-style-type: none"> <li>• Method of statement of Potholes repaired</li> <li>• Method of statement of clearing the drain</li> <li>• The Final approval of CEMP</li> <li>• Approval of shop drawings Section-A</li> <li>• Approval of sidewalk paving pattern</li> <li>• Approval of Asphalt Adjustment for the 2% cross fall and Asphalt Overlay</li> <li>• Approval of Asphalt Adjustment for</li> </ul>

Sub-project-W03a	Status at start	Present Status	Outstanding Works
		<ul style="list-style-type: none"> <li>Bidding documents were advertised on Vientiane Time newspaper on 7, 10 and 11 June 2024.</li> <li>Site visit was taken on 19 Jun 2024</li> <li>Pre-bid meeting was taken on 21 Jun 2024</li> <li>Bid opening on 8 July 2024</li> <li>BER submission was on 30 Aug 2024 to ADB for review and approval</li> <li>ADB No Objection to the BER on 19 Sep 2024</li> <li>Notification of Intention of Award on 20 Sep 2024</li> <li>The Letter of Acceptance was on 25 Sep 2024</li> <li>Contract signing was on 17 Oct. 2024</li> <li>The site possession was given on 21 October 2024.</li> <li>The Notice to Proceed (NTP) was issued on 25 October 2024.</li> <li>The Civil Works commenced on 1st November 2024.</li> </ul>	Potholes Repairing

Overall progress of Output 1 implementation as of Q1 2025 is 92.98% against 100% planned. Detailed progress of Output 1 civil works subproject implementation as of 31 March 2025 is summarized in Annex 1.



## Output 2: Capacity to implement ASEAN Tourism Standards strengthened

Output 2 will: (i) support the ASEAN Tourism Standards national implementation by establishing and strengthening certification bodies and assessment frameworks, promoting and facilitating adoption of the standards by the tourism sector, and establishing sustainable financing mechanisms; and (ii) support the implementation of selected ASEAN Tourism Standards and the ASEAN Sustainable Tourism Awards.

There are seven ASEAN Tourism Standards currently being applied in Lao PDR: (i) Clean Tourist City; (ii) Homestay; (iii) Community-Based Tourism; (iv) Public Toilet; (v) Green Hotel; (vi) Spa Service; and (vii) Meetings, Incentives, Conferences and Exhibitions (MICE). In addition, Lao PDR also implements the ASEAN Sustainable Tourism Awards (ASTA).

Six of the seven Standards have been adapted to the Lao context and one is applied in the original ASEAN format (Green Hotel Standard). The MICE Standard is broken down into three sub-categories of Meeting Rooms, Exhibition Venues and Event Venues.

As per the rules governing the use of ASEAN Standards, each ASEAN Member State can make minor modifications to each Standard in order to reflect the local context. These can be awarded as ASEAN Standards by member countries at the Asian Tourism Forum once every two years (Green Hotel, Clean Tourist City, MICE Venue, MICE Special Events and ASTA, in odd years and Homestay, Public Toilet, Spa Services and Community Based Tourism in even years). There is no limit to the number of ASEAN Standard certificates that can be issued in each country.

There are however limits set by the ASEAN Secretariat for the number of certificates that can be awarded at the annual ASEAN Tourism Forum (ATF). This showcases certificates that have been awarded by each country. Quotas apply for each Standard in order to keep the ATF award ceremony manageable.

### 2.1 National ASEAN Tourism Standards adaptation

All of the ASEAN Tourism Standards for Community Based Tourism, Homestay, Public Toilets, Clean Tourist City, MICE Meeting Room and Spa Services have been adapted to become Lao Tourism Standards. The Green Hotel Standard will be applied in an unmodified form. The Tourism Vice Minister has approved all of the Lao Tourism Standards that have been adapted. Lao PDR has led the development of the new ASEAN Ecotourism Standard, which was endorsed by the 44th and 45th ASEAN Summits under the Chairmanship of the Lao PDR in late 2024. Implementation of the Ecotourism Standard in Laos will commence in 2025.

### 2.2 Establishment of certification bodies and processes

National and Provincial Steering Committees (also known as Certification Bodies) have been established to guide and certify ASEAN Tourism Standards. At the provincial level, there is one Certification Body/Committee covering all tourism standards. Provincial Committees coordinate with National Standards Committees during the certification process.

The composition of national and provincial level Certification Bodies was adjusted in 2021 to increase participation by women. This is now completed with 41% participation by women, on average, across all Certification Bodies.

### 2.3 Assessor Training

There are 12 (5 women) ASEAN Master Trainers within MICT who will continue to train trainers and assessors from the national and provincial Assessment Committees / Certification Bodies. There is also 62 National Trainers (34 women) and 106 Provincial Trainers (38 women), 94

National Assessors (48 women) and 106 Provincial Assessors. This provides the capacity considered necessary to achieve most, if not all, of the Output 2 DMF targets.

#### 2.4 ASEAN Tourism Standards promotion

The status of promotion of the standards is as follows:

- The Laos ASEAN Tourism Standards website was launched on 15 September 2023. All necessary information is now available online. Applications can be processed either online via the website or via hard copy.
- A national awareness raising seminar on the Laos ASEAN Tourism Standards website was held in Q4, 2024 in Vientiane. This indicated a relatively low level of awareness of the website. However, since the seminar, awareness has picked up via Facebook posts directing the industry to the website.

#### 2.5 ASEAN Tourism Standards and ASEAN Sustainable Tourism Awards implementation

Although the earliest awards of ASEAN Tourism Standard certifications date back to 2008, the vast majority of certifications have occurred since 2012. Due to a possible misunderstanding of the need to re-certify every 2 to 3 years, there is a high number of certificates that have expired. Progress on re-certifications improved in 2024 and will continue in 2025. By the end of Q4, 2024 there were 19 new ASEAN awards for targeted provinces in Laos spread across Homestay (4), Community Based Tourism (3), Spa (3) and Public Toilets (5). These are reported in Annex 2 and in the DMF targets, Annex 5.

An ongoing priority since 2023 is to re-certify all expired certificates for Green Hotel, Homestay and Clean Tourist City Standards. A process of self-assessment by expired award-holders, with quality control checks by the EA, was agreed as the best way to fast-track the re-certification process and attain the DMF targets (refer Annex 3). Getting Vang Vieng City ready for certification to ASEAN Clean Tourist City Standard in 2026 is a priority for the 2025 workplan. This is contingent on a significant improvement in environmental management by the Vang Vieng UDAA and District Authority. The risk involved with not achieving Clean Tourist City status was discussed with stakeholders and ADB during the Review Mission, 17 – 21 February 2025. As recorded in the Mission Aide Memoire, ADB agreed that the EA could re-phrase the output indicator 2d. to “Towns are awarded the ASEAN Clean City Standard at least 6 times” in the Design and Monitoring Framework. This will recognize the effort made for certification of a city multiple times during the project implementation period (for example, Luang Prabang and Pakse). It also takes into account that Vang Vieng may not be ready to achieve the Clean Tourist City status by 2026.

Progress towards the DMF targets for ASEAN Tourism Standard certification is as follows:

<b>ASEAN Green Hotel Standard Certification Progress Towards DMF Target</b>						
<b>Hotel certifications</b>	<b>DMF Target</b>	<b>Planned</b>				
		<b>Total</b>	<b>LPB</b>	<b>VP</b>	<b>VV</b>	<b>CPS</b>
By project completion	64	92	40	5	16	31
Achieved	47	47	22	2	6	17
Remaining	17	45	18	3	10	14

### ASEAN Homestay / CBT Standard Certification Progress Towards DMF Target

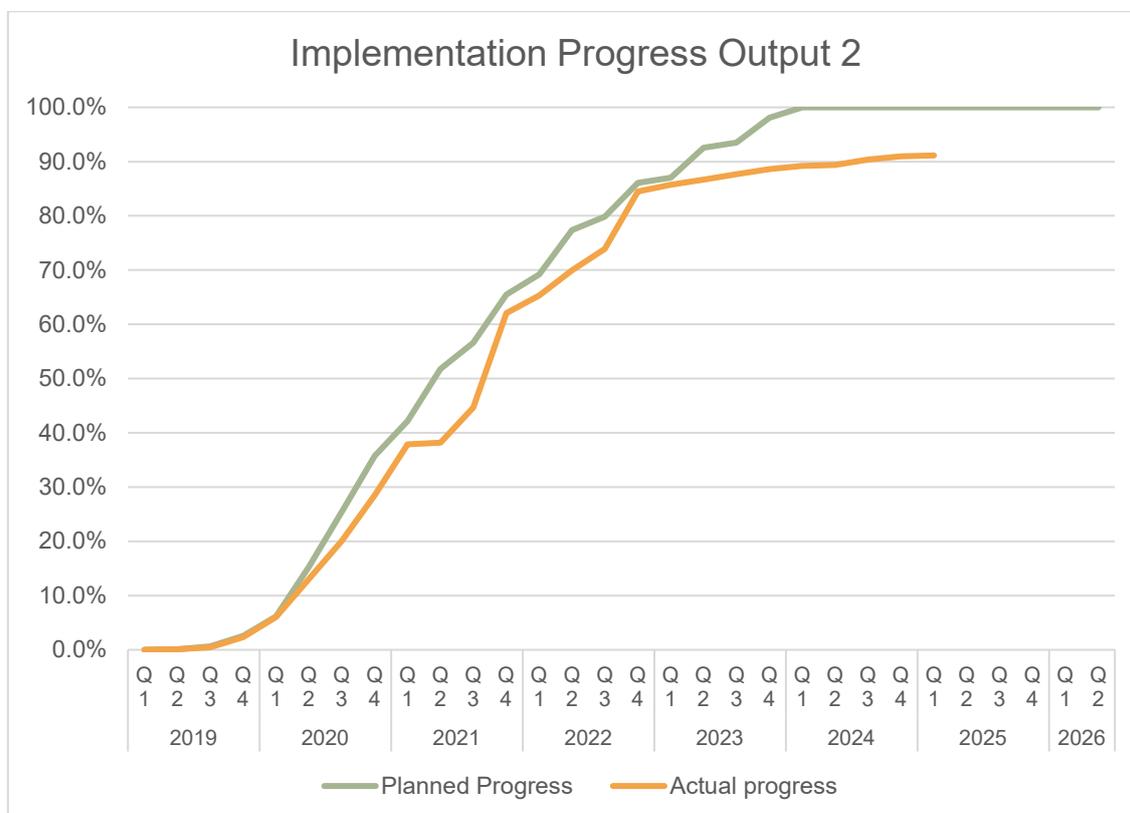
Homestay service provider certifications	DMF Target	Planned		
		Total	Homestay	Under CBT
By project completion	90 <sup>5</sup>	90	40	50
Achieved	61	61	49	12
Remaining	29	29	0	38

### ASEAN Clean Tourist City Standard Certification Progress Towards DMF Target

City certifications	DMF Target	Planned				
		Total	LPB	VP	VV	CPS
By project completion	3	3	1	0	1	1
Achieved	2	2	1	0	0	1
Remaining	1	1	0	0	1	0

The certification cycle for Green Hotels and Homestays is every two-years. The next and final opportunity to certify new Green Hotels and Homestays, and re-certify those that are expired, is in January 2026. Certification of Vang Vieng as a Clean Tourist City is also possible in 2026, provided the preparatory works are undertaken in 2025 (guided by the Action Plan completed in Q1, 2024).

Annex 2 includes an overview of certifications for ASEAN Tourism Standards since 2008. Annex 3 describes eligible project support for ASEAN Tourism Standard implementation. Overall progress of Output 2 implementation as of Q1 2025 is 91.1% against 100% planned. Annex 4 includes a complete overview of Output 2 activities implemented during Q1 of 2025. The DMF, in Annex 5, also includes progress updates on Output 2 activities.



<sup>5</sup> During a Mission on 22 December 2023, ADB and the EA agreed to revise the Output indicator 2c performance target from 113 to 90 and add footnote to clarify the target includes homestays certified under the ASEAN and adapted National Homestay Standard and ASEAN and adapted National Community Based Tourism Standard.

### Output 3 progress: Institutional capacity for tourism destination management and infrastructure O&M strengthened

Output 3 will: (i) build capacity among public and private stakeholders in the tourism sector to sustainably develop, manage, and market tourist destinations; and (ii) build capacity for infrastructure operation and maintenance (O&M) through the preparation of O&M plans and training to implement the plans.

The project is supporting the establishment and capacity building of destination management networks (DMNs) for: Lao PDR (National DMN), Luang Prabang Province, Southern Laos (incl. Champasak, Sekong, Attapeu and Salavan Provinces), Vientiane Province and Vang Vieng Town.

#### 3.1 Destination Management Network Institutional Strengthening

#### 3.2 Destination Management Plan Preparation

These two activities will: (i) establish and strengthen destination management networks (DMNs) for joint public-private destination planning and raise destination management practices to international standards, (ii) build capacity within these DMNs to strengthen/develop comprehensive destination management plans (DMPs); and (iii) strengthen policies and procedures needed to ensure the effective implementation of DMPs, including through joint implementation of Output 2 and 3 activities.

The DMNs for Lao PDR, Luang Prabang and Southern Laos, supported under the TIIGP1, were reviewed and membership was updated, and new DMNs for Vientiane Province and Vang Vieng were established in 2019. Strengthening of DMNs is ongoing through training and exchanges. DMPs, including action plans, for all five target destinations were completed during Q4 2019 and published in Q1 2020.

The national-level DMN was also restructured to be better prepared to facilitate the implementation of the DMP and the public and private sector action plan. All DMN memberships were reviewed and updated to improve the gender balance to ensure gender targets of the project (30 % of DMN managers and 40% of DMN membership are women) are met.

During the course of the project, significant progress has been made regarding effectiveness of the national level DMN to fulfil its envisioned role to direct joint public-private destination planning and address issues faced by the tourism industry. The functioning of the national DMN aligns with the first two recommendations made in a 2015 ADB-commissioned report entitled “Establishment of a National Tourism Destination Management Network in Lao PDR”, which recommends that (i) the DMN is co-chaired by a senior MICT official and a representative from the private sector, and (ii) issue papers are prepared prior to the DMN meetings to ensure structured discussions can be held to explore and agree on policy interventions to facilitate the industry. Was the DMN initially chaired by a MICT official only, as of 2022, it has a co-chair from the private sector, illustrating the trust that has been built through the initial period of collaboration in the framework of the DMN. Moreover, were issues raised by the private sector at DMN meetings initially ad hoc, during recent public-private sector consultation meetings, meeting documents were prepared outlining pertinent concerns from the private sector as well as the public sector to facilitate the discussion between public and private sector DMN members and representatives from other, related government offices invited based on the issues to be discussed, and development partners.

During Q1 of 2025, supports were provided to DMN action plan implementations, such as participating ASEAN Tourism Forum (ATF) TRAVEX 2025 in Malaysia, organizing Vang Vieng Half Plus Marathon and V-Trail events in Vang Vieng. DMN meetings at national level and

project target areas will be organized in Q2 of 2025 to discuss about Mekong Tourism Forum (MTF) 2025 participation and develop joint action plans.

### 3.3 Policy, Regulation and Master Planning Support

This activity supports the work on tourism policy in the framework of the DMNs, the development of subregional, national and provincial/local-level tourism regulations and national-level tourism standards not covered by the ASEAN tourism standards, and the preparation and implementation of tourism master plans for project supported destinations.

DMN Policy Taskforces meet regularly to identify and discuss policy issues affecting tourism sector in project target destinations.

Tourism master planning work for the project target areas of Siphandone, Nam Ngum 1 Reservoir and Luang Prabang City commenced in Q4 2019 but was delayed as a result of the COVID-19 pandemic. Following the country re-opening post-COVID-19 in May 2022, work continued. However, in response to an urgent request from the Government the project agreed to also support – as a priority- updating of the Vang Vieng tourism masterplan. Contracts with the tourism master planning consultants were amended to include this task. As a result, the focus of tourism master planning work during the second half of 2022 and the first half of 2023 was on completing the Vang Vieng masterplan update. Since completion of the Vang Vieng Tourism Masterplan update in June 2023, focus has shifted back to completing the plans for Luang Prabang (now referred to as a Tourism Management Plan in response to a request from the UNESCO World Heritage Committee), Nam Ngum and Siphandone (now referred to as the Don Det-Don Khone and Surrounding Islands Tourism Master Plan).

The Vang Vieng and Environ Tourism Master Plan was endorsed by local stakeholders, and subsequently submitted to the Prime Minister's Office for approval, and the PM has officially approved the plan on 10 January 2025. Already, the master plan has informed the detailed design for the Vang Vieng Urban Renewal subproject (now under construction) and priority actions identified in the plan are being considered for inclusion in the GMS Smart and Sustainable Tourism Infrastructure for Inclusive Growth Project that will be prepared in 2025 for ADB financing.

The draft final Luang Prabang Tourism Management Plan was completed and endorsed by local stakeholders by the middle of 2024, and sent to the UNESCO World Heritage Center in Paris for comments. These comments are expected by early to mid May 2025. Subject to UNESCO's feedback, the final document will be sent to the Luang Prabang People's Assembly and Governor's Office for approval at the provincial level. The final Tourism Management Plan will also be endorsed at the national level. Preparations for implementation support have been made in the 2025 Work Plan, with an eye on providing technical support to Luang Prabang DICT to establish a Heritage Pass financing system. This will create sustainable financing for improved heritage conservation and management of the destination.

The final drafts of the Tourism Master Plans for Nam Ngum 1 Reservoir and Siphandone have also been completed and awaiting final sign-off by Provincial Government. Draft Investment Guidelines (in the form of an online PDF and to be printed as brochures) have been prepared for the Nam Ngum and Siphandone Master Plans. These will be made widely available to guide investors and government decision-making in areas covered by the Master Plans.

### 3.4 Destination Marketing and Promotion Support

This activity supports destination marketing and promotion, with a strong emphasis on public-private collaboration. It includes support for market research, branding, print and online promotion, including the use of social media, familiarization programs, and participation in

tourism forums and trade events. Training for DMN members, including implementation of ASEAN guidelines for promotional materials, will also be provided.

Destination marketing activities were included in the public and private sector action plan on destination management for 2021, 2022, 2023 and 2024.

During Q1 of 2025, supports were provided through the DMN mechanism to private sector to organize Vang Vieng Half Plus Marathon and V – Trail events in Vang Vieng and participate ATF TRAVEX 2025 in Malaysia. Mekong Tourism Forum 2025 was being prepared in collaboration with MTCO (Mekong Tourism Coordination Office), a local marketing agency was identified to provide marketing support for online and offline marketings, video productions, design of exhibition space, live streams and arranging FAM trip for media to the project target provinces before and during the event.

#### Travel Trade Fair Participation Results

No.	Travel Trade Fairs	Number of Businesses from Laos	Name of Businesses from Laos / Target Provinces	Number of Meetings with Buyers
1	ITB Asia Singapore, 16 - 22 Oct 2022	5	1) Inthira Group 2) Namkat & Nam pien 3) Exo Travel 4) Discover Laos 5) Salana Hotel	81
2	ATF in Indonesia, 02 - 05 Feb 2023	4	1) Lao Boutique Travel 2) Crowne Plaza Hotel 3) Landmark Hotel 4) Laotel Hotel	40
3	BITE in China, 16 - 18 June 2023	4	1) Laos - China Railway 2) Champamai Travel / Tad Yeuang 3) Green Discovery 4) Namkat & Nam Pien	500
4	ITE Ho Chi Minh, 07 – 09 Sep 2023	7	1) Lao Airlines 2) Landmark Hotel 3) Green Discovery 4) ASEV Travel 5) Dansavanh Resort 6) Word Wild Travel 7) Land Tour Lao	200
5	CITIE, 12 – 19 Sep 2023	5	1) Lao Airlines 2) Smile Grand Tour 3) Champa Mai Travel 4) Suan Champa Travel 5) Dansavanh Resort	350
6	ATF TRAVEX, 22 - 27 Jan 2024	4	1) Tad Gneuang Waterfall 2) Angsana Maison Souvannaphoum Hotel 3) Green Paradise Tour and Travel Sole Co., Ltd 4) Luang Prabang Hotel Association	158
7	ATF TRAVEX, 15 – 20 Jan 2025	2	1) Tad Gneuang Waterfall (Champasak) 2) Wold WideTravel Co, Ltd (Luang Prabang)	50
<b>Total</b>		<b>31</b>		<b>1,379</b>

### 3.5 Heritage Interpretation Support

This activity is supporting DMNs to carry out: (i) cultural and natural heritage research and interpretation, including the development of heritage trails, signage, leaflets, guidebooks, maps and digital interpretation; and (ii) heritage guide training.

Heritage interpretation strategies for Siphandon (Champasak), Luang Prabang Town and Environs, Vientiane Province and Vang Vieng Town and Environs, finalized during Q2 2020, were designed and printed. Implementation was scheduled to commence in Q1/2 2021. Key tourist sites and routes in the project target areas were prioritized based on the heritage interpretation strategies in Q1 2021.

During Q1 of 2025, interpretation panel texts in Lao language of Luang Prabang and Environs were updated based on comments from Luang Prabang DICT and relevant departments. PIUs were assigned to review and proofread the Lao translation of panel texts in Luang Prabang and Environs, 4,000 Islands and Vientiane Province, they were expected to be completed and approved in Q2 of 2025. Design, printing and installation will be completed in Q4 of 2025.

#### **Heritage Interpretation Key Tasks and Timelines**

No.	Project Target Areas	2025			
		Q1	Q2	Q3	Q4
1	<b>Luang Prabang Town and Environs</b>				
	- Finalize contents in English, 66 panels				
	- Review Lao translation and approve contents				
	- Design, printing and installation				
2	<b>4,000 Islands</b>				
	- Finalize contents in English, 85 panels				
	- Review Lao translation and approve contents				
	- Design, printing and installation				
3	<b>Vientiane Province (selected attractions)</b>				
	- Finalize contents in English, 12 panels				
	- Review Lao translation and approve contents				
	- Design, printing and installation				

### 3.6 Tourism-related SME development

This activity is providing tourism-related SMEs in the project target areas with: (i) business planning, management and marketing training; (ii) hospitality services training; (iii) support for product diversification, quality and safety enhancement; (iv) equipment to improve hospitality services and product quality and safety; and (v) tourism marketing and business networking support.

During Q1 of 2025, procurement documents for equipment supports were prepared for affected households SMEs in Nam Ngum 1 reservoir recreation area, such as shophouse roof extensions, construction of fish stores, septic tanks for tour boats and installation of electricity supply for restaurant boats.

#### **SMEs Database Summary**

Number of Entrepreneurs	Total	%	LPB	VP	VV	CPS
Total Target SMEs' Entrepreneurs	300	100%				
Total Target Female Entrepreneurs (60%)	180	60%				
Number of SMEs' Entrepreneurs Received Supports	317		99	46	81	91
Number of SMEs' Female Entrepreneurs Received Support	191		63	43	40	45
Number of SMEs' Female Entrepreneurs Received Support (%)	60%		64%	93%	49%	49%

Type of Business	Total	%	LPB	VP	VV	CPS
Accommodation Provider	142	45%	46	3	34	59
Restaurant	68	21%	16	16	29	7
Tour Operator / Travel Agent	28	9%	17	0	4	7
Tourist Attraction	7	2%	0	0	6	1
Tourist Activity Operator	5	2%	1	0	2	2
Handicraft Producer / Seller	13	4%	4	4	0	5
Tourist Transport Service Provider	15	5%	1	8	1	5
Massage & Spa Services	18	6%	13	0	5	0
Other	21	7%	1	15	0	5
<b>Total</b>	<b>317</b>	<b>100%</b>	<b>99</b>	<b>46</b>	<b>81</b>	<b>91</b>
Size of SMEs	Total	%	LPB	VP	VV	CPS
Micro (1 - 5 labours)	110	35%	3	34	30	43
Small (6 - 50 labours)	201	63%	93	12	48	48
Medium (51 - 99 labours)	6	2%	3	0	3	0
<b>Total</b>	<b>317</b>	<b>100%</b>	<b>99</b>	<b>46</b>	<b>81</b>	<b>91</b>

### 3.7 Establish and Maintain Internet-based Tourism Knowledge Repositories

This activity supports DMNs to establish Internet-based tourism knowledge repositories, including lists of DMN members and contact details, approved DMPs, DMN meeting reports, training materials, opportunities for financial and technical support, tourism statistics, and brand-related artwork, photo libraries, and standard copy promotional materials.

The Laos DMN website was developed in Q2 2021, ([www.laos-dmn.com](http://www.laos-dmn.com)). Documents relevant for the sector, including DMN related document, will be uploaded to the site as they become available. During Q1 of 2025, news and relevant documents from DMN meetings at national level and project target areas were uploaded into the [www.laos-dmn.com](http://www.laos-dmn.com) and posted on its Facebook page and group.

### 3.8 Develop infrastructure O&M plans with sustainable finance mechanisms

This activity will facilitate preparation of O&M plans for all output 1 infrastructure, incorporating (i) preventative, regular, and emergency maintenance procedures; (ii) O&M staffing and training needs; (iii) administrative requirements; (iv) monitoring requirements and procedures; (v) sustainable income generating mechanisms to finance O&M (e.g. environmental charges or tourist entry fees); (vi) opportunities for public-private partnerships; and (vii) financial management procedures.

Subproject C1: Nakasang Access Road and Port Rehabilitation and Subproject C2: Don Det-Don Khone Access Improvements: Ongoing support in O&M delivery, as required.

Subproject V1: Nam Ngum Reservoir Access Improvements. Inspection on the infrastructure and facilities on the site from an operations and maintenance perspective to inform requirements for the completion of the civil works. Support in the procurement of equipment (e.g., bins) for the solid waste management system for disposal, recyclable, and organic wastes.

Subproject V2: Kaeng Yui Waterfall Access Improvements. No activities undertaken in this period, as awaiting the arrival of the private operator.

Subproject V3: Western Loop Rural Access Road and Bridge Improvements. No activities undertaken in this period.

Subproject V4: Vang Vieng Urban Renewal. No activities undertaken in this period.

Subproject V5: Vang Vieng Solid Waste Management Improvements. The institutional experts supported the Vang Vieng Solid Waste Management Improvements by developing a new capacity building programme aimed at improving the management of the landfill. This work included design of the programme, development of a TOR and assisting the newly installed site supervisor at the landfill, developing and consulting with UDAA on a monthly task note, and undertaking a performance assessment system of UDAA staff at the end of each task note. In the first few months, UDAA's motivation and operational capacity have shown noticeable improvement. Key activities included the relocation of waste within landfill cell 5, compaction of waste, and application of intermediate cover in the southern part of the site to minimise fire risk and initiate the gradual capping of the cell. Other tasks have involved cleaning litter around the facility buildings and access road, managing site vegetation, and checking the use of the water bowser.

Specifications were developed for additional equipment, including the Materials Recovery Facility (e.g., small payload, sorting line, and plastic recycling line), septic tank collection trucks, dry recyclable waste collection trucks, general tools and equipment (e.g., for grounds maintenance), and equipment for the hazardous waste facility (e.g., an incinerator, drums for hazardous waste storage, and a manual drum lifter).

### 3.9 Facilitate Public-Private Partnerships for operations and maintenance.

This activity will: (i) prepare feasibility studies for the operation of public tourist facilities and ancillary services that have the potential to be privately managed under public-private partnerships (PPP); and (ii) establish service contracts, management contracts, and/or lease contracts with private entities through public tender.

Subproject V1: Nam Ngum Reservoir Access Improvements: As of 31 March 2025, a preferred Management Company has been identified through public tender. Contract negotiations are expected to be completed during Q2, 2025. Expert legal advice was used to prepare the tender documentation and will continue to be used in the contract negotiation and start-up phases. Financial modelling of the operations and maintenance regime indicates that it is a commercially viable proposition with a minimum 20% share of total revenue to government. The modelling is based on the Draft Operations and Maintenance Plan and tourist growth projections drawn from pre-COVID visitor arrivals data provided by tour boat operators.

Subproject: Kaeng Yui Waterfall Access Improvements: A request for short PPP proposals from private sector was advertised, and proposals assessed and a local company has been selected to manage the site under a PPP arrangement.

Subproject V5: Vang Vieng Solid Waste Management Improvements: The institutional experts worked with the tourism team to identify options for improving the financial sustainability of solid waste management (SWM) in Vang Vieng. This included exploring the potential for introducing an environmental tax or modifying the existing municipal tax. A concept was developed for a pilot scheme to improve how businesses are charged for waste collection, proposing a pay-as-you-throw approach to replace the current inconsistent and non-transparent charging system.

Progress also continued on the PPP arrangements for the management of the Materials Recovery Facility (MRF), hazardous waste facility, and planted drying bed (PDB). This included drafting three contracts between all parties (UDAA and the two private companies) in both English and Lao, identifying equipment needs in consultation with the companies, and

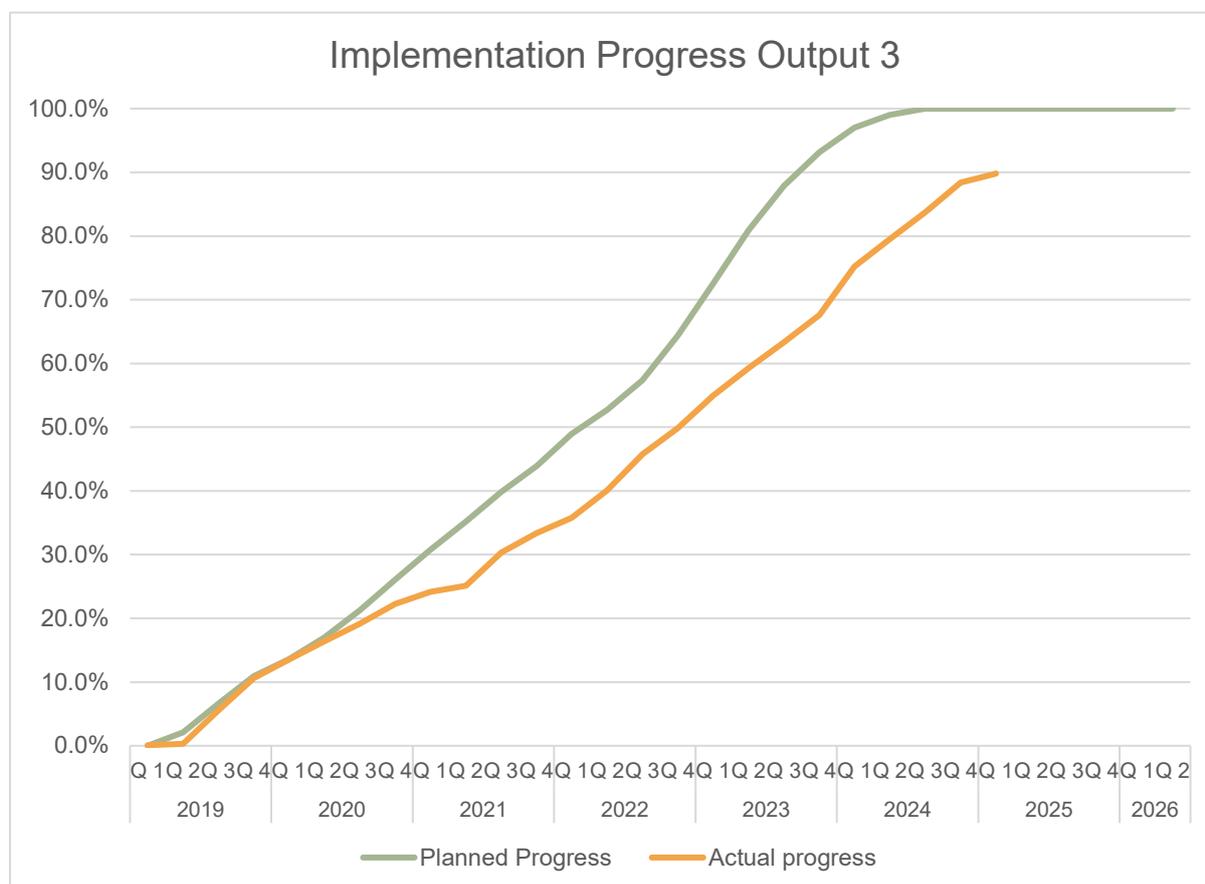
undertaking further financial analysis to support landfill financial sustainability. A presentation was delivered at the Vang Vieng Landfill Steering Committee meeting, and discussions were held with the District Governor on the PPP arrangements and the updated contract developed for waste collection services (Ecogreen). The contracts were agreed in the consultation meetings by contract partners and local stakeholders in March.

Coordination with GGGI also continued regarding a pre-feasibility study on the potential expansion of waste collection services in the district.

### 3.10 Infrastructure O&M training

Further training was provided on the operation of the bulldozer, excavator, and tipper truck at the Vang Vieng landfill.

Overall progress of Output 3 implementation as of Q1 2025 is 89.8% against 100.0% planned. Annex 4 includes a complete overview of Output 3 activities implemented during Q1 of 2025. The DMF, in Annex 5, also includes progress updates on Output 3 activities.



### **Progress towards realizing contributions to ADB Results Framework:**

As of 31 March 2025

No.	Level 2 Results Framework Indicators (Outputs and Outcomes)	Targets (Lao PDR)	Methods / Comments	Actually planned / realized (Lao PDR)
1	<b>Transport</b>			
	a) Roads built or upgraded - provincial, district, and	62.6 km	Built or upgraded to concrete paving or	Contract for Package TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvements was signed on 30 December 2019. This package includes 21.11 km of

No.	Level 2 Results Framework Indicators (Outputs and Outcomes)	Targets (Lao PDR)	Methods / Comments	Actually planned / realized (Lao PDR)
	rural roads (kilometers)		double bituminous surface treatment.	<p>improvement of access roads to tourist sites of which 21.11 km has been fully completed.</p> <p>The contract for Package TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements was signed on 26 April 2021 in Q2 2021. This package includes 7.16 km of concrete road, comprising both internal and access roads, which have been fully complete.</p> <p>Contract for Package TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements was signed on 23 July 2021. This package includes 6.00 km of concrete road and 26.60 km of DBST road totaling 32.60 km of road improvement of which 32.62km completed consisting of 6.00 km of Kaeng Yui Access Road and 26.62km of Western Loop Access including Bridge.</p> <p>Contract for Package TIIGP2-LAO-W03a: Vang Vieng Urban Renewal is scheduled to be signed in October 2024. The revised DED based on revised scope includes 3.15km of road improvement (compared to 1.05 in original scope).</p> <p>Contract Package for package TIIGP2-LAO-W04: Vang Vieng Landfill Improvements was signed 19 February 2021. It includes 1.55 km of access &amp; internal roads of which 1.55 km has been fully completed.</p> <p><b>A total 65.6 km road will be improved under these 5 Civil Works packages of which 62.43km (95.2%) fully completed.</b></p>
2	<b>Water</b>			
	a) Wastewater treatment capacity added or improved (cubic meters per day)	15.0 m <sup>3</sup>	Septage treatment facility	<p>TIIGP2-LAO-W04: Vang Vieng Landfill Improvements was signed on 19 February 2021 and is fully completed. This package includes 20m<sup>3</sup>/day septage sludge treatment facility.</p> <p>As part of the Nam Ngum Reservoir Access Improvements subproject, a decentralized wastewater treatment facility is being developed with a capacity to treat 160m<sup>3</sup>/day of pre-treated septage water.</p> <p><b>A total capacity of 180m<sup>3</sup>/day septage treatment has been developed by the project (fully completed).</b></p>

No.	Level 2 Results Framework Indicators (Outputs and Outcomes)	Targets (Lao PDR)	Methods / Comments	Actually planned / realized (Lao PDR)
	b) Land improved through irrigation, drainage, and/or flood management (hectares)	24.5 ha		<p>Contract for Package TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvements was signed on 30 December 2019. This package includes 0.5 ha catchment area of flood protection and drainage improvement, all completed.</p> <p>The contract for package TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements was signed on 23 July 2021. This package includes 25 ha catchment area of flood protection and drainage improvement, out of which 25 ha is fully completed.</p> <p>Contract for Package TIIGP2-LAO-W03a: Vang Vieng Urban Renewal is scheduled to be signed in October 2024. The revised DED based on revised scope includes 50 ha of catchment area of flood protection and drainage improvement. The package is ongoing.</p> <p><b>The project will construct flood protection and drainage for a total of 75.5 ha catchment, out of which 25.5 ha is fully completed.</b></p>
	c) Households with reduced flood risk (number)	5,132		<p>Packages TIIGP2-LAO-W01, TIIGP2-LAO-W03 and TIIGP2-LAO-W03a contain flood management components. Contract TIIGP2-LAO-W01 was awarded on 30 December 2019, and has been completed and contract TIIGP2-LAO-W03 was signed on 23 July 2021 and is ongoing. Contract TIIGP2-LAO-W03a has commenced in November 2024.</p> <p><b>Resulting number of households with reduced flood risk is 3,965 (125 for W01, 75 for W02, 268 for W03, 10 for W04 and 3,487 for W03a) which is 77% of targeted households numbers with reduced flood risk.</b></p>

ha = hectares, m<sup>3</sup> = cubic meters, km = kilometers.

### Performance monitoring:

The primary tool to monitor project performance is the Project Performance Management System (PPMS), which includes systems and procedures for the systematic collection of baseline, progress and endline data and to report progress towards the project's outcome and output targets defined in the project Design and Monitoring Framework (DMF) and implementation of project activities, gender equity results and data for economic and financial analysis and information needed to prepare photo stories and impact stories. A draft PPMS was prepared and submitted to ADB in April 2020. After several rounds of review, a final draft, incorporating ADB's comments, including feedback provided during the Mid-Term Review Mission, was submitted on 7 November 2022.

The PPMS describes data collection and reporting procedures and formats developed and implemented by the project alongside the PPMS development process. As a result, the PPMS documents these already existing and tested procedures. Refresher training recommended in the PPMS has been conducted for PCU and PIUs during Q2 2023.

The PCU is responsible for quarterly reporting on the performance of the project through quarterly progress reports to ADB against DMF targets and using the weighted project implementation table included in the PAM (updated from time-to-time). The DMF in the PAM contains outcome and output baseline and targets for Cambodia and Lao PDR combined. Progress towards DMF targets reported in the quarterly progress reports will reflect Lao PDR's contribution to these combined targets.

Note that at the beginning of project implementation, the DMF from the PAM has been enhanced by separating out the gender output indicators for easy monitoring and reporting and activity timelines updated to reflect the updated implementation plan prepared at that time. This updated implementation plan reflects the latest implementation schedule and revised assigned weights provided by ADB. The plan, with weighted implementation progress as of 31 March 2025 is presented in Annex 6. The time period covered by the plan has been adjusted to reflect the extended grant closing date from 30 June 2025 to 30 June 2026, approved by ADB on 4 September 2024.

On 22 December 2023 ADB conducted a mission to discuss and agree with the EA on a minor change to the project's DMF indicators, as follows:

- (i) Timeline for achieving outcome: revise from 2025 to 2026 to reflect the proposed 12-month extension of the grant closing date.
- (ii) Timeline for achieving outputs: revise from 2024 to 2025 to allow time needed to complete the final works package of TIIGP2-W03a This package's procurement will commence in Q1 2024, and construction will be completed in Q4 2025.
- (iii) Output indicator 2b: revise 2017 baseline data from 29 to 24. Therefore, the combined baseline was reduced from 45 to 40.
- (iv) Output indicator 2c: revise the performance target from 113 to 90 and add footnote to clarify definition of homestay providers. Therefore, the combined performance target was reduced from 148 to 125.

Progress as of 31 March 2025 towards DMF targets and activity implementation (using the original DMF with separate gender targets) is presented in Annex 3.

## **6. Financial Management**

### **Disbursement Arrangement:**

The Ministry of Finance has established a pass-through account for the grant to receive and track grant disbursements before passing funds on to the project's advance account. MICT has established an advance account in US Dollars for the grant at the Banque Pour Le Commerce Extérieur Lao Public (BCEL), which is exclusively used for ADB's share of eligible expenditures. The four PIUs have set up project subaccounts for the ADB grant at local branches of the BCEL. Liquidation of the sub-accounts is subject to submission of full documentation to the PCU.

### **Advance Fund Procedure and Statement of Expenditure Procedure:**

Upon approval of MICT's first Withdrawal Application and Estimate of Expenditure Sheet for ADB has disbursed \$1.0 million into the advance account on 2 April 2019. The PCU is using the Statement of Expenditure (SOE) procedure for the reimbursement of eligible expenditures or liquidation of advances to the advance account for individual payments up to \$100,000. As of 31 December 2024, the Project has spent the amount \$15.162 million through the advance account. The amount of \$0.823 million for Nov Dec will be submitted to ADB soon. ADB has

approved the increase in the ceiling of the advance account to \$1,500,000 on 4 December 2020 and to \$2,300,000 on 3 March 2022. As of 31 March 2025, the Project has spent the amount \$15.655 million through the advance account. The amount of \$0.472 million for Jan to Mar 2025 will be submitted to ADB soon. ADB has approved the increase in the ceiling of the advance account to \$1,500,000 on 4 December 2020 and to \$2,300,000 on 3 March 2022. By 2 December 2024, upon settlement of the compensation to affected people/households of the project, the ceiling of the advance account was reduced from \$2.300 million to \$1.470 million. As of 31 March 2025, the bank accounts of the advance account including the PIU subaccounts have a balance of \$0.977 million.

### **Counterpart Fund:**

The Government provides counterpart funds to finance government counterpart staff salaries and office space (in-kind). The cost of land acquisition and resettlement (LAR) (in-cash) was originally also planned to be financed by the Government. However, in Q3 2020 it was agreed that LAR costs will be financed from the grant proceeds. The PCU will be responsible for: (i) preparing disbursement projections; and (ii) requesting budgetary allocations for counterpart funds. The counterpart contribution is recorded by the new accounting software.

### **Accounting:**

The Project maintains separate books and records by funding source for all expenditures incurred on the project following international public-sector accounting standard for cash-based accounting and will prepare consolidated project financial statements in accordance with the government's accounting laws and regulations which are consistent with international accounting principles and practices.

The International and National Financial Management and Procurement Specialists (individual consultants engaged by MICT) are supporting procurement activities and have supported the PCU with the establishment of the financial management system, including the preparation of the Financial Management Manual (FFM) for the project, which was completed in December 2019. There were some revisions to the chart of accounts and attached an annex to the FMM. A Lao-language version of the FFM has been prepared by the Internal Auditor and was shared with the PIUs. The Project has procured an accounting software and is now operational. An excel based accounting system is still being used in parallel to record the Project financial transactions to ensure accuracy. The data from the excel based recording are exported to the accounting software on a monthly basis.

### **Auditing and Public Disclosure:**

MICT has appointed an Internal Auditor (individual consultant) to oversee all project financial transactions and advise on measures to improve compliance with ADB and Government financial regulations and the project Financial Management Manual. He is also supporting PCU and PIU financial management staff prepare for annual external audits.

Annual project financial statements (APFS) are audited by the State Auditing Organization of Lao PDR (SAO). The first annual audit to cover the period 25 December 2018 to 31 December 2019 was submitted to ADB on 29 October 2020 after ADB's extension of the deadline to 31 December due to COVID-19. The audited project financial statements and auditor's opinion was disclosed in the ADB website on 18 November 2020. The audited financial statements for Fiscal Year 2020 were due for submission to ADB on 30 June 2021. Due to the COVID lockdown (started in April 2021), the Project in consultation with SAO requested for an extension in submission to 30 September 2021. The 2020 APFS was submitted to ADB on 21 September 2021 and disclosed in the ADB website on 28 September 2021. The APFS for FY 2021 was submitted to ADB on 28 June 2022 and was disclosed on the ADB website. The financial statements for FY 2022 has been submitted to SAO in February 2023 but SAO only submitted the audited version on 17 October 2023, nearly 4 months past the June 30 2023

deadline. The APFS for FY 2024 has been prepared and submitted to SAO by end January 2025. PCU will ensure submission to ADB before the deadline of 30 June 2025.

Progress on implementation of the Project Financial Management Action Plan as of 31 March 2025 is presented in Annex 7. Progress on implementing the Time Bound Action Plan on APFS Audit Findings as of 31 March 2025 is presented in Annex 8. The Internal Audit Report as of 31 March 2025 is presented in Annex 15. Quarterly Financial Report is in Annex 16.

## 7. Procurement

### Procurement Plan:

The project's original 18-month Procurement Plan prepared during project preparation is included in the PAM (version 0, dated 22 May 2018). The Procurement Plan gets updated regularly. The latest version is Version 8, dated 8 April 2024, which was updated following the submission of the 2024 workplan. The updated procurement plan was approved and disclosed by ADB on 8 April 2024. Version 9 of the Procurement Plan has been submitted to ADB reflecting the procurement needs for 2025 based on the also submitted 2025 annual workplan and is awaiting ADB no-objection.

### Procurement of Goods, Works and Non-consulting Services:

During this reporting period, procurement for the following goods, works and non-consulting services contracts was completed and contracts signed:

Goods, Works and Non-consulting Services							
Contract Number	General Description	Estimated Value <sup>a</sup>	Contract Value <sup>a</sup>	Procurement Method	Advertisement Date	Date of ADB Approval of Contract Award	Comments

<sup>a</sup> inclusive of taxes and duties

ICB = international competitive bidding; NCB = national competitive bidding; PCU = project coordination unit; PIU = project implementation unit; TBD = to be determined.

During this reporting period, procurement for the following goods, works and non-consulting service packages was initiated and is ongoing on 31 March 2025:

Goods, Works and Non-consulting Services						
Package Number	General Description	Estimated Value <sup>a</sup>	Procurement Method	Advertisement Date	Estimated Contract Award	Comments

<sup>a</sup> inclusive of taxes and duties

ICB = international competitive bidding; NCB = national competitive bidding; PCU = project coordination unit; PIU = project implementation unit; TBD = to be determined.

A goods and works procurement monitoring table is presented in Annex 9.

### Recruitment and Utilization of Consulting Services:

During this reporting period, the following consultants were recruited and contracts signed:

Package Number	General Description	Estimated Value <sup>a</sup>	Contract Value <sup>a</sup>	Recruitment Method	Advertisement Date	Date of ADB Approval of Contract Award	Comments
TIIGP2-LAO-C12-019	RP Contract refine and finalize the tourism masterplans for Nam Ngum 1 Reservoir and Nakhasang, Don Det - Don Khone and Surrounding Islands 2025 – 2035 and pilot project on reducing single use plastic on Don Det – Don Khone Islands	10,400	10,406	SSS	11 March 2025		PCSS 0104

<sup>a</sup> Inclusive of income tax on fees and VAT on reimbursable expenses and provisional sums.

Recruitment of the following consulting services were ongoing on 31 March 2025:

Package Number	General Description	Estimated Value	Recruitment Method	Advertisement Date	Estimated Contract Signing Date	Comments
TIIGP2-LAO-C22a	National Community Liaison Officer	23,000	ICS	12 March 2025	1 May 2025	

A consultant recruitment monitoring table is presented in Annex 10.

An overview of status of consulting services planned inputs and utilization to date is presented in Annex 11.

## 8. Safeguards Implementation and Submission Safeguards Monitoring Reports

### Safeguards Implementation:

**Environmental Safeguard Inspections:** During the course of Q1 2025, the environmental specialists of PMCES Consultant undertook the following field inspections of the ongoing construction works:

#### Inspections by PMCES Environmental Specialists during the reporting period

	January 2025	February 2025	March 2025
W01	-	-	-
W02	-	06-Feb 19-Feb	20-Mar
W03	-	07-Feb 20-Feb 25-Feb	20-Mar
W03a	15-16-Jan 29-Jan	07-Feb 25-Feb	06-Mar 20-Mar
W04	-	20-Feb	-

### Health and Safety Improvements:

During Q1 2025, the PMCES Consultant continued to implement the “Safety Improvement Plan” for all subprojects. PMCES Consultant has previously introduced the contractors to the occupational health and safety hazard assessment checklist and risk assessment template .

The actions to be taken by the contractors to improve health and safety are gradually being implemented although at a slower pace than planned. The status of implementation is summarized below for each subproject, and a complete overview is included in Annex 12.

**Social safeguard document status:**

Package	IR document status	CCR	Comment
TIIGP2-LAO-W01	CAP completed	Disclosed	No documents pending
TIIGP2-LAO-W02	RP Disclosed	In progress	To be completed in May 2025.
TIIGP2-LAO-W03a	DDR disclosed	N/A	No documents pending
TIIGP2-LAO-W03	EGDRP Disclosed	Disclosed but to be updated	Compensation to be extended until 31 July 2025.
TIIGP2-LAO-W04	EGDRP Disclosed	Disclosed	No documents pending

**Package TIIGP2-LAO-W01: Subproject C1: Nakasang Access Road and Port Rehabilitation and Subproject C2: Don Det-Don Khone Access Improvements.**

**Environmental safeguards:** The construction contract was signed on 30 December 2019, and the construction work started on 26 May 2020. The updated IEE and EMP for these two subprojects were approved by ADB in September 2019 and the CEMP on 06 December 2020. The Employer issued the Completion Certificate dated 30 June 2023 and the handover ceremony was conducted on 17 July 2023. The 12-months Defects Liability Period for the subprojects ended on 30 June 2024.

The contractor has cleaned up all the road construction sites and Nakhasang port, the camp on Don Khone, and Nakhasang camp, and the contractor has rehabilitated the borrow pits and handed the sites over to the landowners.

**Social safeguards:** The subproject is complete and there are no pending social safeguard issues.

**Package TIIGP2-LAO-W02: Subproject V1: Nam Ngum Reservoir Access Improvements.**

**Environmental safeguards:** The IEE and EMP for the subproject were updated in July 2020, and Vientiane PONRE issued the Environmental Compliance Certificate for the IEE and EMP on 07 September 2020. ADB issued no-objection with certain conditions to the updated IEE and EMP on 17 September 2020. These conditions including obtaining approval from the relevant government authorities for use the land inside the Phou En District Protection Forest for the subproject were subsequently met and accepted by ADB on 18 December 2020. The PMCES Consultant further updated the IEE and EMP and submitted the documents to MICT and ADB on 29 December 2020. ADB cleared the updated IEE and EMP on 26 February 2021. The UXO Clearance Certificate was issued on 11 March 2021.

The contractor produced the first draft CEMP in June 2021 and after several rounds of review and revisions and following the issuance of a design certificate for the proposed spoil disposal site by the Department of Public Work and Transport of Vientiane Province on 21 March 2022 and the approval of the site by the Provincial Department of Natural Resources and Environment on 29 April 2022, the CEMP was finally approved in May 2022.

During Q2 2023, extraction of rock at a section along the new road under construction previously proposed by the contractor was rejected and instead it was agreed with the contractor that rock for the ongoing construction work should be supplied from an existing quarry in Vang Vieng.

During Q1 2025, PMCES Environmental specialists have conducted field missions to monitor the implementation of the EMP/CEMP and to follow-up on implementation of specific measures required by PMCES during earlier missions.

The key results following the site inspections include:

	Findings	Corrective Actions	Status / Outcome	Due Date
1.	Discharge of turbid wastewater from the sediment retention pond treating wastewater from the concrete mixing plant.	<p>Contractor to install a baffle in the middle of pond. This will increase the flow distance and thus the sedimentation</p> <p>The contractor shall regularly remove deposited sediments from the sedimentation pond</p> <p>The contractor shall remove all equipment, structures and materials from the workshop and batching plant area and completely clean up and rehabilitate the site</p>	<p>Resolved</p> <p>Q1 2024, the baffles previously installed in the sediment pond were broken and the discharged wastewater was dirty.</p> <p>Q2 2024, the contractor has improved the baffles to ensure that the wastewater is treated.</p> <p>Q3 2024, the batching plant will only be operated for short intermittent periods for the remaining minor concrete placement work.</p> <p>Q4 2024, the concrete works has been completed .</p> <p>Q1-2025, the batching plant has not been in operation.</p>	30 June 2025
2.	The slope at the mixing plant is exposed to erosion.	<p>Carry out slope protection including reshaping and grass planting</p> <p>As part of final clean-up and rehabilitation of the workshop and batching plant area, the contractor shall complete the slope protection and revegetation work</p>	<p>Pending</p> <p>Natural revegetation of the slope to the reservoir has created a buffer zone supporting filtering of the wastewater discharged from the sedimentation pond.</p>	30 June 2025

	Findings	Corrective Actions	Status / Outcome	Due Date
			No discharge in Q1 2025 as the batching plant not in operation	
3.	<p>The proper built-up of the spoil disposal site at km 3+060 to km 3+300 is delayed.</p> <p>There are exposed steep surfaces and transverse cracks indicating instability.</p>	<p>Carry out reshaping, terracing of the spoil disposal site incl. construction of the gabion retention wall at the toe – all according to the approved design.</p> <p>The upper platform shall have a stable surface underlain by compacted soil layers and with runoff being drained to the roadside drains.</p> <p>The contractor shall complete the reshaping, terracing, gabion slope protection and revegetation of the site. Work to start in May 2025 and continue uninterrupted until completed with deadline on 15 Aug 2025</p>	<p>Partly Resolved</p> <p>The lowest layer has been constructed by installing big rocks and reshaping the toe</p> <p>Natural revegetation of the slope during this rainy season has reduced the risk of excessive erosion.</p> <p>The spoil disposal site shall be rebuilt as designed with rock gabion wall at the toe, compaction of soil, terracing and revegetation of the engineered batters.</p> <p>No progress in Q1 2025</p> <p>The contractor expects to rebuild the disposal site in Q4 2025.</p>	15 Aug 2025
4	Untidy conditions at the contractor's workshop with uncontrolled hazardous waste	Clean-up waste and hazardous materials at the workshop	<p>Pending</p> <p>In Q1 2025, the contractor has cleaned up regularly but not sufficiently and improper management of hazardous waste has still been observed at the workshop area.</p>	Q4 2025

The status of the roll-out of the contractor's responsibilities under the safety improvement plan developed by the PMCES Consultant is summarized here below:

Activity	Progress	Plan
Confirm full time employment of an Environmental, Health and Safety Officer	Confirmed	-
Conduct work hazard assessment at your construction sites and report the results to PMCES by 30 September 2022	Completed in Dec-2022	-
Develop safety procedures and measures for hazardous construction activities and submit these to PMCES for review and approval by 10 October	Completed in Dec-2022	-
Develop and implement health and safety training on all safety procedures for the personnel and any subcontractors	Completed in Dec-2022	-
Undertake emergency response drill	Completed on 21-Dec-2022	-

**Social safeguards:** The site was re-opened on 1 December. All affected businesses have returned to the site and the compensation phase (for income loss) has ended. A social safeguards due diligence report has been prepared and submitted for the permanent boat mooring facility, enabling procurement to proceed.

**Package TIIGP2-LAO-W03: Subproject V2: Kaeng Yui Waterfall Access Improvements and Subproject V3: Western Loop Rural Access Road and Bridge Improvements.**

**Environmental safeguards:** The IEE and EMP for subprojects V2 and V3 were updated in August 2020, and the IEE and EMP were cleared by ADB on 29 September 2020, subject to certain conditions of which the following have been met: (i) Additional public consultations with affected people were organized on 15 and 16 December 2020, (ii) Vientiane Provincial Department of Natural Resources and Environment issued the Environmental Compliance Certificate on 07 April 2021, (iii) The UXO Clearance Certificate for the Western Loop Rural Access Road and Bridge was issued on 16 December 2020, and the UXO Clearance Certificate for Kaeng Yui Waterfall was issued on 18 February 2021, and (iv) follow-up GRM training for the PIU (Vang Vieng District) was carried out on 14 December 2021. PMCES Consultant updated the IEE and EMP and submitted the documents to ABD on 12 February 2021.

It since came to light that the forest where the waterfall is located is classified as village conservation forest. PMCES Consultant and the PIU have investigated the issue and PMCES Consultant has further updated the IEE and EMP. The updated IEE explains that the parking area, adjacent tourist facilities and the footpath to the waterfall are inside the Na Duang Village Conservation Forest and to formalise the management arrangements and the legal status of the Kaeng Yui Waterfall area, the Vang Vieng District Governor has issued an Agreement on Land Certificate, No 275, Vang Vieng District Governor's Office, 07-Jul-2021, which allows for the Kaeng Yui Waterfall area to be managed under the Project and which authorises the Vang Vieng District Office of Natural Resources and Environment to issue land use certificates to that effect. Subsequently, the Vang Vieng District Office of Natural Resources and Environment has therefore issued the relevant Land Use Certificates No. 190 and 191 dated 08-July-2021. These documents confirm that the project has obtained the required permissions to be developed inside Na Duang Village Conservation Forest. The updated IEE and EMP were submitted to ADB in May 2022 and subsequently cleared by ADB and uploaded to ADB website in August 2022.

The Site-Specific Environmental Management Plan (SSEMP) for the construction work prepared by the contractor was approved by PMCES Consultant on 11 October 2021 and in accordance with PMCES Consultant's instructions, on 07 December 2021, the contractor

submitted certificates issued by the Vang Vieng District Office of Natural Resources and Environment together with layout maps for the proposed spoil disposal sites and borrow pits. During Q1 2025, PMCES Consultant has monitored the implementation of environmental, health and safety measures. The key findings are summarized below:

	Findings	Corrective Actions	Status / Outcome	Due Date
1	<p>Batching Plant</p> <p>Wet concrete waste had been dumped close to the edge of the slope leading to Nam Lao River.</p> <p>Risk of water polluting with cement-laden wastewater.</p>	<p>Ensure that wet concrete waste is only dumped in the concrete waste pond and not on the ground outside the pond.</p> <p>Regularly clean-up the concrete waste pond.</p>	<p>Resolved</p> <p>The concrete wastewater pond has been cleaned and covered by soil in Q4 2024. The batching will be removed by 10 Feb 2025</p> <p>The cleanliness at the batching plant should be done in Feb 2025</p> <p>The batching plant site has been clean up and all material and the plant has been removed in Q1 2025.</p>	Resolved
2	<p>Kang Yui Waterfall construction site</p> <p>The contractor has cleared an access track 4-8 m wide and 500 m long through the Village Conservation Forest to the waterfall site for transporting steel beams for the viewpoint platform.</p> <p>Na Douang Village Authorities have issued permission to construct the access track on 13 June 2024.</p> <p>The access track was cleared on 15 June 2024 and is planned to be used until October 2024</p>	<p>The contractor shall prepare a rehabilitation plan and submit it to PMCES for review and approval.</p> <p>Upon PMCES' approval, the contractor shall implement the rehabilitation plan strictly in accordance with PMCES instructions</p> <p>Q3-Q4 2024, the contractor has planted bamboo grass seed to the track area.</p> <p>Q1 2025 preparing for replanting</p>	<p>partly resolved</p> <p>Contractor to continue the rehabilitation work and to growth big trees where it's close to the stream</p> <p>PMCES will carry out frequent monitoring of the ongoing rehabilitation work</p>	Q2 2025.
3	<p>Kang Yui Waterfall construction site</p> <p>The presence of child labor and young workers being involved in hazardous work as excavator's operation</p>	<p>PMCES to provide briefing to the contractor on standardized recruitment procedures (provide evidence of clearly defined policies and procedures for age</p>	<p>PMCES has consulted with the PIU, the social welfare district office and the contractor</p>	The contractor provides accident insurance but not social welfare

	Findings	Corrective Actions	Status / Outcome	Due Date
	work at the construction which it's unacceptable.	<p>verification e.g., checking ID documents, in-person interviews, etc.)</p> <p>Contractor's hiring to be carried out by trained personnel and not informally. Prevent all forms of child labour.</p> <p>Contractor to highlight minimum age for general work and hazardous work in work contracts.</p> <p>PMCES/Contractor to consult with Labor Inspectors, Ministry of Labor, and Employment to carry out the Training and Assessment.</p>	<p>9 Jul 2024, the Social Welfare Office of Vang Vieng District explained the key labour law requirements to the contractor</p> <p>PMCES field inspection and interviews with workers confirmed that the contractor does not hire young or child labour.</p> <p>15 Jul 2024, PMCES received the completed labour information forms (including information about health checks) to document compliance with Labor Law requirements and provide information about hazardous work.</p> <p>Training and assessment carried out by Labor Inspectors</p>	insurance, but they cover medical expenses

The status of the roll-out of the contractor's responsibilities under the safety improvement plan developed by the PMCES Consultant is summarized here below:

Activity	Progress	Plan
Confirm full time employment of an Environmental, Health and Safety Officer	Confirmed	-
Conduct work hazard assessment at your construction sites and report the results to PMCES by 30 September 2022	Completed in Dec-2022	-
Develop safety procedures and measures for hazardous construction activities and submit these to PMCES for review and approval by 10 October 2022	Completed in Dec-2022	-
Develop and implement health and safety training on all safety procedures for the personnel and any subcontractors	Completed in Sep-2022	-
Undertake emergency response drill	Completed in Sep-2022 and August 2023	

Activity	Progress	Plan
Update the CEMP	Completed in Dec-2022	-

**Social Safeguards:** For safety reasons the site is closed to tourists while construction is ongoing. During this time the Nadouang village community tourism group is being compensated for loss of ticket revenue. Due to construction delays, an additional phase of compensation will be paid to the community tourism group for the period 1 April 2024 to 31 July 2025.

**Package TIIGP2-LAO-W03a: Vang Vieng Urban-Renewal**

**Environmental safeguards:** The IEE/EMP for the sub-project were completed and cleared by ADB in February 2024,.The contractor submitted the first draft CEMP to PMCES Consultant on 18 Dec 2024. Following several rounds of comments and revisions, the contractor submitted the final draft CEMP on 30 January 2025.Q1-2025, PMCES Consultant has monitored the implementation of environmental, health and safety measures. The key findings are summarized below:

	Findings	Corrective Actions	Status / Outcome	Due Date
1.	Fabrication site and Camp area. The waste management onsite at the proposed camp area specially no waste bins, and wastewater spillage on the ground;	The contractor shall properly manage both solid and wastewater on the fabrication site. Ensure that wet concrete waste is only dumped in the concrete waste pond that has been approved by PMCES-Environmental consultant team.	Pending During reporting period, those waste still managed. However, the contractor has to ensure the waste disposal in the disposal site as indicated in CEMP	30 May 2025
3.	Poor traffic management onsite with lack of flagmen to direct traffic. Insufficient traffic signs, warning signs and barriers The construction material has laid-down on the ground along both side of road-drainage work	To provide flagmen to direct traffic at the construction sites. To provide more safety and warning signs and visible tapes. To provide barriers separating work area from traffic. To remove stockpiles of construction waste and spoil	Partly resolved The contractor has moved material so that is does not obstruct traffic and the contractor has placed warning tape along construction sites, however there is still a lack of barriers separating work area from traffic	30 May 2025

status of the roll-out of the contractor’s responsibilities under the safety improvement plan developed by the PMCES Consultant is summarized here below:

Activity	Progress	Plan
Confirm full time employment of an Environmental, Health and Safety Officer	Confirmed	-
Environmental health and safety training program carried for contractor staffs and workers.	Carried out on 16 Jan 2025	-
The HIV -aids training for workers in the camp (this should be done by Public health district authorities in Vang Vieng District).	Ongoing	30 May 2025

**Social Safeguards:** A Community Liaison Officer (CLO) is working full time on site. The CLO acts as a bridge between the contractor, PIU and local businesses to mitigate temporary construction disturbance. The GRM is operational, and a WhatsApp group has been created (including heads of village) to facilitate rapid resolution of social safeguard issues arising during construction.

**Package TIIGP2-LAO-W04: Subproject V5: Vang Vieng Solid Waste Management Improvements.**

**Environmental safeguards:** The IEE and EMP for sub-project V5 were updated in July 2020 based on the re-design of the landfill subproject and cleared by ADB on 15 September 2020. Vientiane PONRE issued the Environmental Compliance Certificate for the IEE and EMP on 22 December 2020. The Governor of Vang Vieng District issued a certificate of no risk of UXOs at the landfill site on 16 December 2020. The contractor submitted the first draft CEMP to PMCES Consultant on 11 March 2021. Following several rounds of comments and revisions, the contractor submitted the final draft CEMP on 25 June 2021 and PMCES Consultant has approved the CEMP with conditions related to installation of groundwater monitoring wells.

Based on technical specifications for construction of groundwater monitoring wells developed by PMCES Consultant, the contractor completed the construction of all monitoring wells in November 2021.

The contractor has conducted seven rounds of groundwater quality monitoring (December 2021, July 2022 and March 2023, July 2023, December 2023, March and Oct 2024). The key results of the groundwater quality monitoring are summarized below:

- PW03: Ammonia increased from an average of about 0.1 mg/L during Q4 2021 - Q1 2023 to an average of about 3.5 mg/L during the period from Q3 2023 – Q4 2024
- PW01, PW02, PW03: Faecal Coliform increased from about 2 MPN/100 ml in Q4 2021 – Q3 2022 to varying between moderate levels about 50 MPN/100 ml to high levels about 1,100 MPN/100 mL in Q1 2023 and Q1 2024 increasing to >160,000 MPN/100 mL in Q4 2024 in PW03 and BH13.
- PW02 and PW03: Lead increased from not detected in Q4 2021 to an average of about 0.5 mg/L in Q1 2024 and about 1 mg/L in Q4 2024 exceeding the groundwater quality standard of 0.01 mg/L 100 times.
- Other heavy metals were detected at low concentrations or not detected.

Analyses of leachate sampled on 27 October 2024 from each of the leachate treatment ponds show increasing concentrations of BOD5 and COD through the treatment system. Heavy metals were not detected in any of the leachate samples.

During Q1 2025, PMCES Consultant has inspected the implementation of the EMP/CEMP. The main findings from the inspections include:

	Findings	Corrective Actions	Status / Outcome	Due Date
1.	<p>The contractor has moved the fuel tank from the camp to the landfill site and placed it on a concrete slab in the open area next to the internal road opposite the workshop. The tank installation has no secondary containment and the tank is located too close to combustible materials (waste)</p>	<p>Construct a safe fuel storage facility based on the following design requirements:</p> <p>Impervious surface surrounded by a wall free of cracks and holes creating a space with a volume that is at least 110% of the tank volume.</p> <p>Loading and unloading area consisting of a concrete apron that drains into a tank from which any spills shall be removed and safely disposed of.</p> <p>Roof over the tank and the loading/unloading apron.</p> <p>No combustible materials (including waste, wood, paper, plastic) shall be present within a distance of 20 m from the border of the facility.</p>	<p>Resolved</p> <p>The storage fuel tank has been removed</p>	Resolved
2.	<p>Poor management and periodically no management of incoming waste (Cell 5) and lack of maintenance of landfill infrastructure leading to discharge of contaminated stormwater.</p> <p>Placement of waste covering the open stormwater ditch along the northern border of Cell 5 has resulted in a high amount of leachate in the stormwater pond.</p> <p>Although the stormwater pond was emptied it has filled-up again at the end of June 2024, resulting in discharge to the rice field next to the landfill.</p> <p>Although previously, the leachate pipes in Cell 5</p>	<p>Improve waste compaction and waste cell build-up.</p> <p>Relocate waste dumped on top of the stormwater ditch to Cell 5.</p> <p>The stormwater drains shall be cleaned up regularly.</p> <p>Ensure that all raw leachate goes through the leachate treatment process.</p> <p>Ensure that processed leachate does not escape the landfill (until analyses show that effluent limits are complied with and no risk to surface water quality).</p> <p>Cell 5 must be dewatered using a set of temporary</p>	<p>Two temporary pumping wells have been installed in Cell 5 and dewatering of the cell has been ongoing from 15 Aug 2024 until end of Nov 2024 with leachate being pumped to the anaerobic pond and from the final pond into the site for Cell 2.</p> <p>Waste is scattered on the top of Cell no. 5 is urgently request the operator using the bulldozer</p>	Start in rainy season of 2024 and complete closure of Cell 5 by the end of the 2024/2025 dry season

	Findings	Corrective Actions	Status / Outcome	Due Date
	<p>have been repaired and the ponded water in the southern part of the cell was drained out to the leachate pond system, built-up of leachate in Cell 5 was still observed at the end of June beginning of July 2024 indicating malfunction of the leachate collection system possibly due to clogging, damaged pipes and/or heavy rain combined with slow infiltration.</p>	<p>pumping wells installed in the cell.</p> <p>Close monitoring of the liquid level in Cell 5 and inspection of the embankment for signs of seepage or overflow.</p> <p>Undertake surface water, groundwater and leachate quality monitoring has been done in Oct 2024.</p> <p>Continue tipping in Cell 5 to the extent practicable and start preparing for closing the cell so that it can be safely closed as soon as the liquid has been pumped and drained out</p> <p>Cell 5 should be fully closed not later than at the end of the dry season 2024/2025</p> <p>In Dec 2024, Cell no.5 still not dispose waste properly there is still waste scattered on the top of Cell no. 5 which it's not acceptable practices.</p>	<p>Aeration systems have been installed in pond no. 2 and in the final storage pond Nov-Dec 2024 in the aerobic pond</p> <p>Reeds planted in the wetland died.</p>	
3.	<p>Regular monitoring of groundwater quality and surface water quality of stream receiving runoff from the landfill.</p> <p>Need to check the leachate treatment process and the strength of the treated leachate</p>	<p>Conduct sampling and analyses of groundwater, surface water and leachate from each of the leachate ponds</p>	<p>Resolved</p> <p>Sampling carried out in Oct 2024</p>	Resolved
4.	<p>Waste pickers are not wearing appropriate PPEs</p>	<p>The operator shall ensure that the waste pickers wear appropriate PPE including a mask, gloves and high visibility jackets when they are working onsite</p>	<p>The waste pickers have been trained on health and safety and received PPE, but the waste pickers are not always using the PPE</p>	Pending and reoccurring issue
5.	<p>Cows and other domestic animals are scavenging the waste</p>	<p>The operator shall prevent cows and other domestic animals from entering the landfill</p>	<p>Resolved</p> <p>A gate with a security guard at the landfill</p>	Q2 2025

	Findings	Corrective Actions	Status / Outcome	Due Date
			entrance, but domestic animals still enter the landfill.	
6.	Poor hygienic condition for waste pickers, flies, and odor. Lack of maintenance and clean-up of litter on internal roads, and in ditches, gutters and on slopes	The operator shall clean up litter and maintain the site infrastructure regularly  Provide regular soil cover of incoming waste to reduce flies and vermin, malodour, dust and risk of landfill fires	Partly resolved  The operator in landfill is under ongoing receiving a training service on waste management and how to use the bulldozer, tucks and excavator in the landfill.	Feb 2025
7.	Safety for waste pickers and their children during waste tipping and sorting of waste	No children to be allowed at the landfill site  Control that waste tipping always takes place at a marked designated site and that no waste pickers are present within that site during waste tipping or bulldozing / compaction  Contractor to document implementation of the required measures	Partly resolved  Q3-Q4 2024, PMCES team has provided training on the health and safety awareness onsite to waste pickers, and no allowance children in the landfill site,  Operator has to regular check and ensure no children collect waste in the landfill.	Pending and reoccurring issue

The status of the roll-out of the contractor's responsibilities under the safety improvement plan developed by the PMCES Consultant is summarized here below:

Activity	Progress	Plan
Confirm full time employment of an Environmental, Health and Safety Officer	Confirmed	-
Conduct work hazard assessment at your construction sites and report the results to PMCES by 30 September 2022	Completed in Mar-2023	-
Develop safety procedures and measures for hazardous construction activities and submit these to PMCES for review and approval by 10 October 2022	Completed in Jan-2023	-
Develop and implement health and safety training on all safety procedures for the personnel and any subcontractors	Completed in Nov-2022	-
Undertake emergency response drill	Completed in Oct-2022	-

**Social safeguards:** Eight households with farmland behind the solid waste facility have requested assistance from the project to improve farm access. Currently, access requires passing through the landfill facility, which raises operational safety concerns. A field survey was carried out with PIU and UDAA on 13 March 2025 to assess alternative access routes for these farmers. Three possible routes were identified, and PIU is now coordinating with local authorities to collect information on land tenure along each alignment so that the option with least impact can be further assessed for technical and economic feasibility.

Waste pickers continue to operate at the site. The Institutional Strengthening team is leading planning for training and access to long-term employment for existing waste pickers.

**Safeguard Monitoring Reporting:** Under ADB Guidelines Category B projects require Semi-Annual Safeguard Monitoring Reports (SMRs) to be submitted once construction starts. The project includes civil works in residential areas, and it is a pro-poor project with a high level of community participation. The SMRs describe Social and Environmental Safeguard Compliance, actions required following issues arising and the handling process of incidents and complaints. For Environmental Safeguard Monitoring, the purpose is to monitor environmental impacts of civil works, by using EMP checklists prepared specifically for the project sites. The SMR furthermore describes planning and implementation of EMP Awareness Training and regularly assesses the project’s level of social and environmental safeguard compliance.

The following schedule will be adhered to for the submission of Semi-annual Integrated Safeguards Monitoring Reports.

<b>Semi-annual Integrated Safeguards Monitoring Report</b>	<b>Deadline</b>	<b>Status</b> <i>(Under preparation; Submitted on [date]; Comments from ADB being addressed; Approved)</i>
Report 1: Jan-Jun 2020	31 July 2020	Submitted on 28 September 2020; approved 18 December 2020
Report 2: Jul-Dec 2020	31 January 2021	Submitted on 16 February 2021; approved 4 May 2021
Report 3: Jan-Jun 2021	31 July 2021	Submitted on 1 September 2021; approved 24 November 2021
Report 4: Jul-Dec 2021	31 January 2022	Submitted on 15 March 2022; approved 21 July 2022
Report 5: Jan-Jun 2022	31 July 2022	Submitted on 19 September 2022 (covering period Jan-Jul 2022); approved 27 December 2022
Report 6: Jul-Dec 2022	31 January 2023	Submitted on 25 April 2023 (covering period Aug-Dec 2022); approved on 1 June 2023
Report 7: Jan-Jun 2023	31 July 2023	Submitted on 4 August 2023; approved on 27 September 2023
Report 8: Jul-Dec 2023	31 January 2024	Submitted on 25 February 2024; approved on 8 April 2024
Report 9: Jan-Jun 2024	31 July 2024	Submitted 20 August 2024; approved 26 September 2024
Report 10: Jul-Dec 2024	31 January 2025	Submitted 13 February 2025; ADB comments have been addressed, awaiting approval
Report 11: Jan-Jun 2025	31 July 2025	
Report 12: Jul-Dec 2025	31 January 2026	
Report 13: Jan-Jun 2026	30 June 2026	

## 9. Gender Action Plan Implementation Status

The project is categorized as Effective Gender Mainstreaming.

Progress of implementing the GAP can be summarized as follows:

	<b>Achieved</b>	<b>On track</b>	<b>Not yet achieved</b>
9 Activities	5 (5, 6, 7, 8, 9)	4 (1, 2, 3, 4)	0
25 Targets	10 (2, 3, 4, 8, 15, 16, 17, 19, 20, 24)	15 (1, 5, 6, 7, 9, 10, 11, 12, 13, 14, 18, 21, 22, 23, 25)	0

A detailed progress report on GAP implementation is included in Annex 13.

## 10. Compliance with Grant Covenants

A table showing status of compliance with Grant Covenants presented in Annex 14.

## 11. Summary of Workplan for Next Quarter

**Procurement packages/consulting services contracts to be awarded next quarter:**

<b>Contract</b>	<b>Estimated Amount</b>
TIIGP2-LAO-C22a: National Community Liaison Officer	\$21,000
<b>Total</b>	<b>\$21,000</b>

### Main activities planned for Q2 2025:

#### Output 1: Urban-Rural Access Infrastructure and Urban Environmental Services Improved

Contract TIIGP2-LAO-W01 was completed on 30<sup>th</sup> June 2023 and the defects liability period was ended on 30 June 2024. The contractor repaired all defects identified and the Inspection Committee found no defects and the Defects Liability Certificate was issued. The Civil Works file was closed in Q3/2024. No activities for Q1/2025.

The primary focus for Q2 2025 is to complete the outstanding defects and finishing works of the civil works under contract TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements. All civil works have been substantially completed. The Defects Liability Period commenced on 01 October 2024 and is scheduled to be completed by 30 September 2025. Defects lists have been prepared, with milestone dates set for rectification. The Defects Liability Certificate will not be issued until all identified defects have been fully repaired.

For packages of TIIGP2-LAO-W03 focus in Q2 2025 will be on: (i) V2-subproject including the installation of road traffic signs (guidepost and handrail) and protection of box culverts at Km 3+010, Km 4+825 and Km 5+994 for Kaeng Yiu access road, and Kaeng Yui waterfall landscaping improvement (parking area, footpath, changing hut, viewing deck and walking bridge No. 3); (ii) V3-subproject including 1km 2<sup>nd</sup> sealing coat, Repairing inlets and outlets of RC pipe culverts; (iii) River Bank and Approach Road Protection of Nam Xong bridge construction including gabion protection wall at Abutment A1 and A2; (iv) Solar lighting, (v) guardrails, (vi) Road Traffic signs, (vii) unfinished drainage of WL and (viii) Finishing Works

For packages of TIIGP2-LAO-W03a focus in Q1 2025 will be on: The following key activities will be addressed in Q2/2025: (i) Method of Statement for Clearing the Drain, (ii) Selection and trail for the Pavement Block on footpath (iii) Final Approval of the Construction Environmental Management Plan (CEMP), (iv) Approval of Shop Drawings for Section-A, B, G, J, C1, C3, C4, C5 (v) Approval of the Sidewalk Paving Pattern, (vi) Approval of Asphalt

Adjustment for the 2% Cross Fall and Asphalt Overlay, and (vii) Approval of Asphalt Adjustment for Pothole Repairs.

For packages of TIIGP2-LAO-W04: Vang Vieng Landfill Improvements was completed on 31 May 2024 and is under the defects liability period starting from June 2024 to 31 May 2025. The key activities focused on in Q1 and Q2 of 2025 will include: (i) Defects Liability Inspection by the Committee, (ii) Issuance of the Defects Liability Certificate, (iii) Preparation of the Closure Report, (iv) Finalization of Final Accounts & Payment Release, and (v) Closure of File.

Summary of activities planned for Q2 2025 is as follows:

<b>TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvement (C1, C2)</b>		
<b>Item of Works</b>	<b>Responsibility</b>	<b>Deadline</b>
Defects Liability Period Ended	Nile	File Closed

<b>TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements (V1)</b>		
<b>Item of Works</b>	<b>Responsibility</b>	<b>Deadline</b>
Defects Liability Period	Contractor/KFG	01 Oct 2024 to 30 Sep 2025
Defects Lists with (i) letter reference number 2238/TIIGP2-24 dated 22 Nov 2024, along with, (ii) Letter No. 1752/TIIGP2-24 dated 27 September 2024, and (iii) Request for completion of defects repair as per Letter No. Lao/TIIGP2/560 dated 13 November 2024.	Contractor/KFG	01 Oct 2024 to 30 Sep 2025
Contractor's commitment letter, reference number 176/KFG, dated 23rd November 2024, regarding the milestone dates for defects re-modification	Contractor/KFG	Milestones date
As –built drawings	Contractor/KFG	Submitted
O&M training for the infrastructure facilities	Contractor/KFG	TBA
Routine monthly Defects Repairing Follow-up	Contractor/KFG	Continue
The Defects Liability Inspection by the Committee	Committee/Consultants/Contractor	TBA
The Defects Liability Certificate	EA to Contractor	TBA
The Closure Report	Consultants/EA	TBA
Final accounts and payment release	Consultants/EA/Contractor	TBA
Closure of File	Consultant to EA	TBA
Implementation of Contract	MICT/PCU/PIU/PMCES/Contractor	Jul 2021 – Sep 2025
Health & Safety: (i) Outstanding Issues Only	MICT/PCU/PIU/PMCES/Contractor	Jul 2021 – Sep 2025
Safeguard Monitoring	MICT/PCU/PIU/Social Safeguard Consultants/PMCES	Jul 2021 – Sep 2025
Grievance Redress Mechanism (GRM)	MICT/PCU/PIU/PMCES/ Social Safeguard Consultants	Jul 2021 – Sep 2025

<b>TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements</b>		
<b>Item of Works</b>	<b>Responsibility</b>	<b>Deadline</b>
NamXong Bridge Protection of Embankment & Abutments Works	Contractor/XCR	Apr to June 2025
Gabion Bench	Contractor/XCR	Apr to June 2025
Deep Wells	Contractor/XCR	Apr to June 2025
Solar lighting		
Guardrails:	Contractor/XCR	Apr to June 2025
Road traffic signs and Tourist Information Sign	Contractor/XCR	Apr to June 2025
Unfinished drainages for WL	Contractor/XCR	Apr to June 2025
DBST Pavement in Western Loop (Second sealing) – 1km	Contractor/XCR	Apr to June 2025
DBST edge repair, WL:	Contractor/XCR	Apr to June 2025
Inlet-outlet protections for pipe culverts	Contractor/XCR	Apr to June 2025
Unfinished concrete structures for two causeways in WL	Contractor/XCR	Apr to June 2025
Tree Planatation and Grass Works	Contractor/XCR	Apr to June 2025
Health & Safety: (i) Confirm full time employment of an Environmental, Health and Safety Officer; (ii) Conduct work hazard assessment at your construction sites and report the results (iii) Develop safety procedures and measures for all hazardous construction activities; (iv) Develop and implement health and safety training on all safety procedures for the personnel and any subcontractors; (v) Conduct drills on emergency response and (vi) Update the CEMP	MICT/PCU/PIU/PMCES/Contractor	Sep 2021 – Jun 2025
Safeguard Monitoring	MICT/PCU/PIU/Social Safeguard Consultants/PMCES	Sep 2021 – Jun 2025
Grievance Redress Mechanism (GRM)	MICT/PCU/PIU/PMCES/ Social Safeguard Consultants	Sep 2021 – Jun 2025

<b>TIIGP2-LAO-W03a: Vang Vieng Urban-Renewal</b>		
<b>Item of Works</b>	<b>Responsibility</b>	<b>Deadline</b>
Approval of shop drawings Section-A, B, G, D, E, F	Contractor/R8CE-LBD JV	Apr – Jun 2025
Approval of sidewalk paving pattern	Contractor/R8CE-LBD JV	Apr – Jun 2025
Approval of Asphalt Adjustment for the 2% cross fall and Asphalt Overlay	Contractor/R8CE-LBD JV	Apr – Jun 2025
Approval of junction design	Contractor/R8CE-LBD JV	Apr – Jun 2025

Approval of CEMP (Update) due to paver block factory	Contractor/R8CE-LBD JV	Apr – Jun 2025
Health & Safety: (i) Confirm full time employment of an Environmental, Health and Safety Officer; (ii) Conduct work hazard assessment at your construction sites and report the results (iii) Develop safety procedures and measures for all hazardous construction activities; (iv) Develop and implement health and safety training on all safety procedures for the personnel and any subcontractors; (v) Conduct drills on emergency response and (vi) Update the CEMP	MICT/PCU/PIU/PMCES/Contractor	Apr – Jan 2026
Safeguard Monitoring	MICT/PCU/PIU/Social Safeguard Consultants/PMCES	Apr – Jan 2026
Grievance Redress Mechanism (GRM)	MICT/PCU/PIU/PMCES/ Social Safeguard Consultants	Apr – Jan 2026

<b>TIIGP2-LAO-W04: Vang Vieng Landfill Improvements (V5)</b>		
<b>Item of Works</b>	<b>Responsibility</b>	<b>Deadline</b>
Defects liability	Contractor/CeTeau-PAN JV	Jun 2024 – May 2025
The Defects Liability Inspection by the Committee	Committee/Consultants/Contractor	April 2025
Defects Notice	Consultants/EA	April 2025
The Defects Liability Certificate	EA	May 2025
Final accounts & payment release	Consultants to EA to Contractor	June 2025
The Closure Report	Consultants to EA	June 2025
Closure of File	PMCES/EA	June 2025

#### Output 2: Capacity to implement ASEAN Tourism Standards strengthened

Focus during Q2 of 2025 will be on (i) ongoing consultation with the private sector to raise awareness and increase uptake of ASEAN Tourism Standards (ii) re-certification of expired Green Hotel and Homestay Standards (using certified CBT Villages as needed) to make improved progress towards the DMF targets and (iii) implementation of the Action Plan for achieving ASEAN Clean Tourist City for Vang Vieng. Implementation of activities are planned to continue throughout 2025.

#### Output 3 progress: Institutional capacity for tourism destination management and infrastructure O&M strengthened

In Q2 of 2025, DMN work will focus on (i) continuing to support the implementation of the public and private sector action plan on destination management and organize DMN meetings at the national level, Luang Prabang, Vang Vieng and Champasak province, (ii) continuing to organize public and private sector consultation meetings to identify key issues and solutions in Lao tourism sector, (iii) obtaining Central and Provincial Government approval of the Luang Prabang Tourism Management Plan, Nam Ngum 1 Tourism Master Plan, and the Don Det-Don Khone and Surrounding Islands Tourism Master Plan, (iv) support DMNs organizing and

participating tourism promotional events and travel trade fairs (v) implementing the detailed thematic heritage interpretation plans for Luang Prabang town and environs, finalize interpretation panel texts for Vientiane province and the 4,000 islands, (vi) implementing SME support plans for the project target areas, and (vii) updating contents on the Internet based tourism knowledge repository and DMN website.

Regarding institutional arrangements for O&M planning work, the focus during Q1 of 2025 will be on the following:

*Subproject C1: Nakasang Access Road and Port Rehabilitation and Subproject C2: Don Det-Don Khone Access Improvements:* Ongoing support in O&M delivery, as required.

*Subproject V1: Nam Ngum Reservoir Access Improvements.* Holding training with the Boat Association and individual businesses at the site in how to use the designed waste management system, including segregation of waste at source. A workshop will be held to provide an overview of the O&M requirements at the site and the responsibilities of the private company (once in place), as well as those of the local government, with the O&M plan annexed to the management contract.

*Subproject V2: Kaeng Yui Waterfall Access Improvements.* A workshop will be held to provide an overview of the O&M requirements at the site and the responsibilities of the private company, as well as those of the local government, and the O&M plan will be finalized, which will be annexed to the management contract.

*Subproject V3: Western Loop Rural Access Road and Bridge Improvements.* No activities are planned for this period.

*Subproject V4: Vang Vieng Urban Renewal.* No activities are planned for this period.

*Subproject V5: Vang Vieng Solid Waste Management Improvements.* Monthly task notes will continue to be developed in consultation with UDAA staff, with ongoing support provided to the site supervisor. Key operational tasks planned for the next quarter include applying clay capping over the existing intermediate cover at the southern end of the landfill cell, developing an approach to improve safety for informal workers at the active tipping face, identifying a suitable vehicle for towing the water bowser to strengthen fire preparedness, and using ground protection matting during the wet season to maintain waste collection truck access into the cell.

Requirements will be identified and consulted on for waste collection bins and containers as part of a pilot to improve the standardisation of bins in Vang Vieng's urban area. This will support better waste containment, reduce leachate spills onto streets, and improve the efficiency of waste handling. Specifications for the equipment will subsequently be developed, with additional support provided to the procurement team.

The UDAA and businesses will be supported in signing the contracts for the PPP arrangement (originally due in April but postponed twice due to third-party reasons). Support will then be provided for establishing the dry recycling scheme, including identifying other recyclables collectors in Vang Vieng who could be incorporated into the scheme, and assisting in setting schedules and operational arrangements with businesses participating in the scheme.

To address the overall budget deficit for environmental services in Vang Vieng, in parallel, options for environmental/tourist tax will be further explored with UDAA and District authorities, following consultations with relevant line-ministries at national level, supported by the project's legal advisor, tourism and institutional specialists.

**Planned disbursements:**

For Q2 2025, the following withdrawal applications (WA) are foreseen:

1. Replenishment of Advance Account:
  - a. WA #131 (SOE Jan Feb 2025): \$250,345.74
  - b. WA # 135 (SOE Mar 2025): \$572,848.11
  - c. WA # xxx (SOE April 2025): \$200,000 (estimate)
2. Direct payments:
  - a. WA #xx direct payment \$100,000 (estimate) (IPC Package W04 G22778)
  - b. WA #xx direct payment \$150,000 (estimate) (IPC Package W02 G23079)
  - c. WA #xx direct payment \$300,000 (estimate) (IPC Package W03 G0001)
  - d. WA#xx direct payment \$150,000(estimate) (IPC Package W03a G0093)

**3. Issues and Recommendations**

(i) The latest ADB Review Mission took place from 17 to 21 February 2025. Below are the agreed time bound actions included in the Aide Memoire, with a status update as of 31 March 2025.

Actions	Responsible Party	Due date	Progress as of 31 March 2025 and next steps
1. Review 2025 annual work plan including additional small works under W02 Nam Ngum Reservoir Access Improvements.	ADB	28 February 2025	Completed, pending NOL
2. Review VO3 of the contract for W03 - Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements	ADB	28 February 2025	Completed, NOL provided
3. Submit draft updated procurement plan	PCU	7 March 2025	Completed, pending ADB NOL
4. W03 contractor provides a letter from its management to the EA confirming their commitment to ensure timely delivery of the work.	Contractor/ PCU to follow up	14 March 2025	Completed; Contractor provided before due date
5. Completion of cleanup and restoration of batching plant and contractor workshop areas (W02 and W03).	PCU to oversee	31 March 2025	W02 by Sep 2025 (Defects Liability Works in Progress) W03 by Jun 2025 (Civil Works in progress)
6. Submission of CCR for the final tranche of compensation (phase 4) paid to 47 households at the Nam Ngum marina (W02)	PCU	31 March 2025	In progress, to be completed in May 2025
7. Submission of FY2024 APFS	PCU	30 June 2025	Audit is ongoing and APFS will be submitted to ADB before 30 June 2025.

Approved and Submitted to ADB by:



Mrs. Phonemaly Inthaphome  
National Project Manager  
Ministry of Culture, Information and  
Tourism

## Annex 1: Progress of civil works by subproject as of 31 March 2025

Subproject	Location and Description	DED and Implementation Progress
<b>Works Package: TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvements</b>		
<b>C1: Nakasang Access Road and Port Rehabilitation</b>	<b>Khong District.</b> The subproject will: (i) reconstruct 2.72 km road from Route 13S to the Nakasang Mekong River port and create a turning area for buses; (ii) reinforce 45 m of riverbank protection and reconstruct 60m of riverside path in the port area; (iii) improve footpaths and ramps to floating river pontoons to provide safer passenger access; and (iv) divert the main storm water drainage outlet 15 m downriver from the port.	<p><b>LAO-W01: Nakasang and Don Det-Don Khone Access Improvements:</b> DED, bill of quantities, technical specification, bidding documents, updated safeguards documents, have been reviewed and updated as needed, by the PMCES Consultant.</p> <p>The contract was awarded on 23<sup>rd</sup> December 2019 to Phoukhong Construction Sole Co. Ltd. with a contract amount of USD 3,964,308.36 (including Provisional Sums USD 650,000, Contingency USD 333,000.69 and Tax USD 301,300.76).</p> <p>Work commenced 26<sup>th</sup> May 2020, 24 months' contract with extended time of 13 months up to 30<sup>th</sup> June 2023.</p> <p>The EA further approved 81 days which is approximately 2.7 months or up to 30<sup>th</sup> June 2023 to complete all of outstanding works on site</p> <p><b>The present status of the project is as follows:</b></p> <ul style="list-style-type: none"> <li>• <b>Civil Works Completed</b></li> <li>• <b>Defects Liability Period has been passed in Q3/2024</b></li> <li>• The Civil Works File for TIIGP2-LAO-W01 was closed on Sep 2024</li> </ul>
<b>C2: Don Det-Don Khone Access Improvement s</b>	<b>Khong District.</b> This subproject will (i) pave the main 11 km road network on Don Det and Don Khone islands; (ii) pave the 780 m <sup>2</sup> Don Det ferry port vehicle parking area; (iii) cycle track/footpaths over the two islands; and (iv) install public lighting and safety rails on the old railway bridge linking the islands.	<ul style="list-style-type: none"> <li>• <b>Civil Works Completed</b></li> <li>• <b>Defects Liability Period has been passed in Q3/2024</b></li> <li>• The Civil Works File for TIIGP2-LAO-W01 was closed on Sep 2024</li> </ul>
<b>Works Package: TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements</b>		
<b>V1: Nam Ngum Reservoir Access Improvement s</b>	<b>Keo Oudom District.</b> This subproject will (i) improve the existing public marina at the Nam Ngum Reservoir recreational area to safely accommodate 50-60 local tour boats and launch small recreational vessels; (ii) construct a 5.9km loop road extending along the reservoir shore linking to Route 10, and 1,200 m <sup>2</sup> parking area; (iii) construct a new 3,860 m <sup>2</sup> public market and shophouses to replace existing informal lakeside stalls; (iv) install septic tanks in all public buildings and a wastewater pump-out station/holding tank at the marina; (v) replace abandoned, unsafe public buildings and piers with new public green space; and (vi) renovate the tourist information center.	<p><b>TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements:</b> Feasibility studies, preliminary designs, preliminary cost estimates and safeguards documents prepared during project preparation. DED, bill of quantities, technical specification, bidding documents, updated safeguards documents, O&amp;M plan were prepared by the PMCES Consultant. The DED, Safeguard Documents and Bid Document were endorsed by ADB in Q3 2020. The number of safeguard activities were carried out in Q4 2020.</p> <p>The contract was awarded on 20<sup>th</sup> April 2021 to Khamfong Group Sole Company Limited with a contract amount of USD \$4,669,065.14 inclusive of tax, and contingency of US\$424,460.47</p> <p>Works Commenced 1<sup>st</sup> July 2021, 24 months Contract with the extended time of 12 months up to 30<sup>th</sup> June 2024</p> <p>The Variation Order No.1 was time implication to the project due to modification of design and Covid-19 Pandemic. The Intended Completion Date was extended from 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024 as approved by ADB on 28<sup>th</sup> June 2023 because of the COVID-19 pandemic in 2021-2022 and the updated resettlement plan which was Contract Variation Order No. 1.</p>

Subproject	Location and Description	DED and Implementation Progress
		<p>The Variation Order No.2 was cost implication to the project due to modification of design. The total contract amount will increase by \$661,734.14 (14.17% of the original contract amount), from \$4,669,065.14 to \$5,330,799.28. approved by ADB on 22 December 2023.</p> <p>The Intended Completion Date was extended once more from July 1, 2024, to September 30, 2024, as approved by the ADB on July 31, 2024. This extension was due to unforeseen ground conditions at the marina landscape site, which led to the issuance of Variation Order No. 3.</p> <p>The Physical progress as of 31<sup>st</sup> December 2024 is 100.00% (Under the Defects Liabilities Period)</p> <p><b>The present status of the project is as follows:</b></p> <ul style="list-style-type: none"> <li>• Works substantially Completed</li> <li>• Certificate of Completion by the Contractor was requested on 23 Nov 2024</li> <li>• The Employer issued the Completion Certificate on 25 Nov 2024 to the Contractor/</li> <li>• The Civil Works Contract has been taken over and the 365 days Defects Liability Period has been started from 1st October 2024.</li> <li>• Final payment at the end of 100% substantial completion was done with 50% retention release.</li> <li>• Outstanding Defects List have been prepared and regularly following up.</li> <li>• Outstanding Defects List have been prepared and regularly following up.</li> <li>• All 7.16km including 0.73km Marina access road has been completed</li> </ul>
<p><b>Works Package: TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements</b></p>		
<p><b>V2: Kaeng Yui Waterfall Access Improvements</b></p>	<p><b>Vang Vieng District.</b> The subproject will (i) upgrade the 6km access road from Vang Vieng Town to Kaeng Yui waterfall; (ii) level and pave the 875 m<sup>2</sup> waterfall parking area; (iii) improve surfaces and drainage in the waterfall market area; and (v) improve 300m footpaths, including rehabilitation of steps, small suspension bridges, and signage.</p>	<p><b>TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements:</b> Feasibility studies, preliminary designs, preliminary cost estimates and safeguards documents prepared during project preparation. DED, bill of quantities, technical specification, bidding documents, updated safeguards documents were prepared by the PMCES Consultant.</p> <p>The DED, Safeguard Documents and Bid Document were endorsed by ADB in Q3 2020. The number of safeguard activities were carried out in Q4 2020. The bid evaluation and additional due diligence were carried out in Q1 2021.</p>
<p><b>V3: Western Loop Rural Access Road and Bridge Improvements</b></p>	<p><b>Vang Vieng District.</b> The subproject will (i) upgrade the 26 km “Western Loop Road” and three village feeder roads; (ii) construct a new road bridge across the Song River, with 2.0km feeder road linking the bridge, Western Loop Road and south end of town; and (iii) provide bio-engineered river bank protection and improve the footpath/cycle track</p>	<p>The contract was awarded on 23<sup>rd</sup> July 2021 to M/s Xayya Construction and Renovation Sole Company with a contract amount of US\$ 8.829,630.77 Inclusive of tax, and contingency of US\$ 802,693.70</p> <p>Works commenced on 1st September 2021, with a 24-month contract and an initial completion date of 1st September 2023</p> <p>The Intended Completion Date was extended from 2<sup>nd</sup> September 2023 to 1<sup>st</sup> September 2024 as approved by ADB because of the COVID-19 pandemic in 2021-2022 and the delayed in testing of</p>

Subproject	Location and Description	DED and Implementation Progress
	<p>between the new bridge and Huay Yae village.</p>	<p>bored piles of Nam Xong Bridge which was the Variation Order No. 1 with internal cost adjustments.</p> <p>The Intended Completion Date was again extended from 2nd September 2024 to 28th February 2025, as approved by ADB dated 21 August 2024 due to the impact of the unforeseen ground conditions of the Kaengyui Landscape Site, which constituted Variation Order No. 2 with internal cost adjustments without altering the original contract amount of USD 8,829,630.71 but to revise quantities of some work items and adjust the corresponding budget.</p> <p><b>CVO-3 grants a 121-day Extension of Time (EOT) from March 1, 2025, to June 30, 2025, due to delays beyond the Contractor's control with no cost implications, while a net variation of USD 153,439.12, resulting from quantity adjustments in the V2 and V3 subprojects and Provisional Works, is covered by contingency and savings, ensuring that the Revised Accepted Contract Price remains unchanged at USD 8,829,630.71, which includes an outstanding contingency of USD 236,403.60, with ADB providing its no-objection on February 26, 2025.</b></p> <p>As of March 31, 2025, the overall implementation progress stands at 91.10%, falling short of the scheduled target of 93.51% as outlined in the revised work program under the amended contract and approved extension of time in February 2025. The progress achieved in March 2025 was 1.71%, which is below the planned target of 3.71%.</p> <p>The Physical progress as of 31<sup>st</sup> Mar is 91.10% (Target 93.51%)</p> <p><b>The present status of the project is as follows:</b></p> <ul style="list-style-type: none"> <li>• Kaeng Yui (Road+Landscape+Building) : 88%</li> <li>• NamXong Bridge: 97.00%</li> <li>• Western Loop: 96.00%</li> <li>• Kaeng Yui access road: 86%</li> <li>• Lanscape: 66%</li> <li>• Building : 96%</li> <li>• 32.32km Road has been completed out of 32.32 (1km second layer of double Bituminous Surface Treatment is outstanding)</li> </ul>
<p><b>Works Package: TIIGP2-LAO-W03a: Vang Vieng Urban Renewal</b></p>		
<p><b>V4: Vang Vieng Urban Renewal</b></p>	<p><b>Vang Vieng District.</b> The subproject will (i) rehabilitate 4.0 km of footpaths with suitable surfaces, street lighting, seating and soft landscaping; (ii) install traffic calming measures in streets with high concentrations of tourists; (iii) improve traffic management, including one-way traffic flows (1.5 km); and (iv) resurface roads and improve drains in residential areas (1.0 km).</p>	<p><b>TIIGP2-LAO-W03a: Vang Vieng Urban Renewal:</b> Feasibility studies, preliminary designs, preliminary cost estimates and safeguards documents prepared during project preparation. Feasibility studies, preliminary designs, preliminary cost estimates and safeguards documents prepared during project preparation. DED, bill of quantities, technical specification, bidding documents, updated safeguards documents were prepared by the PMCES Consultant.</p> <p>Package TIIGP2-LAO-W03a had been on hold pending physical completion of Contracts TIIGP2-LAO-W02 and TIIGP2-LAO-W03 of 50% as recommended by the ADB during the Midterm Review mission in May 2022. This criteria was met in Q2 2023, and rescoping has been taken place in Q3 2023, and DED to reflect revised design, safeguards documents, as well as bidding documents were prepared aiming for issuance of invitation for bids by Q2 2024, contract award by Q3 2024 and commencement of works by Q4 2024. The expected contract period is 15 months, and</p>

Subproject	Location and Description	DED and Implementation Progress
		<p>so an extension of the project is needed, as the construction period will run beyond the current grant closing date (30 June 2025). The EA has received approval of MOF as well as ADB to extend a 12-month project extension.</p> <p>The 1st Draft Final design was prepared in August 2020. During this month, consultations with the local authority were completed, rescoping was finalized, and modifications were made to the Detailed Engineering Design (DED) by the PMCES. Out of the originally planned 21 sections, a total of 11 sections have been considered in the revised design.</p> <p>The DED is now more aligned with the Vang Vieng Town and Environs Tourism Master Plan (2023-2033), it ensures that the detailed engineering design of the project is consistent with the broader vision and objectives set forth in the master plan. This alignment is crucial for achieving sustainable development, minimizing conflicts, maximizing efficiency, and ensuring that the project contributes positively to the overall development goals of Vang Vieng.</p> <p>The bidding documents were submitted to ADB for review and approval. ADB approved the documents in early June 2024, and they were subsequently issued and advertised in the Vientiane Times on 7, 10, and 11 June 2024. The bid opening took place on 8 July 2024, and ADB provided No Objection to the Bid Evaluation Report (BER) on 19 September 2024. The Notification of Intention to Award was issued on 20 September 2024, and the Letter of Acceptance was sent on 25 September 2024. The contract award is expected in October 2024. The commencement of Civil Works has been commenced on 1st November 2024.</p> <p><b>The present status of the project is as follows:</b></p> <ul style="list-style-type: none"> <li>• Conceptual design prepared and confirmed following consultation with stakeholders on 16 August 2019 and 17 September 2019</li> <li>• Technical Engineering Survey both Topographical and Geotechnical completed 29 February 2020</li> <li>• Updated FS cost on 31 March 2020</li> <li>• DED and BD Submission by PMCES on 07 August 2020</li> <li>• ADB No Objection to the DED on 24 September 2020</li> <li>• DED clearance certificate by DPWT/Vientiane Province on 04 November 2020</li> <li>• Modified DED and BD Submission by PMCES on 29 February 2024</li> <li>• Modified IEE and EMP Submission by PMCES on 06 February 2024</li> <li>• Due Diligence Report (DDR) Submission by PMCES on 06 February 2024</li> <li>• ADB approved the bidding documents on 16 May 2024 2024.</li> <li>• Bidding documents were advertised on Vientiane Time newspaper on 7, 10 and 11 June 2024.</li> <li>• Site visit was taken on 19 Jun 2024</li> <li>• Pre-bid meeting was taken on 21 Jun 2024</li> </ul>

Subproject	Location and Description	DED and Implementation Progress
		<ul style="list-style-type: none"> <li>• Bid opening on 8 July 2024</li> <li>• BER submission was on 30 Aug 2024 to ADB for review and approval</li> <li>• ADB No Objection to the BER on 19 Sep 2024</li> <li>• Notification of Intention of Award on 20 Sep 2024</li> <li>• The Letter of Acceptance was on 25 Sep 2024</li> <li>• Contract signing was on 17 Oct. 2024</li> <li>• The site possession was given on 21 October 2024.</li> <li>• The Notice to Proceed (NTP) was issued on 25 October 2024.</li> <li>• The Civil Works commenced on 1<sup>st</sup> November 2024.</li> <li>• Physical Progress as of 31 Dec 2024 is 1.89% falling short of targets 10.50%</li> </ul>
<b>Works Package: TIIGP2-LAO-W04: Vang Vieng Landfill Improvements</b>		
<b>V5: Vang Vieng Solid Waste Management Improvements</b>	<b>Vang Vieng District.</b> The subproject will transform the existing district solid waste dump site into a managed landfill and includes (i) installation of a perimeter runoff interceptor drainage system; (ii) cell construction with impermeable liners, leachate collection/treatment system, and a landfill gas recovery system; (iii) construction of a small materials recovery facility for waste separation and recycling and a medical waste treatment area; (v) construction of a septage treatment facility (0.5ha); (vi) construction of site office, toilets, and fencing; (vii) pave the 0.8km access road and provide three new collection trucks, a bulldozer, and two vacuum trucks to support septage collection.	<p><b>TIIGP2-LAO-W04: Vang Vieng Landfill Improvements:</b> Review findings of the DED carried out in Q3 2019 for the landfill subproject revealed that the existing design requires revision, which would entail substantial alterations to the design, drawings, BoQ and technical specification. It was decided that an environmental compliance audit (ECA) needed to be conducted to test the design information. PMCES Consultant engaged an ECA sub-consultant team to carry out this work. The ECA team submitted its draft report to the PMCES Consultant on 16<sup>th</sup> January 2020. PMCES reviewed and edited the report and it on 11<sup>th</sup> February 2020 to MICT and ADB for review, comments and approval. The report was eventually approved on 22<sup>nd</sup> March 2020.</p> <p>ADB approved additional financial resources to undertake the design revisions, which include design of a closure system of existing landfill site with all precautionary measures and appropriateness of design of MRF system design, admin building and office facilities, leachate treatment design, septage treatment design, effluents and hazardous waste, master drainage management of storm water, additional internal access road to facilities, new boundary wall, new incineration plant, appropriate Electro-Mechanical facilities and tree plantation etc.</p> <p>DED, bill of quantities, technical specification, bidding documents, updated safeguards documents, O&amp;M plan, and recommendations for O&amp;M were prepared by the PMCES Consultant. The DED, Safeguard Documents and Bid Documents were endorsed by ADB in Q3 2020.</p> <p>The bid evaluation and additional due diligence were carried out in Q4 2020.</p> <p>The contract was awarded on 19 February 2021 to CeTeau-Panyathilath Joint Venture with a contract amount of USD \$ 3,156,160.09 including contingency of USD US\$ 286,923.64)</p> <p>Works Commenced 19<sup>th</sup> Apr 2020, 24 mons Contract Intended Completion was extended from 19<sup>th</sup> April 2023 to 20 April 2024.</p> <p>ADB provided No Objection on Contract Variation Order No. 2 (CVO No. 2) on dated 28<sup>th</sup> December 2023 due to change the</p>

Subproject	Location and Description	DED and Implementation Progress
		<p>quantities of works. The total contract amount increased by \$109,489.90 (3.47% of the original contract amount), from \$3,156,160.08 to \$3,265,649.98.</p> <p>The Civil Works Contract extended again in order to complete the testing, running and commissioning of leachate and storm water system from 20<sup>th</sup> April 2024 to 31<sup>st</sup> May 2024.</p> <p>The Physical progress as of 31<sup>st</sup> December is 100% (Under the Defects Liabilities Period)</p> <p><b>The present status of the project is as follow:</b></p> <ul style="list-style-type: none"> <li>• Physical progress is 100%</li> <li>• 27 main activities completed out of 27 planned activities</li> <li>• The Civil Works Contract is handed over on 1st June 2024.</li> <li>• The official ceremony took place on 19 July 2024.</li> <li>• The defects liability is for 365 days scheduled to end 31 May 2025.</li> </ul>

Description	Preliminary Design Cost Estimates (US\$)	Original Contract Amount (US\$)	Variations (US\$)	Current Contract Amounts incl Variations(US\$)
	(PAM procurement plan, version 0)			
<b><u>TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvements</u></b>	<b>7,227,529</b>	<b>3,964,308.36</b>	<b>0</b>	<b>3,964,308.36</b>
C1. Nakasang Access Road and Port Rehabilitation;	3,613,167	(Contracted Cost with Phoukhong Construction Sole Co. Ltd)		
C2. Don Det-Don Khone Access Improvements	3,614,362			
<b><u>TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements</u></b>	<b>6,142,686</b>	<b>4,669,065.14</b>	<b>661,734.14</b>	<b>5,330,799.28</b>
V1. Nam Ngum Reservoir Access Improvements;	6,142,686	(Contracted Cost with Khamfong Group Sole Company Limited)		
<b><u>TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements</u></b>	<b>9,658,377</b>	<b>8,829,630.71</b>	<b>0</b>	<b>8,829,630.71</b>
V2. Kaeng Yui Waterfall Access Improvements	2,180,747	(Contracted Cost with Xayya Construction and Renovation Sole Co.,Ltd)		
V3. Western Loop Rural Access Road and Bridge Improvements;	7,477,630			
<b><u>TIIGP2-LAO-W03a Vang Vieng Urban-Renewal</u></b>	<b>1,015,501</b>	<b>1,883,118.02</b>	<b>0</b>	<b>1,883,118.02</b>
V4. Vang Vieng Urban Renewal;	1,015,501	(Contracted Cost with Road No. 8 Construction Enterprise and LBD Road Bridge and Architecture Construction Sole Co., Ltd, Joint Venture)		
<b><u>UpdateTIIGP2-LAO-W04: Vang Vieng Landfill Improvements</u></b>	<b>5,632,000</b>	<b>3,156,160.08</b>	<b>109,489.90</b>	<b>3,265,649.98</b>
V5. Vang Vieng Solid Waste Management Improvements	5,632,000	(Contracted cost with CeTeau-Panyathilath Joint Venture)		
<b>Total</b>	<b>29,676,093</b>	<b>22,502,282.31</b>	<b>771,224.04</b>	<b>23,273,506.35</b>

## Annex 2: ASEAN Tourism Standards Certification in Target Provinces Since 2008

Standard (CPS, VV, LPB, VTP)	Awarded
<b><u>Homestay</u></b>	
1) Ban Naduang (Kaeng Nyui waterfall site), Vang Vieng District, Vientiane Province (8 Homestays)	1) 2016, 2019, 2023, 2024
2) Ban Hua Don Deng (Don Deng Island), Pa Thoumphone District, Champasak Province (6 Homestays)	2) 2017, 2019, 2023
3) Ban Don Kho (Don Kho Island), Xanasomboun District, Champasak Province (9 Homestays)	3) 2017, 2019, 2023, 2024
4) Ban Nayang Tai, Nambak District, Luang Prabang Province (19 Homestays)	4) 2023
5) Ban Nong Luang, Champasak Province	5) 2024
<b><u>Clean Tourist City</u></b>	
1) Luang Prabang City, Luang Prabang Province	1) 2018, 2022
2) Pakse Champasak	2) 2022
<b><u>Community-Based Tourism</u></b>	
1) Ban Nong Luang (Dong Huasao National Protected Area), Paksong District, Champasak Province	1) 2017, 2023
2) Tad Gneung Waterfall, Champasak Province	2) 2023
3) Nathong Village, Vang Vieng District	3) 2023
4) Nayang Tai Village, Luang Prabang Province	4) 2023
5) Tha Paen Village, Luang Prabang Province	5) 2024
6) Shanghai Village, Pak Ou District, Luang Prabang Province	6) 2024
7) Nam Et-Phou Louey, Hua Meuang District, Huaphan	7) 2024
8) Konglor Village, Khammouane Province	8) 2024
9) Nalan Neua Village, Luang Namtha Province	9) 2024
<b><u>Clean Public Toilet</u></b>	
1) Phousi mountain tourist site, Luang Prabang City, Luang Prabang Province	1) 2019 (expired)
2) Tad Nyeuang waterfall site, Paksong District, Champasak Province	2) 2019, 2024
3) Khone Phaphaeng waterfall site, Khong District, Champasak Province	3) 2019 (expired)
4) Public Toilet, Vat Phou Champasak Lao 2nd World Heritage, Champasak Province	4) 2023
5) Public Toilet, Kuangsi Waterfall, Luang Prabang Province	5) 2023
6) Public Toilet, Tham Nang Fa Tourist Site, Vientiane Province	6) 2023, 2024
7) Public Toilet, Tham Non, Vientiane Province	7) 2024
8) Public Toilet, Vat Mai, Luang Prabang Province	8) 2023
9) Public Toilet, Vat Xieng Thong, Luang Prabang Province	9) 2023, 2024
10) Public Toilet, Mekong River Bank (Phon Heuang village), Luang Prabang Province	10) 2023
11) Public Toilet, Electric Car Station, Luang Prabang Province	11) 2023
12) Public Toilet, Kuangsi Waterfall (2)	12) 2023
13) Public Toilet, Vat Phra Thong Samsi, Vientiane Province	13) 2023
14) Public Toilet, Nuanta Gas Station, San Sum Village, Vientiane Province	14) 2023
15) Public Toilet, Vat Kang, Vientiane Province	15) 2023
16) Public Toilet, Nam Ngum Dam 1, Vientiane Province	16) 2023
17) Public Toilet, Tad Fane Waterfall, Champasak Province	17) 2023
18) Nong Sa Phang Lenh Park, Vientiane Capital	18) 2024
19) Mountain View Restaurant, Luang Namtha Province	19) 2024
<b><u>Green Hotel</u></b>	
<b>Champasak Province</b>	
1) Champasak Palace, Pakse City	1) 2008 (expired)

2) Mekong Paradise Resort Hotel (paradise Resort)	2) 2010, 2024
3) Champasak Grand, Pakse City	3) 2010, 2024
4) Khon Phapheng Resort, Khong District	4) 2010 (expired)
5) Pakse Hotel, Pakse City	5) 2010, 2024
6) La Folie Lodge, Champasak	6) 2012, 2024
7) Athena Hotel (Souphatra), Pakse City	7) 2014, 2024
8) River Resort, Pakse City	8) 2014, 2024
9) Sisouk Resident, Pakse City	9) 2016, 2024
10) Arawan Riverside Hotel, Pakse City	10) 2016, 2024
11) Bachieng Resort, Bachieng District	11) 2018, 2024
12) Paksong Danngarm Hotel	12) 2020, 2024
13) Pon Arina, Hotel Khong District	13) 2022
14) Sengaloun Donkhone Hotel	14) 2024
15) Dondet View Hotel	15) 2024
16) Golden Dondet Hotel	16) 2024
17) Sounsavanh Villa Hotel	17) 2024
18) Le Sidong Hotel	18) 2024
<b>Luang Prabang Province</b>	
1) Phou Vao, Luang Prabang City	1) 2008, 2014, 2024
2) Souvannaphoum, Luang Prabang City	2) 2008, 2012, 2014, 2022
3) The Grand Luang Prabang, Luang Prabang City	3) 2008, 2014, 2022
4) 3 Nagas Hotel, Luang Prabang City	4) 2010 (expired)
5) Luangxay Resident, Luang Prabang City	5) 2012, 2024
6) Santi Resort and SPA, Luang Prabang City	6) 2014, 2024
7) LPB View	7) 2016, 2024
8) Moung Luang Hotel	8) 2024
9) Kiridara Hotel, Luang Prabang City	9) 2016 (expired)
10) Sofitel Luang prabang, Luang Prabang City	10) 2018, 2024
11) Avani Hotel, Luang Prabang City	11) 2018, 2024
12) Pullman Hotel, Luang Prabang City	12) 2018, 2024
13) Maison Darabua Hotel	13) 2020, 2024
14) Suphatra Hotel	14) 2024
15) Rose wood Hotel	15) 2024
16) Ang Thong Hotel	16) 2024
17) Victoria Xiengthong Palace Hotel	17) 2024
18) Mekhong View Hotel	18) 2024
19) My Ban Lao Hotel	19) 2024
20) Amantaka Hotel	20) 2024
21) Songthuiye Hotel	21) 2024
22) Satri House Hotel	22) 2024
<b>Vang Vieng</b>	
1) Riverside Boutique Resort	1) 2016, 2024
2) Thavy Souk Hotel	2) 2018 (expired)
3) Inthira Hotel, Vang Vieng	3) 2020, 2024
4) Amari Hotel	4) 2022
5) T Mark Resort	5) 2024
6) Songthuiye Namngum Bridge Resort	6) 2024
7) S Vang Vieng Boutique Hotel	7) 2024
<b>Vientiane Province</b>	
1) Long Ngum Resort	1) 2022
2) Densavanh Resort	2) 2024
<b>Spa</b>	
1) SPA at Kiridara Hotel, Luang Prabang City Expired	1) 2019 (expired)
2) SPA at Avani Hotel, Luang Prabang City Expired	2) 2019 (expired)
3) Pullman Spa, Pullman Luang Prabang, Luang Prabang Province	3) 2023
4) Le Spa, Sofitel Luang Prabang, Luang Prabang Province	4) 2023
5) Sanakeo Boutique Hotel and Spa, Luang Prabang Province	5) 2023
	6) 2023

<ul style="list-style-type: none"> <li>6) Angsana Spa, Maikson Souvannaphoum, Luang Prabang Province</li> <li>7) Amantaka Resort, Luang Prabang</li> <li>8) Senses Spa, Crowne Plaza Hotel, Vientiane Capital</li> <li>9) My Ban Lao, Luang Prabang</li> <li>10) Mekong Spa, Phou Vao Hotel, Luang Prabang</li> <li>11) Dala Spa, Vientiane Capital</li> </ul>	<ul style="list-style-type: none"> <li>7) 2024</li> <li>8) 2024</li> <li>9) 2024</li> <li>10) 2024</li> <li>11) 2024</li> </ul>
<p><b><u>MICE Venue</u></b></p> <ul style="list-style-type: none"> <li>1) Luang Prabang View Hotel, Luang Prabang City expired</li> <li>2) Pullman Hotel, Luang Prabang exp</li> <li>3) Champasak Grand Hotel, Champasak Province expired</li> <li>4) Amari Vientiane Province valid</li> <li>5) Aravan Champasak valid</li> <li>6) Lapale Xiengkeo LPB</li> <li>7) Le bel ae, LPB</li> <li>8) Vonethaving Restaurant</li> </ul>	<ul style="list-style-type: none"> <li>1) 2018, 2024</li> <li>2) 2020, 2024</li> <li>3) 2020, 2024</li> <li>4) 2022</li> <li>5) 2022</li> <li>6) 2024</li> <li>7) 2024</li> <li>8) 2024</li> </ul>
<p><b><u>ASEAN Sustainable Tourism Award</u></b></p> <ul style="list-style-type: none"> <li>1) Phou Si Mountain, Luang Prabang City - Urban Tourism Award</li> <li>2) Tree Top Explorer, Paksong District, Champasak Province - Rural Tourism Award</li> <li>3) Wat Xieng Thong, Luang Prabang City – Urban Award</li> <li>4) Wat Phou, Champasak – Rural Award</li> <li>5) Tad Nyeuang waterfall site Champasak – Urban Award</li> <li>6) Koungsi Waterfall – Rural Award</li> <li>7) Tad Nyeuang waterfall site Champasak Restaurant Rural Award</li> <li>8) Bio Bamboo Restaurant LPB – Urban Award</li> </ul>	<ul style="list-style-type: none"> <li>1) 2018 (expired)</li> <li>2) 2018 (expired)</li> <li>3) 2020 (expired)</li> <li>4) 2020 (expired)</li> <li>5) 2022</li> <li>6) 2022</li> <li>7) 2024</li> <li>8) 2024</li> </ul>

### Annex 3: Eligible Project Support for ASEAN Tourism Standards

ASEAN Standard	Eligible Support
<b>Green Hotel</b>	<ul style="list-style-type: none"> <li>• Technical Assistance / Advice to properties to meet ASEAN Green Hotel Standard</li> <li>• Industry training, workshops, or seminars</li> <li>• <i>No assistance for purchase of equipment, materials or upgrade to facilities</i></li> </ul>
<b>Clean Tourist City</b>	<ul style="list-style-type: none"> <li>• Technical Assistance / Advice to meet Standard</li> <li>• Training, workshops, or seminars for public and private stakeholders involved in implementation of the ASEAN Clean Tourist City Standard</li> <li>• Equipment and small works related to public aspects of ASEAN Clean Tourist City Standard (e.g. rubbish bins, public toilet upgrade, signs and visitor information, recycling bins, waste management infrastructure and vehicles where these are publicly owned and managed)</li> </ul>
<b>Homestay</b>	<ul style="list-style-type: none"> <li>• Technical Assistance / Advice to meet ASEAN Homestay Standard</li> <li>• Training, workshops, or seminars for homestay operators</li> <li>• Community-owned and operated homestay services only (private sector-managed/operations homestays not eligible) Improvement to facilities to meet ASEAN Homestay Standard (includes equipment and small works)</li> </ul>
<b>Community Based Tourism (CBT)</b>	<ul style="list-style-type: none"> <li>• Training and Technical Assistance to meet ASEAN CBT Standard</li> <li>• Training, workshops, or seminars for CBT operations</li> <li>• Community-owned and operated products only (private sector operations not eligible): Improvement to facilities to meet ASEAN CBT Standard (includes equipment and small works)</li> </ul>
<b>Public Toilets</b>	<ul style="list-style-type: none"> <li>• Technical Assistance / Advice to meet ASEAN Public Toilet Standard to public and private toilet operators</li> <li>• Training, workshops, or seminars for public and private stakeholders involved in implementation of the ASEAN Public Toilet Standard</li> <li>• Improvement of publicly owned public toilets (incl. publicly owned toilets operated by private sector through a PPP where per the PPP agreement the public is responsible for maintenance and repair) to meet the ASEAN Public Toilet Standard (includes equipment and small works).</li> </ul>
<b>MICE (Meeting Room, Exhibition, Event Venue)</b>	<ul style="list-style-type: none"> <li>• Technical Assistance / Advice to meet ASEAN MICE Standard(s)</li> <li>• Industry training workshops or seminars</li> <li>• <i>No assistance for purchase of equipment, materials or upgrade to facilities</i></li> </ul>
<b>Spa Services</b>	<ul style="list-style-type: none"> <li>• Technical Assistance / Advice to meet Standard</li> <li>• Industry training workshops or seminars</li> <li>• <i>No assistance for purchase of equipment, materials or upgrade to facilities</i></li> </ul>
<b>Sustainable Tourism Award</b>	<ul style="list-style-type: none"> <li>• Training and Technical Assistance to meet Award</li> <li>• Improvement to public and community owned facilities to meet Award criteria (equipment and/or small works)</li> </ul>

**Annex 4: Record of Output 2 and 3 and Project Management Activities implemented during Quarter 1 of 2025 (1 January– 31 March 2025)**

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
2.08.02.a	Field assessment on ASEAN homestay standard in Ban Nayang, Nambak district, LPB, 22-25/01/2025	22-25/1/2025	Luang Prabang	To upgrade to ASEAN standard	PCU/TDD	13	4	Assessment completed as plan	28,870,000
2.08.02.a	Assess the improvement of tourism product at Ban Naduang homestay, Vang Vieng District, Vientiane Province, 2-7/03/2025	02-07/03/2025	Vang Vieng district	To reassess the tourism product	PCU/TDD	12	7	Quality improved	39,700,000
2.08.02.a	Produce ASEAN Tourism Standard Award plaques (10 pieces), 21/1 - 3/2/2025 (subcontract)	21/1 - 3/2/2025	VTE	To produce the plaques for ASEAN tourism awards	PCU/Tourism standards secretariat	0	0	Completed as plan	25,170,000
2.08.02.C	Support the project target areas in participating in the ASEAN Tourism Standards Awards Ceremony. Johor, Malaysia, 19-21/01/2025	19-21/01/2025	Johor, Malaysia	To attend the ASEAN Tourism Standards Awards Ceremony	PCU/Tourism standards secretariat	0	1	Completed as plan	6,820.00
2.08.02.C	Support project target areas and national level in attending the ASEAN Tourism Standards Awards Ceremony in Lao PDR (venue rental, round-trip travel, accommodation, meals and administrative expenses), Vientiane Capital, 03-07/02/2025	03-07/02/2024	VTE	Organize the ASEAN Tourism Standards Awards Ceremony 2025	PCU/Tourism standards secretariat	300	70	Completed as plan	76,643,000
2.08.02.c	Produce short video on the ASEAN Tourism Standards Awards Ceremony in VTE (subcontract), 5-12/02/2025	5-12/02/2025	VTE	To promote ASEAN Tourism Standards Awards	PCU/Tourism standards secretariat	300	70	Completed as plan	1,133.00
2.08.02.c	Project EA/PCU and national DMN follow up the	28-31/03/2025	Vang Vieng district	To follow up the progress	PCU/TDD	14	5	The quality improved	29,960,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
	improvement of homestay in Vang Vieng, VTP, 28-31/03/2025								
2.08.02.C	CPS-PIU attend the 2025 ASEAN Tourism Standards Awards Ceremony at the National Cultural Hall in Vientiane Capital, 4-6/02/2025	4-6/2/2025	VTE	To attend the ASEAN Tourism Standards Awards Ceremony	CPS-PIU	3	1	Completed as plan	7,479,000
2.08.02.C	LPB-PIU attend the 2025 ASEAN Tourism Standards Awards Ceremony at the National Cultural Hall in Vientiane Capital, 5/02/2025	02/05/2025	VTE	To attend the ASEAN Tourism Standards Awards Ceremony	LPB-PIU	2	0	Completed as plan	4,620,000
2.08.02.C	VTP-PIU attend the 2025 ASEAN Tourism Standards Awards Ceremony at the National Cultural Hall in Vientiane Capital, 5/02/2025	02/05/2025	VTE	To attend the ASEAN Tourism Standards Awards Ceremony	VTP-PIU	5	1	Completed as plan	6,120,000
2.08.2.0C	CPS-PIU attend the 2025 ASEAN Tourism Standards Awards Ceremony at the National Cultural Hall in Vientiane Capital, 4-6/02/2025	04-05/02/2025	VTE	To attend the ASEAN Tourism Standards Awards Ceremony	VV-PIU	3	2	Completed as plan	5,106,000
3.02.02	Upgrade English skills for TDD staff, Term 1, 2025 at Vientiane College 15/01-11/04/2025	15/01-11/04/2025	VTE College	To improve English skills	TDD	1	1	English skills improved	400
3.04.03	The committee responsible for updating the tourism development, management and tourism strategy plan for Vang Vieng District, Vientiane Province, 26-28/02/2025	26-28/02/2025	Vang Vieng	To develop the tourism	PCU/TDD	28	10	Tourism development plan updated	42,846,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
3.04.03	Public-private stakeholders meeting on GMS tourism strategy, Vang Vieng district, VTP, 11-14/03/2025	11-14/3/2025	Vang Vieng	To update GMS tourism strategy	PCU/TDD	25	10	GMS tourism strategy updated	50,910,000
3.04.03	Organize meeting to prepare for the dissemination meeting on National Endorsed: Vang Vieng Town and Environs Tourism Master Plan 2025-2035, Vang Vieng, VTP, 18-20/3/2025	18-20/03/2025	Vang Vieng	To disseminate VV tourism masterplan	PCU/TDD	33	15	Completed as plan	50,985,000
3.04.03	Organize public - business consultation meeting to discuss and identify tourism routes connecting the Mekong Subregion countries, Vang Vieng , VTP, 24-26/03/2025	24-26/3/2025	Vang Vieng	To diversify tour	PCU/TDD	25	5	Completed as plan	30,610,000
3.04.03	Organize meeting to prepare for the dissemination meeting on National Endorsed: Vang Vieng Town and Environs Tourism Master Plan 2025-2035, Vang Vieng, VTP, 28-31/3/2025	28-31/03/2025	Vientiane province	To disseminate VV tourism masterplan	PCU/TDD	50	20	Completed as plan	48,072,000
3.04.04	Consultation meeting to review the draft of the Nakasang-Don Det-Don Khone tourism master plan to be submitted to the government for approval. Pakse, CPS, 23-26/02/2025	23-26/02/2025	Thailand	To review the final draft	PCU/TDD	12	5	Completed as plan	30,600,000
3.05.03.1	Rental space for the exhibition booth, design and	13-20/01/2025	Malaysia		PCU/TDD	15	5	Completed as plan	2,850.00

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
	decoration for the ASEAN Travel Exchange (TRAVEX) ATF 2025 in Johor, Malaysia								
3.05.03.1	Participate in the 2025 Coffee Festival and Wat Phou Worship Festival, Champasak Province, 9-13/02/2025	9-13/02/2025	Champasak	To promote tourism	PCU/TDD	10	5	Completed as plan	29,500,000
3.05.03.1	Activity to promote Vat Phou Festival in Champasak district, Champasak province, 9-12/2/2025	9-12/2/2025	Champasak	To participate and promote cultural tourism	CPS-PIU/DICT	8	4	Completed as plan	29,060,000
3.05.03.2	PCU and TDD staff inspect the venues preparing to host Mekong Tourism Forum 2025 in Luang Prabang, 18-21/02/2025	18-21/02/2025	Luang Prabang	To inspect the venues and other service activities	PCU/TDD	9	4	Completed as plan	20,690,000
3.05.03.2	Inspecting the venues to prepare to host the Mekong Tourism Forum 2025 (MTF 2025) in Luang Prabang, 5-7/03/2025	5-7/3/2025	Luang Prabang	To inspect the venues and other service activities	PCU/TDD	25	5	Completed as plan	40,830,000
3.05.03.2	Meeting and participation in the Vang Vieng Half Plus Marathon to promote tourism, 14-17/02/2025	14-17/02/2025	Vang Vieng district	To promote sport tourism in VV	VV-PIU	70	31	Completed as plan	20,966,000
3.05.03.2	Meeting and participation in the V-Trail competition in Vang Vieng to promote tourism, 28/2/2025-3/3/2025	28/2-3/3/2025	Vang Vieng district	To promote adventure tourism in VV	VV-PIU	55	25	Completed as plan	17,716,000
3.08.a	Reassess after training on the use of environmentally friendly local products, enhancing the experience for visitors and creating an impression for the boat	28-29/12/2024	Champasak	To improve service quality	PCU/TDD	40	23	The implementation assessed	45,870,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
	association/group in Nakasang, small businesses and homestay at Ban Dondet - Don Khone - Don Xom, Khong district, CPS, 28-29/12/2024 (2nd payment)								
3.08.a	Providing empowerment training on how to reduce plastic use for small business leaders in Don Det, Don Khone and Ban Nakasang, Champasak Province, 23-27/03/2025	23-27/03/2025	Champasak	To enhance knowledge and understanding for small businesses in the tourism sector	PCU/TDD	15	8	Completed as plan	49,910,000
3.10.01	The committee developed the O&M plan for tourism infrastructure and facilities in Keo Oudom District, VTP, 23-25/01/2024	23-25/01/2024	Vientiane province	To develop the O&M	PCU/TDD	9	2	Completed as plan	13,335,000
3.10.01	Project EA/PCU follow up the O&M work at Nakasang, Don Det and Don Khone and consultation meeting with local authority on the waste reduction plan for Don Det and Don Khone Islands, Khong district, 2-7/02/2025	2-7/2/2025	CPS	To assess the implementation of O&M work	PCU/TDD	17	6	Understand the management situation and the initial problem-solving approach	69,070,000
3.10.01	CPS-PIU join the project EA/PCU follow up the O&M work at Nakasang, Don Det and Don Khone and consultation meeting with local authority on the waste reduction plan for Don Det and Don Khone Islands, Khong district, 2-7/02/2025	2-7/2/2025	CPS	To assess the progress	PCU,PIU	55	20	The implementation progress assessed	39,354,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
3.11.01	Organized consultation meeting with provincial and district committee to discuss the management of the Nam Ngum 1 Reservoir Recreation Area/Marina, Keo Oudom district, VTP, 06-11/01/2025	06-11/01/2025	Vientiane province	To discuss the management of the NN1 Marina	PCU/TDD	13	5	The management model has been agreed upon.	17,980,000
3.11.01	The national project steering committee monitors the development of the cooperation mechanism between the public and the business sector to manage the Ngum 1 Reservoir Recreation Area/Marina, 16-19/01/2025	16-19/1/2025	Vientiane province	Develop a cooperation mechanism between the public and the business sector	PCU/TDD	20	3	The cooperation mechanism monitored	41,361,000
3.11.01	Organize the opening meeting and evaluation the initial bid documents for the management of Nam Ngum 1 Recreation Area/Marina, Keo Oudom, VTP, 23-25/02/2025	23-25/2/2025	Vientiane province	To open and evaluate the preliminary bid documents for the management of NN 1	PCU/TDD	20	6	The opening meeting and evaluate the initial bid documents organized	29,960,000
3.11.01	Work with VV-PIU and VV-OICT to discuss on waste management in Vang Vieng and the revenue - expenditure forecast for the management of the Kaeng Nyui waterfall tourist attraction, 17/01/2025	17/1/2025	Vang Vieng	To discuss on the waste and Kaeng Nyui waterfall site management	VV-PIU	152	65	Completed as plan	19,954,000
3.11.01	VTP-PIU follow up the temporary management, inspection of tourism facilities and consultation meeting on the bidding	13-14/1/2025	Vientiane province	To agree on bidding documents	VTP-PIU	35	20	Completed as plan	40,000,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
	documents for the management of Nam Ngum 1 Reservoir Recreation Area/Marina,13-14/01/2025								
3.11.01	The opening meeting and evaluation the initial bid documents for the management of Nam Ngum 1 Recreation Area/Marina, Keo Oudom, VTP,	24/2/2025	Vientiane province	To select management company	VTP-PIU	35	14	Completed as plan	29,960,000
3.12.01	Training workshop on the use of excavator and tipper truck in Vang Vieng, VTP, 3-6/02/2025	3-6/2/2025	Vang Vieng	To build capacity for staff	Consultants, TACDO Consulting Center	13	5	Completed as plan	4,334
3.12.01	VV-PIU organize training on the use of excavator and tipper truck in Vang Vieng, VTP, 3-6/02/2025	3-6/2/2025	Vang Vieng	To build capacity for staff	VV-PIU	13	5	Completed as plan	36,127,000
3.12.01	Organize technical meeting on the draft agreement for the joint management and maintenance between the public and private sectors of the waste separation building, hazardous waste storage building and dry storage tank of the Vang Vieng Landfill Management Project	30/1/2025	Vang Vieng	To improve management system	VV-PIU	40	10	Completed as plan	4,045,000
3.12.01	Continue to implement an integrated approach for using the vehicles and equipment provided by the project in waste management and disposal at the Vang Vieng Landfill, 10-14/02/2025	10-14/2/2025	Vang Vieng	To implement an integrated approach	VV-PIU	9	1	Completed as plan	39,900,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/Comments	Budget (Kip/Us)
3.12.01	Develop the calculation table for the capacity building tasks for Vang Vieng landfill management, 5-12/3/2025	5-12/3/2025	Vang Vieng	To build capacity on landfill management	VV-PIU	7	1	Completed as plan	37,800,000
3.12.01	Develop the calculation table for the capacity building tasks for Vang Vieng landfill management, 5-12/3/2025	13-22/3/2025	Vang Vieng	To build capacity on landfill management	VV-PIU	7	1	Completed as plan	42,000,000
3.12.01	VV-PIU organize meeting to present the progress of preparing the contract for the use and maintenance of the waste separation building, hazardous waste management building, and sewage treatment plant and services related to the Vang Vieng Waste Management Committee	14/3/2025	Vang Vieng	To present the progress	VV-PIU	85	40	Completed as plan	9,440,000
4.06.03	PCU and TDD staff inspect the venues preparing to host Mekong Tourism Forum 2025 in Luang Prabang, 18-21/02/2025	18-21/02/2025	Luang Prabang	To prepare for MTF 2025	LPB-PIU	4	3	The venues inspected	5,125,000
4.06.03	LPB-PIU join the project EA/PCU and TDD officers to inspect the venues for hosting the Mekong Tourism Forum 2025 (MTF 2025) in Luang Prabang, 5-7/3/2025	5-7/3/2025	Luang Prabang	To identify suitable locations for the event	LPB-PIU	3	3	The venues identified	5,250,000
4.06.03	The NPSC work with Vang Vieng PIU to identify the project activity plan for 2025, VTP, 9-10/02/2025	9-10/2/2025	Vang Vieng	To identify the activity plan	VV-PIU	26	8	Completed as plan	2,100,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
4.06.03	VV-PIU follow up the civil works progress at the subproject sites: TIIGP2-LAO-W03, TIIGP2-LAO-W04 and TIIGP2-LAO-W03a in Vang Vieng, VTP, dates: 03, 06,10, 13,17,21,24,28 February 2025	03, 06,10,13, 17,21,24,28 Feb 2025	Vang Vieng	To follow up and inspect	VV-PIU	15	4	Completed as plan	15,120,000
4.06.03	<b>Participated in</b> consulation meeting to discuss social safeguards work during the actual construction phase of the Vang Vieng Town Improvement Project (W03a); <b>Meet with</b> tourism service group in Ban Naduang to clarify further indicate the extension of the construction period (W03); <b>Discuss with</b> relevant offices to resolve issues related to village community land adjacent/next to the Vang Vieng Landfill (W04), 13-14/3/2025	13-14/3/2025	Vang Vieng	To address the outstanding issues	VV-PIU	24	6	Completed as plan	3,780,000
4.06.03	VV-PIU follow up the civil works progress of the subproject sites in Vang Vieng, Contract: TIIGP2-LAO-W03, TIIGP2-LAO-W04 and TIIGP2-LAO-W03a in Vang Vieng, date 03, 06,10,15,17,21,24,28,31 March 2025	03, 06,10,15, 17,21,24,28,31 March/2025	Vang Vieng	To follow up and inspect	VV-PIU	15	5	Completed as plan	17,010,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
4.06.03	The NPSC work with Vientiane Province PIU to identify the project activity plan for 2025, VTP, 7-8/02/2025	7-8/2/2025	Vientiane province	To identify the activity plan	VTP-PIU	5	3	Completed as plan	2,480,000
4.06.03	Follow up the implementation of the project together with the provincial assessment committee in the Nam Ngum 1 Reservoir Recreation Area: Ban Xay Oudom (Keo Oudom dist.), Ban Phou Kaonang and Ban Lingxan (Thoulakhom dist.), VTP, 25-27/2/2025	27/2/2025	Vientiane province	To support community-based tourism	VTP-PIU	8	4	Completed as plan	5,500,000
4.06.03	Participate in dissemination meeting at national level on National Endorced: Vang Vieng Town and Environs Tourism Master Plan 2025-2035, Vang Vieng, VTP, 18-20/3/2025	18-20/3/2025	Vang Vieng	To disseminate VV tourism masterplan	VTP-PIU	10	5	The tourism master plan disseminated	4,674,000
4.06.03	VTP-PIU follow up the project implementation with provincial assessment committee at NN1 Recreation Area: Ban Xay Oudom (Keo Oudom dist.), Ban Phou Kaonang and Ban Lingxan (Thoulakhom dist.) and civil works in Vang Vieng, VTP, 26-29/3/2025	29/3/2025	Vientiane province	To follow up the implementation progress	VTP-PIU	13	5	Completed as plan	11,324,000
4.12.01	The National Project Steering Committee (NPSC) review and planning meeting for 2025, Vang Vieng, VTP, 18-21/03/2025	18-21/03/2025	Vang Vieng	To review the implementation progress	PCU/TDD	19	8	Completed as plan	41,524,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
4.13.01	Organize consultation meeting on the preliminary environmental assessment report and issuance of environmental certificate prior to the construction of the sub-project site - W03a in Vang Vieng Town, 6/3/2025	03/06/2025	Vang Vieng	To organize consultation meeting	Vang Vieng	85	38	Completed as plan	32,611,000
4.13.01	Meeting to discuss the preliminary environmental study report and issuance of environmental certificate for the pre-construction period of the sub-project, Contract No.: TIIGP2-LAO-W03a in Vang Vieng, VTP, 29/1/2025	29/1/2025	Vientiane province	To approve the project's environmental impact assessment	VTP-PIU	12	4	Completed as plan	20,380,000
4.13.03	Project EA/PCU follow up the project activities in Khong district, CPS, 5-11/01/2024	5-11/1/2025	Champasak	To follow up the implementation progress of the project activities	PCU/TDD	31	10	Completed as plan	78,630,000
4.13.03	Project EA/PCU follow up the project activities in Luang Prabang, 12-15/1/2024	12-15/1/2025	Luang Prabang	To follow up the implementation progress of the project activities	PCU/TDD	20	7	Completed as plan	28,000,000
3.05.03.2	LPB-PIU/DICT support raw materials and prizes in the II Beautiful Luang Prabang Festival (Rice Culture and Art Exhibition). Luang Prabang, 14-15/12/2024	14 - 15/12/2024	LPB	To promote and support local products	LPB-PIU	100	60	The local products promoted	71,000,000
4.13.03	Project EA/PCU follow up the civil works and tourism activities in Vang Vieng, VTP, 12-14/1/2025	12-14/1/2025	Vang Vieng	To follow up the progress of project activities	PCU/TDD	12	4	The progress monitored	32,480,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
4.13.03	Project EA/PCU follow up the civil works and tourism activities in Vang Vieng, VTP, 20-22/01/2024	20-22/01/2024	Vang Vieng	To follow up the progress of project activities	PCU/TDD	10	3	The progress monitored	20,585,000
4.13.03	Touris Development Department TDD O&M team inspect to address issues of public toilets at Nam Ngum 1 Recreation Area, Keo Oudom district, VTP, 29-31/1/2025	29-31/01/2025	Vientiane province	To inspect the public toilets	PCU/TDD	6	3	The issues addressed	9,000,000
4.13.03	Project EA/PCU follow up the project implementation progress at Nam Nam Ngum 1 Recreation Area, Keo Oudom district, VTP, 29-31/1/2025	29-31/01/2025	Vientiane province	To follow up the project progress	PCU/TDD	13	5	Completed as plan	20,698,000
4.13.03	The NPSC work with PIUs Vientiane Province and Vang Vieng District to identify the project activity plan for 2025, VTP, 7-11/2/2025	7-11/2/2025	Vientiane province	To consult with PIUs for 2025 workplan	PCU/TDD	9	2	Completed as plan	30,550,000
4.13.03	The NPSC follow up the project implementation progress with ADB review mission at the subprojectsite W02 in Keo Oudom, W03 and W04 in Vang Vieng, Vientiane province, 17-21/02/2025	17-21/2/2025	Vientiane province	To follow up and inspect the implementation	PCU/TDD	12	4	Completed as plan	38,260,000
4.13.03	MICT/TDD O&M team inspect/monitor the management of infrastructure and tourism facilities at the subproject	12-16/3/2025	Champasak	To follow up and inspect the progress	PCU/TDD	11	4	Completed as plan	41,890,000

Budget Code	Activity	Date	Location	Objective	Implementing agency	Participant (Total)	Participant (Women)	Results/outcome/ Comments	Budget (Kip/Us)
	site in Khong district, CPS, 12-16/3/2025								
4.13.03	Project EA/PCU follow up the implementation of O&M work in Khong district, CPS, 12-16/03/2025	12-16/3/2025	Champasak	To join the O&M team to inspect the progress	PCU.PIU	25	11	The O&M work inspected	29,578,000
4.13.03	Follow up and inspect the implementation progress with ADB review mission in Keo Oudom and Vang Vieng districts, VTP, 17-19/02/2025	17-19/2/2025	Keo Oudom and Vang Vieng	To inspect the civil works progress	VTP-PIU	9	4	Completed as plan	19,950,000
4.13.04	PCU follow up and strengthen social safeguards work in Keo Oudom district, VTP, 29-31/01/2025	29-31/01/2025	Keo Oudom, VTP	To follow up the social safeguards work	PCU	6	1	Completed as plan	10,650,000
4.13.04	Consultation meeting to discuss, monitor and process the handover of bank account books and documents for the handover of compensation to affected people entitled to the 4th installment/payment 30-31/1/2025,	30-31/1/2025	Keo Oudom, VTP	To handover the compensatiion	VTP-PIU	60	36	Completed as plan	9,960,000
4.14.01	Working with the State Audit Organization (SAO) on the project's financial audit in Vientiane Capital, Luang Prabang, Vang Vieng and Vientiane province, date	11-14, 17-31 Mar and 1-11, 17 April 2025	VTE,LPB,VV, VTP	To work with SAO	PCU staff	25	14	Completed as plan	151,250,000
4.14.01	Working with the State Audit Organization (SAO) on the project's financial audit in Luang Prabang for 2024, 23 - 30/3/2025	23 - 30/3/2025	Luang Prabang	To ensure proper project implementation in accordance with regulations	LPB-PIU	12	10	The issues need to be resolved were identified	39,900,000

### Annex 13: GAP implementation progress as of March 2025

**Project Title:** Grant 0599-LAO: Second Greater Mekong Subregion Tourism Infrastructure for Inclusive Growth Project  
**Country:** Lao PDR  
**Project No.:** 49387-002  
**Type of Project (Loan/Grant/TA):** Grant  
**Approval date:** 31 August 2018  
**Project Implementation Duration:** 25 December 2018 – December 2025. Grant closing date is 30 June 2026  
**Gender Category:** Effective Gender Mainstreaming (EGM)  
**Project Impact:** Sustainable, inclusive, and more balanced tourism development achieved.  
**Project Outcome:** Tourism competitiveness of secondary towns increased.

#### Status of GAP implementation:

- All 25 (100%) of targets were achieved and on-track.
- All 9 (100%) of activities were achieved and on-track.

	Achieved	On track	Not yet achieved
9 Activities	5 (5, 6, 7, 8, 9)	4 (1, 2, 3, 4)	0
25 Targets	10 (2, 3, 4, 8, 15, 16, 17, 19, 20, 24)	15 (1, 5, 6, 7, 9, 10, 11, 12, 13, 14, 18, 21, 22, 23, 25)	0

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
<b>Outcome</b>		
<b>Target 1:</b> Women account for at least 55% of tourism workers <sup>8</sup> in project areas <sup>9</sup> .	<b>On-track</b> As of December 2023, female workers account for 58% of the total workforce in project areas of Lao PDR's tourism and hospitality sector. <sup>10</sup> Champasak Province: 61.8%	The project team and National Tourism Specialist will work as the following:

<sup>6</sup> GAP Activities, Indicators and Targets, Timeframe and Responsibility

<sup>7</sup> Please include reasons why an activity was not fully implemented, or if targets fall short, or reasons for delay, etc., and provide recommendations on ways to address issues and challenges.

<sup>8</sup> A tourism worker is defined as a person employed in tourism and hospitality industry, including hotels, resorts, guesthouses, restaurants, tourist attractions, entertainment venues, tour companies, travel agents, or as a tour guide or at a tourism-related handicraft business.

<sup>9</sup> The project target areas are defined as the provinces of Champasak, Luang Prabang and Vientiane Province

<sup>10</sup> Tourism Sector Survey, conducted by Project 4 PIUs in December 2023.

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
(2016 baseline: Lao PDR 50%, target 2026)  (DMF outcome indicator d)	Vientiane Province: 67.4% Vang Vieng District 49.5% Luang Prabang Province: 56.3% Aggregate for the four target sub-project areas: 58 %	(i) Discuss with DICT on businesses units to enhance employment opportunities for women.  (ii) In DMN meetings, the project team/consultants will raise the issue to encourage tourism businesses to hire more women.

**Output 1: Urban-rural access infrastructure and urban environmental services improved.**

**Objective 1: Strengthen women’s voice in project design.**

<p><b>Target 2:</b> Two consultations held during detailed design of each infrastructure subproject to optimize inclusiveness, gender responsiveness, and employment opportunities during and after construction.</p>	<p><b>Achieved</b>            The project conducted at least two consultations during detailed design of each infrastructure subproject to optimize inclusiveness, gender responsiveness, and employment opportunities during and after construction.</p> <p>The project has five works packages/sub-projects, as follows:</p> <ul style="list-style-type: none"> <li>(i) Works Package: TIIGP2-LAO-W01: Nakasang and Don Det-Don Khone Access Improvements:               <ul style="list-style-type: none"> <li>1) Sub-project C1: Nakasang Access Road and Port Rehabilitation</li> <li>2) Sub-project C2: Don Det-Don Khone Access Improvements</li> </ul> </li> <li>(ii) Works Package: TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements               <ul style="list-style-type: none"> <li>1) Sub-project V1: Nam Ngum Reservoir Access Improvements</li> </ul> </li> <li>(iii) Works Package: TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements               <ul style="list-style-type: none"> <li>1) Sub-project V2: Kaeng Yui Waterfall Access Improvement</li> <li>2) Sub-project V3: Western Loop Rural Access Road and Bridge Improvement</li> </ul> </li> <li>(iv) Works Package: TIIGP2-LAO-W03a: Vang Vieng Urban Renewal               <ul style="list-style-type: none"> <li>1) Sub-project V4: Vang Vieng Urban Renewal</li> </ul> </li> <li>(v) Works Package: TIIGP2-LAO-W04: Vang Vieng Landfill Improvements               <ul style="list-style-type: none"> <li>1) Sub-project V5: Vangvieng Solid Waste Management Improvements</li> </ul> </li> </ul>			
<p><b>Details of consultation listed below:</b></p>				
	Sub-project		Status	Consultations

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)					Issues and Challenges <sup>7</sup>
	Works Package		Number of Consultation		date	
(i) TIIGP2-LAO-W01	1. C1: Nakasang Access Road and Port Rehabilitation	2	Completed	17,18-Oct-18	24-Oct-19	
	2. C2: Don Det-Don Khone Access Improvements	2	Completed	17,18-Oct-18	25-Oct-19	
(ii) TIIGP2-LAO-W02	3. V1: Nam Ngum Reservoir Access Improvements	3	Completed	19-Oct-19	19-Aug-21	
				20-May-22	20-Oct-19	
				19-Aug-21	16-Aug-19	
(iii) TIIGP2-LAO-W03	4. V2: Kaeng Yui Waterfall Access Improvement	2	Completed	20-Oct-19	17-Sep-19	
	5. V3: Western Loop Rural Access Road and Bridge Improvement	2	Completed	16-Aug-19	17-Sep-19	
(iv) TIIGP2-LAO-W03a	6. V4: Vang Vieng Urban Renewal	2	Completed	20-May-22	20-Sep-23	
(v) TIIGP2-LAO-W04	7. V5: Vangvieng Solid Waste Management Improvements	3	Completed	19-Jun-18	13-Oct-18	
				20-Aug-21		
<p>The main result of consultation:</p> <ul style="list-style-type: none"> <li>(i) women suggested that the project support on market information for selling fish</li> <li>(ii) (Women need support on establishing women group for fish processing</li> <li>(iii) (Most of women from Sengsavang village and Sokpakeo village work on services in restaurant in Namngnum Tourism area, women requested project to support on training of restaurant services.</li> <li>(iv) Women suggested that if job available in the project area, the project should inform them and</li> <li>(v) suggested project to provide training for waste workers on hygiene and sanitation. Women in Naduang village mentioned that they are waiting for completed construction then they will have more income generating activities.</li> </ul>						

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>																																																																																						
<p><b>Target 3:</b> At least 50% of people consulted are women.</p> <p>(DMF output indicator 1f)</p>	<p><b>Achieved</b>  Project conducted total 16 consultation meetings with 208 (51.6%) out of 403 people consulted were women. Details as mentioned in target 2 above.  Details as the following</p> <table border="1" data-bbox="521 347 1574 1362"> <thead> <tr> <th data-bbox="521 347 705 448" rowspan="2">Works Package</th> <th data-bbox="707 347 969 448" rowspan="2">Sub-project</th> <th data-bbox="972 347 1178 448">Consultations</th> <th colspan="3" data-bbox="1180 347 1574 384">Participants</th> </tr> <tr> <th data-bbox="972 386 1178 448">date</th> <th data-bbox="1180 386 1272 448">Total</th> <th data-bbox="1274 386 1397 448">Female</th> <th data-bbox="1400 386 1574 448">% of Female</th> </tr> </thead> <tbody> <tr> <td data-bbox="521 450 705 639" rowspan="4">(i) TIIGP2-LAO-W01</td> <td data-bbox="707 450 969 544" rowspan="2">1. C1: Nakasang Access Road and Port Rehabilitation</td> <td data-bbox="972 450 1178 491">20, 21-Jun18</td> <td data-bbox="1180 450 1272 491">12</td> <td data-bbox="1274 450 1397 491">5</td> <td data-bbox="1400 450 1574 491">42</td> </tr> <tr> <td data-bbox="972 493 1178 534">24-Oct-19</td> <td data-bbox="1180 493 1272 534">21</td> <td data-bbox="1274 493 1397 534">17</td> <td data-bbox="1400 493 1574 534">81</td> </tr> <tr> <td data-bbox="707 545 969 639" rowspan="2">2. C2: Don Det-Don Khone Access Improvements</td> <td data-bbox="972 545 1178 587">17,18-Oct-18</td> <td data-bbox="1180 545 1272 587">37</td> <td data-bbox="1274 545 1397 587">7</td> <td data-bbox="1400 545 1574 587">19</td> </tr> <tr> <td data-bbox="972 588 1178 630">25-Oct-19</td> <td data-bbox="1180 588 1272 630">49</td> <td data-bbox="1274 588 1397 630">39</td> <td data-bbox="1400 588 1574 630">79</td> </tr> <tr> <td data-bbox="521 641 705 826" rowspan="3">(ii) TIIGP2-LAO-W02</td> <td data-bbox="707 641 969 826" rowspan="3">3. V1: Nam Ngum Reservoir Access Improvements</td> <td data-bbox="972 641 1178 683">19-Oct-19</td> <td data-bbox="1180 641 1272 683">12</td> <td data-bbox="1274 641 1397 683">8</td> <td data-bbox="1400 641 1574 683">67</td> </tr> <tr> <td data-bbox="972 684 1178 726">19-Aug-21</td> <td data-bbox="1180 684 1272 726">21</td> <td data-bbox="1274 684 1397 726">9</td> <td data-bbox="1400 684 1574 726">43</td> </tr> <tr> <td data-bbox="972 727 1178 769">20-May-22</td> <td data-bbox="1180 727 1272 769">6</td> <td data-bbox="1274 727 1397 769">6</td> <td data-bbox="1400 727 1574 769">100</td> </tr> <tr> <td data-bbox="521 828 705 1102" rowspan="4">(iii) TIIGP2-LAO-W03</td> <td data-bbox="707 828 969 954" rowspan="2">4. V2: Kaeng Yui Waterfall Access Improvement</td> <td data-bbox="972 828 1178 869">20-Oct-19</td> <td data-bbox="1180 828 1272 869">18</td> <td data-bbox="1274 828 1397 869">11</td> <td data-bbox="1400 828 1574 869">61</td> </tr> <tr> <td data-bbox="972 871 1178 912">19-Aug-21</td> <td data-bbox="1180 871 1272 912">21</td> <td data-bbox="1274 871 1397 912">9</td> <td data-bbox="1400 871 1574 912">43</td> </tr> <tr> <td data-bbox="707 956 969 1102" rowspan="2">5. V3: Western Loop Rural Access Road and Bridge Improvement</td> <td data-bbox="972 956 1178 997">16-Aug-19</td> <td data-bbox="1180 956 1272 997">17</td> <td data-bbox="1274 956 1397 997">2</td> <td data-bbox="1400 956 1574 997">12</td> </tr> <tr> <td data-bbox="972 999 1178 1040">17-Sep-19</td> <td data-bbox="1180 999 1272 1040">25</td> <td data-bbox="1274 999 1397 1040">5</td> <td data-bbox="1400 999 1574 1040">20</td> </tr> <tr> <td data-bbox="521 1104 705 1187" rowspan="2">(iv) TIIGP2-LAO-W03a</td> <td data-bbox="707 1104 969 1187" rowspan="2">6. V4: Vang Vieng Urban Renewal</td> <td data-bbox="972 1104 1178 1145">20-May-22</td> <td data-bbox="1180 1104 1272 1145">19</td> <td data-bbox="1274 1104 1397 1145">19</td> <td data-bbox="1400 1104 1574 1145">100</td> </tr> <tr> <td data-bbox="972 1147 1178 1189">20-Sep-23</td> <td data-bbox="1180 1147 1272 1189">72</td> <td data-bbox="1274 1147 1397 1189">33</td> <td data-bbox="1400 1147 1574 1189">46</td> </tr> <tr> <td data-bbox="521 1189 705 1362" rowspan="3">(v) TIIGP2-LAO-W04</td> <td data-bbox="707 1189 969 1362" rowspan="3">7. V5: Vangvieng Solid Waste Management Improvements</td> <td data-bbox="972 1189 1178 1230">19-Jun-18</td> <td data-bbox="1180 1189 1272 1230">12</td> <td data-bbox="1274 1189 1397 1230">4</td> <td data-bbox="1400 1189 1574 1230">33</td> </tr> <tr> <td data-bbox="972 1232 1178 1273">13-Oct-18</td> <td data-bbox="1180 1232 1272 1273">38</td> <td data-bbox="1274 1232 1397 1273">21</td> <td data-bbox="1400 1232 1574 1273">55</td> </tr> <tr> <td data-bbox="972 1275 1178 1316">20-Aug-21</td> <td data-bbox="1180 1275 1272 1316">23</td> <td data-bbox="1274 1275 1397 1316">13</td> <td data-bbox="1400 1275 1574 1316">57</td> </tr> </tbody> </table>	Works Package	Sub-project	Consultations	Participants			date	Total	Female	% of Female	(i) TIIGP2-LAO-W01	1. C1: Nakasang Access Road and Port Rehabilitation	20, 21-Jun18	12	5	42	24-Oct-19	21	17	81	2. C2: Don Det-Don Khone Access Improvements	17,18-Oct-18	37	7	19	25-Oct-19	49	39	79	(ii) TIIGP2-LAO-W02	3. V1: Nam Ngum Reservoir Access Improvements	19-Oct-19	12	8	67	19-Aug-21	21	9	43	20-May-22	6	6	100	(iii) TIIGP2-LAO-W03	4. V2: Kaeng Yui Waterfall Access Improvement	20-Oct-19	18	11	61	19-Aug-21	21	9	43	5. V3: Western Loop Rural Access Road and Bridge Improvement	16-Aug-19	17	2	12	17-Sep-19	25	5	20	(iv) TIIGP2-LAO-W03a	6. V4: Vang Vieng Urban Renewal	20-May-22	19	19	100	20-Sep-23	72	33	46	(v) TIIGP2-LAO-W04	7. V5: Vangvieng Solid Waste Management Improvements	19-Jun-18	12	4	33	13-Oct-18	38	21	55	20-Aug-21	23	13	57	
Works Package	Sub-project			Consultations	Participants																																																																																			
		date	Total	Female	% of Female																																																																																			
(i) TIIGP2-LAO-W01	1. C1: Nakasang Access Road and Port Rehabilitation	20, 21-Jun18	12	5	42																																																																																			
		24-Oct-19	21	17	81																																																																																			
	2. C2: Don Det-Don Khone Access Improvements	17,18-Oct-18	37	7	19																																																																																			
		25-Oct-19	49	39	79																																																																																			
(ii) TIIGP2-LAO-W02	3. V1: Nam Ngum Reservoir Access Improvements	19-Oct-19	12	8	67																																																																																			
		19-Aug-21	21	9	43																																																																																			
		20-May-22	6	6	100																																																																																			
(iii) TIIGP2-LAO-W03	4. V2: Kaeng Yui Waterfall Access Improvement	20-Oct-19	18	11	61																																																																																			
		19-Aug-21	21	9	43																																																																																			
	5. V3: Western Loop Rural Access Road and Bridge Improvement	16-Aug-19	17	2	12																																																																																			
		17-Sep-19	25	5	20																																																																																			
(iv) TIIGP2-LAO-W03a	6. V4: Vang Vieng Urban Renewal	20-May-22	19	19	100																																																																																			
		20-Sep-23	72	33	46																																																																																			
(v) TIIGP2-LAO-W04	7. V5: Vangvieng Solid Waste Management Improvements	19-Jun-18	12	4	33																																																																																			
		13-Oct-18	38	21	55																																																																																			
		20-Aug-21	23	13	57																																																																																			

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)						Issues and Challenges <sup>7</sup>
	Total		16	403	208	51.6	
<b>Objective 2. Promote women's economic employment and safety.</b>							
<p><b>Target 4:</b> At least 300<sup>11</sup>entrepreneurs (60% women) receive SME support services (2017 baseline: 0)</p> <p><b>This indicator corresponds to DMF 3d-g</b></p>	<p><b>Achieved</b> SME needs assessments were conducted in 2022, and SME development plan 2023-2025 has been completed, including the following support services: business planning, management and marketing training, hospitality services training, product diversification, quality and safety enhancement, public-private tourism marketing and business networking, provision of equipment to improve hospitality services and product quality and safety. Roll out commenced in Q3 2023.</p> <p>An SME database was developed and completed in Q2, 2024 To date, 317 entrepreneurs received SME support services (191 or 60% were women):</p> <ul style="list-style-type: none"> <li>- Luang Prabang: 63 out of 99 (64%) entrepreneurs were women</li> <li>- Vientiane Province: 43 out of 46 (93%) entrepreneurs were women</li> <li>- Vang Vieng: 40 out of 81 (49%) entrepreneurs were women</li> <li>- Champasak: 45 out of 91 (49%) entrepreneurs were women</li> </ul>						
<p><b>Target 5:</b> At least 10% of unskilled workers hired for construction works are local women (2017 baseline: ~10%).</p>	<p><b>On-track</b> The gender requirement (least 10% of unskilled workers hired for construction works are local women) is included in bidding documents and contracts for 5 packages: TIIGP2-LAO-W01 (C1 and C2)-completed, TIIGP2-LAO-W02 (V1), and TIIGP2-LAO-W03 (V2) and TIIGP2-LAO-W04 (V5) and TIIGP2-Lao-W03a (V4).</p> <p><b>As of March 2024</b>, the total unskilled workers hired is 11 (22%) out of total 49 unskilled workers were women.</p> <p>Details:</p> <ul style="list-style-type: none"> <li>• TIIGP2-LAO-W03: <ul style="list-style-type: none"> <li>○ Sub-project V2: Kaeng Yui Waterfall Access Improvement and V3: Western Loop Rural Access Road and Bridge Improvement, 2 women (40%) out of 5 local unskilled workers were women.</li> <li>○ Sub-project V4: Vang Vieng Urban Renewal, 9 women (20%) out of 44 local unskilled workers were women.</li> </ul> </li> </ul>						<p>The project M&amp;E and the deputy project team leader specialist (who handle gender works) will continue coordinating with PIU and contractors to collect data of unskilled workers for the subproject TIIGP2-LAO-W03a once the construction commences and to monitor the hiring of more local women among unskilled workers in the follow-up phases of construction by Q2, 2025</p>

<sup>11</sup> The previous figure listed is 500 based on the total count of target entrepreneurs \*in Cambodia and Laos. This is now disaggregated to 300 for Lao PDR (PAM, annex G page 117 para 22 )

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
<p><b>Activity 1:</b> Contractors ensure separate access to water and sanitation facilities for women and men in construction sites and separate quarters, as well as suitable worker safety training, equipment.</p>	<p><b>On-track</b>            There was one operated contractor and two camps. All two camps are separated access to water and sanitation facilities for women and men and separate quarters, as well as suitable worker safety training, equipment.</p> <p>As details:  <u>Vang Vieng District: 2 camps</u>            sub-project V2: Kaeng Yui Waterfall Access Improvement and sub-projects V3: Western Loop Rural Access Road and Bridge Improvement,            - 1 contractor, 2 camps</p> <p>Note: Other one sub-project (sub-project V4): Vang Vieng Urban Renewal), the construction has just been started</p>	<p>The project M&amp;E and the deputy project team leader specialist (who handle gender works) will continue to coordinate with PIU and contractors to maintain this requirement, particularly for the subproject TIIGP2-LAO-W03a once the construction commences by Q2 2025.</p>
<p><b>Activity 2:</b> Contractors provide gender-responsive information on HIV/AIDS, STI, human trafficking and child labor exploitation prevention information to all workers.</p>	<p><b>On-track</b>            With support of IEC facilitator team<sup>12</sup>, all operated contractors provided gender-responsive information on HIV/AIDS, STI, human trafficking and child labor exploitation prevention information to workers in all camps construction.</p> <p>The contractors provided this information together with the communities IEC campaign.</p> <p>Note: Other one sub-project (sub-project V4): Vang Vieng Urban Renewal), the construction has just been started</p>	<p>The project M&amp;E and the deputy project team leader specialist (who handle gender works) will continue to coordinate with PIU and contractors to provide the gender-responsive information on HIV/AIDS, STI, human trafficking and child labor exploitation prevention information to new workers for the sub-project V4: Vang Vieng Urban Renewal TIIGP2-LAO-W03a once the construction commences by Q2 2025.</p>
<p><b>Objective 3. Improve gender design features of tourism facilities to support economic empowerment.</b></p>		
<p><b>Target 6:</b> All women vendors return to improved market space after construction (2017 baseline: ~80% (120 women)).</p>	<p><b>On-track</b>            The project is improving 3 market sites includes (i) Kaeng Yui Waterfall (ii) Nam Ngum Reservoir and (iii) Nakasang Access Road and Port Rehabilitation. The constructions are ongoing. There are existing of total 41 vendors approximately.            Details:</p>	<p>To ensure all vendors return to improved market space after construction below are action to be taken:            (i) Follow up whether all</p>

<sup>12</sup> IEC facilitator team includes IGS, NGS and GFPs.

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
	(i) Kaeng Yui Waterfall: total 3 vendors (rotation based, there is no owner, so it cannot identify men and women vendors) (ii) Nam Ngum Reservoir: total 28 vendors (19 vendors were household base and 9 vendors women headed of household) (iii) Nakasang Access Road and Port Rehabilitation: total 10 vendors.	vendors (male and female) return to improved market space after construction of each sub project areas; (collect name list of all vendors before & after construction) (ii) If some vendors (especially female) do not want to return to improved market space after construction the reasons will be identified by Q3 2025.
<b>Target 7:</b> At least 80% (80 women) of newly constructed shop owners/operators are women.	<b>On-track</b> All constructions are ongoing, and the project noted that 80% of newly constructed shops owners/operators must be women.  After construction completed the M&E specialist will collect data on (i) No. of the newly constructed shop of each sub project areas (ii) the name list of the owners/operators of newly constructed shop of each sub project areas and (iii) continue coordinating with PIU and social safeguard team to ensure that at least 80% (80 women) of newly constructed shop owners/operators are women of each sub project areas.	
<b>Activity 3:</b> Infrastructure subproject gender design features include suitable road shoulders, access for people with disabilities, public lighting, separate male and female toilets, lockable kiosks, road safety instruction, and others identified during consultations.	<b>On-track</b> All infrastructure subproject gender design features include suitable road shoulders, access for people with disabilities, public lighting, separate male and female toilets, lockable kiosks, road safety instruction, and others identified during consultations. Details as below: <ul style="list-style-type: none"> <li>• Access road subproject (C1, C2, V1, V2 &amp; V3 and V4), the Detail Engineering Design (DED) included suitable road shoulders, public lighting, and road safety instruction. Public toilets and access for people with disabilities (wheelchair) will be provided in main area of subprojects V1 (Nam Ngum) and V2 (Kaeng Yui).</li> <li>• Subproject Vang Vieng Landfill (V5), the DED included public lighting, separate male and female toilets, lockable kiosks. Accessible for disabled is provided for the site buildings</li> </ul>	<b>Suggestion</b> By the end of Q2 2025, The project M&E and the deputy project team leader specialist (who handle gender works) will visit the sites to confirm. Infrastructure subproject gender design features include suitable road shoulders, access for people with disabilities, public lighting, separate male and female toilets, lockable kiosks, road safety instruction, and others identified during consultations by Q3 2025.

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
	<p>Up to June 2023, the construction for packages TIIGP2-LAO-W01 (subprojects C1, C2) are completed, the contractors followed the DED.</p> <p>The project gender team will collect the data after all constructions are completed.</p>	
<p><b>Activity 4:</b> Infrastructure user charges (e.g. market stall rent and waste collection fees) are affordable to male and female users.</p>	<p><b>On-track</b>  Constructions are ongoing; the project will consider market stall rent and waste collection fees after construction is completed. The project consulted with:</p> <ul style="list-style-type: none"> <li>• TIIGP2-LAO-W04 (subproject V5): Residents of Vang Vieng expressed concerns about affordability of garbage collection fees during a dialogue with gender specialists and PIU on 10 October 2019. Affordability of user charges has been considered in the outline and detailed design. The PMCES Consultant institutional specialists will conduct consultations with users on user charges and include the results in O&amp;M planning.</li> <li>• TIIGP2-LAO-W02 (subproject V1): Affordability of replacement shops and residences for the affected businesses and households at the Marina at Nam Ngum has been carefully considered and consultations held with affected men and women. The updated resettlement plan now specifies that the first-year rent will be waived, and year 2-3 user charges will be reduced by 50%, to ensure affordability and allow time for the businesses to build up and generate sufficient revenue to afford the full rental fee which will kick in in year 5.</li> </ul>	<p>The project M&amp;E and the deputy project team leader specialist (who handle gender works) will:</p> <ul style="list-style-type: none"> <li>(i) Continue coordinating with PIU and social safeguard team to follow up and accomplish this target.</li> <li>(ii) Coordinate with PMCES Consultant institutional specialists to conduct consultations with users on user charges and ensure that any issues on infrastructure user charges raised in the meeting by women are considered and include in O&amp;M planning by Q3 2025.</li> </ul>
<p><b>Objective 4. Ensure women’s equal participation in gender-sensitive IEC programs to mitigate tourism’s social risks.</b></p>		
<p><b>Target 8:</b> 50% of IEC facilitators trained by the project are women.</p>	<p><b>Achieved</b>  There were 10 gender focal persons composed of 5 male and 5 female (50 %) who serves as the lead on-site IEC facilitators. They participated in the one-day gender-responsive including IEC knowledge training which, the gender specialists’ team.</p>	
<p><b>Target 9:</b> At least 50% of people reached by gender-sensitive IEC campaigns are women (2017 baseline: 0% women).</p>	<p><b>On-track</b>  470 (51%) out of 921 participants attended the IEC campaigns were women from communities around 5 sub-project sites:</p> <ul style="list-style-type: none"> <li>(i) Sub-project W01: Nakasang Access Road and Port Rehabilitation on 8-11 February 2021, 33 (35%) out of total 93 participants were women.</li> <li>(ii) Conducted IEC campaign in Nam Ngum Reservoir for Works Package TIIGP2-LAO-W02: Subproject V1: Nam Ngum Reservoir Access Improvements on 21-22 December 2022: 8 (26%) out of 31 were women.</li> <li>(iii) Conducted IEC campaign in Vang Vieng for Works Package: TIIGP2-LAO-W03: sub-projects V2: Kaeng Yui Waterfall Access Improvement; and V3: Western Loop Rural</li> </ul>	<p>The M&amp;E specialist organize communities’ campaign for the remain 2 sub-projects and ensure that 50% of participants are women.</p>

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
	<p>Access Road and Bridge Improvement on 23-25 December 2021 - 46 (43%) out of 106 were women.</p> <p>(iv) Champasak Province: sub-project C1&amp;C2: Nakasang Access Road and Port Rehabilitation Nakasang Camp, Dondet Camp &amp; Donkhone Camp the selected agenda on boating safety, first aid and waste management. -104 (57%) out of 181 were women.</p> <p>(v) Vientiane Province: subproject V5: Vang Vieng Solid Waste Management Improvement: the selected agenda on waste management - 279 (55%) out of 510 were women</p> <p>(vi) Vientiane Province: sub-project V1: Nam Ngum Reservoir Access Improvements. the selected agenda will focus on boating safety, first aid and waste management during construction</p> <p><b>For the next IEC campaigns will focus on:</b></p> <p>(vii) TIIGP2-LAO-W03: sub-projects V2: Kaeng Yui Waterfall Access Improvement; (i) traffic safety, (ii) solid waste management. (June 2025)</p> <p>(viii) Vientiane Province: sub-project V4: Vang Vieng Urban Renewal TIIGP2-LAO-W03a once the construction commences for all topics (i) traffic safety, (ii) solid waste management. (planned in December 2025).</p>	
<p><b>Activity 5:</b> IEC materials are gender-sensitive (i.e. without gender bias/stereotypes) and published for each topic covered, e.g. (i) traffic and boating safety, (ii) HIV/AIDS prevention, (iii) human trafficking prevention and (iv) solid waste management</p>	<p><b>Achieved</b></p> <p>The project gender team scanned and identified appropriate gender-sensitive campaign materials from UNFPA, and national government agencies.</p> <p>The International Gender Specialist is preparing IEC reference/training Manual.</p> <p>National Gender Specialist collected 50 copies of each type of brochures, flyers, posters and others related materials on HIV- AIDS, human trafficking prevention, violence against women and children, from different related national and international organizations such as ILO, UNFPA etc. These were allocated at least 10 of each material per worksite.</p> <p>Based on this, IEC material packages have been distributed in the construction sites and to the surrounding communities during IEC Campaigns conducted in Vientiane Province for works packages TIIGP2-LAO-W02: Nam Ngum Reservoir Access Improvements and TIIGP2-LAO-W03: Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements (21-25 December 2021).</p>	
<b>Output 2: Capacity to implement ASEAN Tourism Standards strengthened</b>		
<b>Objective 5. Promote women's leadership.</b>		
<p><b>Target 10:</b> At least 30% of ASEAN tourism standards</p>	<p><b>On track</b></p>	<p>By Q3 2025, the Project</p>

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
<p>certification board members and assessors are women (2017 baseline: 0).</p> <p><b>(DMF output indicator 2a)</b></p>	<p>100 (52%) out of 193 ASEAN tourism standards certification board members and assessors were women</p> <p><b><u>National:48 (51%) out of 94 members and assessors were women):</u></b></p> <ul style="list-style-type: none"> <li>• ASEAN Green Hotel: 8 (62%) out of 13 were women; dated 21/07/2021.</li> <li>• ASEAN Spa Service: 7 (64%) out of 11 were women; dated 21/07/2021.</li> <li>• ASEAN Homestay Standard: 3 (33%) out of 9); dated 27/08/2021.</li> <li>• ASEAN Public Toilet Standard: 4 (44%) out of 9); dated 07/12/2021.</li> <li>• ASEAN Clean City Standard: 8 (47%) out of 17 were women; dated 11/08/2021.</li> <li>• <b>ASEAN CBT Standard 2 (22%) out of 9 were women- dated 14/09/2021 Not Achieved</b></li> <li>• ASEAN MICE Standard: 8 (62%) out of 13 were women; dated 25/06/2021.</li> <li>• ASTA: 8 (62%) out of 13 were women dated 08/04/2022.</li> </ul> <p><b><u>Provinces: 52 (52%) out of 99 members and assessors were women:</u></b></p> <ul style="list-style-type: none"> <li>• Champasak Province: 21 (53%) out of 39 were women.</li> <li>• Vientiane Province: 8 (50%) out of 16 were women.</li> <li>• Vang Vieng District: 15 (53%) out of 28 were women.</li> <li>• Luang Prabang Province: 8 (50%) out of 16 were women.</li> </ul>	<p>National Gender Specialist and Consultant Team Leader will coordinate with the MICT ASEAN Tourism Standard Secretariat and PIUs to increase female representation. Their goal is to ensure at least 30% of the National members and assessors are women in the ASEAN Community-Based Tourism (CBT) Standard</p>
<p><b>Target 11:</b> At least 35% of ASEAN tourism standards trainers are women (2017 baseline: 0)</p>	<p><b>On-track</b></p> <p>56 (52%) out of 107 trainers at different levels (Master Trainers, National trainers and Provincial trainers are women.</p> <ul style="list-style-type: none"> <li>• Master Trainers: Overall, 5 (42%) out of 12 were women. <ul style="list-style-type: none"> <li>- ASEAN Green Hotel &amp; ASEAN Spa Service: 1 (50%) out of 2 was woman.</li> <li>- ASEAN Homestay Standard: 1 (50%) out of 2 was woman.</li> <li>- ASEAN Public Toilet Standard: 0% (0 out of 1) -Not Achieved</li> <li>- ASEAN Clean Tourist City Standard: 67% (2 out of 3);</li> <li>- ASEAN CBT Standard 0% (0 out of 1) -Not Achieved</li> <li>- ASEAN MICE Standard: 0% (0 out of 2); -Not Achieved</li> <li>- ASTA: 100 % (1 out of 1)</li> </ul> </li> <li>• <b>National Trainers: Overall, 34 (55%) out of 62 were women.</b> <ul style="list-style-type: none"> <li>- ASEAN Green Hotel: 2 (67%) out of 3 were women.</li> <li>- ASEAN Spa Service: 2 (67%) out of 3 were women.</li> <li>- ASEAN Homestay Standard: 100% (2 out of 2);</li> <li>- <b>ASEAN Public Toilet Standard: 1 (33%) out of 3 was woman- Not Achieved</b></li> <li>- ASEAN Clean Tourist City Standard: 100% (2 out of 2)</li> <li>- <b>ASEAN CBT Standard 2 (22%) out of 9 were women -Not Achieved</b></li> <li>- ASEAN MICE Standard: 20 (67% out of 30 were women.</li> </ul> </li> </ul>	<p>By Q3 2025, the Project National Gender Specialist and Consultant Team Leader will engage with the MICT ASEAN Tourism Standard Secretariat and PIUs to ensure at least 35% of National Trainers are women in the following areas: (a) ASEAN Public Toilet Standard (b) ASEAN Community-Based Tourism (CBT) Standard (c) ASEAN Sustainable Tourism Awards (ASTA)</p>

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
	<ul style="list-style-type: none"> <li>- <b>ASTA: 3 (30%) out of 10 were women- Not Achieved</b></li> <li>• <b>Provinces: 17 (51%) of 33 were women:</b> <ul style="list-style-type: none"> <li>- Champasak Province: 5 (55%) out of 9 were women</li> <li>- Vientiane Province: 4 (50%) out of 8 were women.</li> <li>- Vang Vieng District: 4 (66%) out of 6 were women.</li> <li>- Luang Prabang Province: 4 (40%) out of 10 were women;</li> </ul> </li> </ul>	
<p><b>Target 12:</b> At least 45% of ASEAN tourism awards selection panel members are women (2017 baseline: 0).</p>	<p><b>On-track</b>            ASEAN tourism standards certification board members, assessors and ASEAN tourism awards selection panel members have the same set of members, as enumerated in target 10.</p> <p>100 (52%) out of 193 ASEAN tourism standards certification board members and assessors were women</p> <ul style="list-style-type: none"> <li>• <b>National:48 (51%) out of 94 members and assessors were women):</b> <ul style="list-style-type: none"> <li>- ASEAN Green Hotel: 8 (62%) out of 13 were omen; dated 21/07/2021.</li> <li>- ASEAN Spa Service: 7 (64%) out of 11 were women; dated 21/07/2021.</li> <li>- <b>ASEAN Homestay Standard: 3 (33%) out of 9); dated 27/08/2021. Not Achieved</b></li> <li>- <b>ASEAN Public Toilet Standard: 4 (44%) out of 9); dated 07/12/2021. Not Achieved</b></li> <li>- ASEAN Clean City Standard: 8 (47%) out of 17 were women; dated 11/08/2021.</li> <li>- <b>ASEAN CBT Standard 2 (22%) out of 9 were women- dated 14/09/2021 Not Achieved</b></li> <li>- ASEAN MICE Standard: 8 (62%) out of 13 were women; dated 25/06/2021.</li> <li>- ASTA: 8 (62%) out of 13 were women dated 08/04/2022.</li> </ul> </li> <li>• <b>Provinces: 52 (52%) out of 99 members and assessors were women:</b> <ul style="list-style-type: none"> <li>- Champasak Province: 21 (53%) out of 39 were women.</li> <li>- Vientiane Province: 8 (50%) out of 16 were women.</li> <li>- Vang Vieng District: 15 (53%) out of 28 were women.</li> <li>- Luang Prabang Province: 8 (50%) out of 16 were women.</li> </ul> </li> </ul>	<p>The Project National Gender Specialist and Consultant Team Leader will collaborate with the MICT ASEAN Tourism Standard Secretariat and PIUs to ensure that at least 45% of the National Tourism Awards selection panel members are women in the following standards by Q3 2025:            (a) ASEAN Homestay Standard            (b) ASEAN Public Toilet Standard            (c) ASEAN Community-Based Tourism (CBT) Standard</p>
<p><b>Objective 6. Promote equal access to ASEAN tourism standards training and information</b></p>		
<p><b>Activity 6:</b> ASEAN tourism standards manuals translated to Lao language.</p>	<p><b>Achieved</b>            Translation of all seven ASEAN Tourism Standards were completed. All seven final standards were published in Lao language.</p>	
<p><b>Target 13.</b> At least 40 % of women participants in ASEAN tourism standards training for businesses are women.</p>	<p><b>On-track</b>            As of March 2025, 1751 (43%) out of 4,078 are women participated in ASEAN tourism standards training. Women participants from business sectors account for 837 (out of 1,949 women). The participants from business sectors of each sub-sector are calculated based on</p>	<p>Comments:            The project gender specialist/M&amp;E specialist will work with PCU and PIU to ensure that at least 40 % of participants in the</p>

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
	the following %: Green hotel 80%, SPA 75%, Tourist city 40%, ASTA 40%, Public toilet 35%, CBT and homestay 15%, MICE 80% and Tourism Standard in general 50%.	upcoming ASEAN tourism standards training for businesses are women. The activity proposal should specifically define at least 40% of the expected participants as female.
<b>Output 3: Institutional arrangements for tourism destination management and infrastructure O&amp;M strengthened</b>		
<b>Objective 7. Promote gender- balanced project management.</b>		
<p><b>Target 14:</b> At least 3,000<sup>13</sup> residents and tourism workers (50% women) participated in destination management training and awareness-raising activities. (2017 baseline: 0)</p> <p>(DMF output indicator 3c)</p>	<p><b>On-track</b>  As of March 2025, 4,614 out of the 9,765 residents and tourism workers who have participated in destination management training and awareness-raising activities were women. (47.3% were women)</p>	<p><b>Suggestion:</b>  The project M&amp;E and the deputy project team leader specialist, who handle gender works will inform PIUs to encourage more women to participate in destination management training and awareness-raising activities by conducting the activities in suitable time and comfortable place for women  The activity proposal should define at least 50% of the expected participants are female.</p>
<p><b>Target 15:</b> Women comprise at least 30% of project steering committee (PSC) members. (2017 baseline: ~25%(4women)</p>	<p><b>Achieved</b>  The project steering committee consisted of 11 members 4 (36%) members were women.</p>	
<p><b>Target 16:</b> Women hold 30% of project director and deputy director positions. (2017 baseline: 20%). (In financing agreement 40%)</p>	<p><b>Achieved</b>  The overall total for national and provincial levels is 4 (40%) out of total 10 members were women.</p> <ul style="list-style-type: none"> <li>• <b>National:</b> 1 female (50%) out of total 2,</li> <li>• <b>Provinces:</b> 3 (37.5%) out of 8 were women.</li> </ul>	
<p><b>Target 17:</b> At least 40% of overall PCU and PIU staff</p>	<p><b>Achieved</b>  Of the overall total of 21(48%) out of total 44 PCU and PIU staff were females  National PCU: 4 (67%) out of 6 were women.</p>	

<sup>13</sup> The previous figure listed is 500 based on the total count of Cambodia and Laos. This is now disaggregated to 300 only for Lao PDR (PAM, Annex G, para 21)

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
positions are held by women (2017 baseline: 34%). (In financing agreement 30%)	Provincial PIU: 17 (45%) out of total 38 were women. (i) Champasak Province, 4(40%) out of 10 were women. (ii) VTE Province including Vang Vieng: 8 (40%) out of 20 were women. (iii) Luang Prabang province, 5 (63%) out of 8 were women	
<b>Target 18:</b> At least 30% of PCU and PIU staff that attend technical and project management training are women.	<b>On-track</b> As of March 2025, 1,578 (47%) out of 3,323 participants among PCU and PIU staff, who attended technical and project management training are women.	Follow suggestion target 14
<b>Objective 8. Promote women’s representation in destination management network (DMN) and infrastructure O&amp;M entities.</b>		
<b>Target 19:</b> DMN managers comprise at least 30% women (2017 baseline: ~30%).	<b>Achieved</b> 17 (49%) out of total 35 National & Provincial DMN were female Detail: (i) National: 5(50%) out of 10 were female (Agreement dated 25 November 2021) (ii) Champasak: 3(43%) out of 7 were female (Agreement dated 3 Dec 2021) (iii) Vientiane Province: 4(50%) out of 8 were female (Agreement 9 August 2022) (iv) Vang Vieng District: 2(40%) out of 5 were female (Agreement dated 28 March 2022) (v) Luang Prabang province: 3(60%) out of 5 were female (agreement dated 31 December 2021)	
<b>Target 20:</b> Women comprise at least 40% of total DMN membership (2017 baseline: ~30%).	<b>Achieved</b> 28 (51%) out of 55 National & Provincial DMN membership were female. Details: (i) National: 6 (50%) out of total 12 were female (ii) Champasak Province: 6 (55%) out of total 11 were female. (iii) Vientiane Province: 4 (40%) out of total 10 were female. (iv) Vang Vieng District: 6 (50%) out of total 12 were female. (v) Luang Prabang province: 6 (60%) out of total 10 were female.	
<b>Target 21:</b> At least 30% of 150 public works and tourism site managers (90 public works and tourism site managers in Lao PDR) are women, with skills, equipment, and budget needed to effectively develop and implement tourism management plans and	<b>On-track</b> Tourism site management and O&M plans are being prepared and some site management and O&M training has commenced. A data base of public works and tourism site managers whose capacities are being built is being compiled, including sex-disaggregated data. Post-training questionnaires and consultations during implementation of the plans will be used to ascertain whether the recipients of capacity building are reporting increased knowledge. A methodology will be developed and implemented in collaboration with tourism	Suggestions:  The national gender specialist will review tourism management plans and infrastructure O&M of each sub projects and collect data on the number of public

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)					Issues and Challenges <sup>7</sup>
infrastructure O&M (2017 baseline: 0) (DMF output indicator 3a)	Works Package	Sub-project	Number of public works and tourism site managers			works and tourism site managers (plan VS actual) of each sub-project areas by Q3 2025
			Total	Female	% of Female	
	(i) TIIGP2-LAO-W01	1. C1:Nakasang Access Road and Port Rehabilitation 2. C2: Don Det-Don Khone Access Improvements				
	(ii) TIIGP2-LAO-W02		3. V1: Nam Ngum Reservoir Access Improvements			
	(iii) TIIGP2-LAO-W03	4. V2: Kaeng Yui Waterfall Access Improvement 5. V3: Western Loop Rural Access Road and Bridge Improvement				
	(iv) TIIGP2-LAO-W03a	6. V4: Vang Vieng Urban Renewal				
	(v) TIIGP2-LAO-W04	7. V5: Vangvieng Solid Waste Management Improvements				
	Total					
<b>Target 22:</b> Community tourism groups involving women and youth (at least 40% women and girl's membership) are established or strengthened in all sites with community-managed tourist attractions.	<b>On- track</b> <b>There are 401 (61.97%) out of 647 community tourism groups that are women (for Champasak and Luang Prabang, Vang Vieng, Vientiane Province)</b> <ul style="list-style-type: none"> <li>• <b>Champasak Province:</b> <ul style="list-style-type: none"> <li>- <b>KM 40 Village:</b> CPC Coffee Production Group in Bolevan Plateau, Paksong Coffee Production Group, KM 40 Tea Leaves production group, Village Tour Group, Homestay Group, Tour Guide Service Group, Handicraft and Souvenir Products Group, Organic Vegetable Production Group, Cooking Service Group. <b>38 (37%) out of 104 members are women.</b></li> <li>- <b>Nong Luang Village:</b> Village Tourism Group, Homestay Group, Village Tour Guide Service, Cooking Service Group. <b>60 (66%) out of 91 are women</b></li> <li>- <b>Tad Young Waterfall</b> -Tourist attraction site. Organic Vegetable Production Group, <b>46 (87%) out of 53 are women</b></li> </ul> </li> <li>• <b>Luang Prabang province</b></li> </ul>					The project national gender specialist and gender focal persons will continue to: <ul style="list-style-type: none"> <li>(i) Collect data on the name list the community-managed tourist attractions of all sub project areas including the number of women and girls who are members.</li> <li>(ii) Visit sub-project areas to collaborate with PIU gender person to encourage women's participation in all sites with community-</li> </ul>

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
	<ul style="list-style-type: none"> <li>- <b>Nayang Tai Village:</b> Handicraft Production Group (Fabric Weaving), Handicraft Production Group (bamboo), Handicraft and Souvenir Products Group, Homestay Group, Tour Guide Service Group, Cooking Service Group: <b>61 (76%) out of 80 members are women.</b></li> <li>- Chan nua Village: Handicraft Production Group: <b>13 (59%) out of 22 members are women.</b></li> <li>• <b>Vang Vieng District</b></li> <li>- <b>Nadoung Village:</b> Tourism Development Group, Homestay Group, Handicraft Group, Tour Guide Group, Basi Ceremony Group: <b>19 (53%) out of 36 members are women.</b></li> <li>- <b>Nathong Village:</b> Ticket sale group, Handicraft group, Retail shop on market group, safety jacket sale group, flowers and candles sale for cave tour group, restaurant group, toilet cleaner group, car parking group, fishing group, sling group, rice growing group, animal raising group, tree planting group: <b>128 (77%) out of 167 are women.</b></li> <li>• <b>Vientiane Province</b></li> <li>- <b>Ling xan Village:</b> Guest Welcome Group, Tour Guide Group, Cooking Group, Basi ceremony group, Dance Performance Group, Security Group, Village Development Fund Group, Homestay Group: <b>17 (36%) out of 47 are women.</b></li> <li>- <b>Phon Village:</b> Guest Welcome Group, Tour Guide Group, Cooking Group, Basi ceremony group, Dance Performance Group, Security Group, Village Development Fund Group, Homestay Group: <b>19 (40%) out of 47 are women.</b></li> </ul>	<p>managed tourist attractions, aiming for at least 40% women and girl's membership.</p>
<p><b>Target 23:</b> At least 50% of participants in tourism-related service training are women (2017 baseline: ~70%).</p>	<p><b>On-track</b> As of March 2025. 1,466 (54%) out of 2,725 participants in tourism-related service training are women.</p>	<p>The project gender specialist/M&amp;E specialist will continue to coordinate with PCU and PIU to ensure that for the upcoming tourism-related service trainings, at least 50% of participants are women.</p>
<p><b>Objective 9. Improve gender mainstreaming capacity to implement and monitor the GAP and report gender impacts.</b></p>		
<p><b>Target 24:</b> 50% of 10 gender focal persons appointed to PCU, and PIUs are men.<sup>14</sup></p>	<p><b>Achieved</b> Of the total 10 gender focal persons, 5 (50%) were female and 5 (50%) were men.</p> <ul style="list-style-type: none"> <li>- Four (4) male and 4 female focal persons at the PIU and</li> <li>- One female and one male focal person at the national level.</li> </ul>	<p>.</p>
<p><b>Activity 7:</b> Gender specialists and social development</p>	<p><b>Achieved</b></p>	

<sup>14</sup> The project established one PCU and 4 PIUs

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
<p>consultants provide gender equality training and GAP implementation training to all project supervision, management, and coordination entities.</p>	<p>The International Gender Specialist (IGS) was recruited on 26 August 2019 and has been working closely with the National Gender Specialist (NGS). Initially, the IGS had a 2-person months contract. After this contract was used up, a second contract variation for additional 1.5 person-months was approved on 12 February 2022. The overall total from the original contract to the second contract variation is 5 person-months.</p> <p>The contract of the first National Gender Specialist (NGS), who had served since TIIGP1, was used up after several contract variations until December 2021 and was not extended. The tasks of the NGS are taken over by the M &amp; E Specialist, who has gender experience. The MICT Gender Focal person has been tapped to support provincial gender training.</p> <p>The team consulted with PCU officers, the PMCES Consultant, and M&amp;E consultants. During the International Gender Specialist's (IGS) first in-country mission, she provided gender orientation training to PCU members and project consultants on 21 October 2019. A total of 18 people attended, with 10 being women. This was followed by a series of gender consultation workshops on 9-10 October 2019 with PIU-Vang Vieng, Ban Naduang, Ban Phon Vieng (target sub-project sites), and Sengsavang village authorities. A total of 103 participants attended, of whom 40 (39%) were women</p> <p>A series of one-day trainings on GAP Implementation and Documentation were conducted for PIUs and gender focal persons as follows:</p> <ul style="list-style-type: none"> <li>• In Vientiane Province (Nam Ngum and Vang Vieng) on 29-31 January 2020.</li> <li>• In Champasak on 3-6 February 2020.</li> <li>• In Luang Prabang on 10-12 February 2020</li> </ul> <p>These training focused on discussing with gender focal persons, the GAP indicators that they need to monitor, document, and report quarterly. They also covered the case study outline of GAD impact stories that need to be identified, monitored and documented for the mid-term project review. A total of 86 participants attended, with 55 (64%) of whom were women.</p> <p>A series of trainings in gender-responsive tourism was conducted across the provinces from June 13 to June 30, 2022, and in Vientiane Capital on 1 July 1, 2022.</p> <p>A Gender Learning Session for Project Gender Teams in Lao PDR was held on December 19, 2024, at Crowne Plaza Vientiane.</p>	
<p><b>Activity 8:</b> GAP targets and actions are reflected in annual</p>	<p><b>Achieved</b></p>	<p>Gender Specialist continue coordinating with project consultants to ensure that GAP</p>

Gender Action Plan (GAP) <sup>6</sup>	Progress to date (up to March 2024)	Issues and Challenges <sup>7</sup>
<p>project work plans and reported in quarterly progress reports.</p>	<p>The project’s annual workplan for 2021, 2022, 2023, 2024, 2025 included GAP targets and activities and the budget has been allocated for GAP activities.</p> <p>All GAD focal persons were oriented on the ADB and Lao PDR gender equality policies and principles in sustainable tourism. Specific women participation targets have been incorporated in the project workplan from 2021 onwards.</p> <p>The GAD specialists drafted their individual and team workplans for 2021, 2022, 2023, 2024, 2025 based on the GAP.</p>	<p>targets and actions are reflected in annual project work plans and reported in quarterly progress reports</p>
<p><b>Activity 9:</b> PPMS includes sex-disaggregated indicators and templates to track GAP progress, implementation, and project benefits.</p>	<p><b>Achieved.</b> The PPMS and baseline report were submitted to ADB in Q2 2020. PPMS was finalized. The National Gender Specialists support the monitoring of GAP indicators and alignment and report on GAP progress accordingly.</p> <p>The PPMS includes sex-disaggregated indicators and templates to track GAP progress, implementation, and project benefits.</p>	
<p><b>Target 25:</b> At least 3 human impact stories on GAP implementation, including women’s understanding of, and satisfaction with project design, and improved economic opportunities are documented for publication.</p>	<p><b>On-track</b> The project gender specialist consulted with PCU and PIU gender focal persons on the draft template of gender impact stories.</p> <p>PIU-GFPs had orientation on gender guidelines for case studies but will need follow-up refresher and materials when GAD specialist does provincial visits. This case study guideline was shared with them.</p> <p>The project will:</p> <p>(i) Identify 3 human impact stories by Q2 – 2025 demonstrating positive changes brought by the project interventions. The stories could be about (a) a woman, or a group of women who have upgraded her/their knowledge and capacity after project interventions; (b) livelihood improvement because of project interventions by comparing income and/or living conditions before and after project activities; (c) strategic change such as the changes of institution’s strategy to support women. This could be a story of woman who got promotion or has opportunity to work at the decision-making level.</p> <p>(ii). All 3 human impact stories will be completed by Q4-2025</p>	<p>The project ender specialist will coordinate with project consultants to achieve the following:</p> <p>(i) Identify three human impact stories by Q2 – 2025 (ii) Complete all 3 human impact stories by Q4-2025.</p>





## Annex 7: Project Financial Management Action Plan progress as of 31 March 2025

Planned Action	Output	Responsible Party	Due Date	Describe action taken	Status of compliance
1. PCU and PIU financial management teams established.	Appointment or recruitment of qualified and experienced: PCU national director and PIU project managers; PCU financial controller; PCU and PIU accounting staff, as specified in the PAM.	EA and IAs	Prior to ADB Board approval of project	<p>Board approval was on 31 August 2018.</p> <p>PCU financial management team was established on 18 February 2019 (ref. MICT letter to ADB Ref. Nr. 068/TIIG2-19, dated 19 February 2019). PCU financial management team comprises of financial controller (govt. staff), chief accountant (externally recruited, contract signed 18 February 2019) and internal auditor (externally recruited, contract signed 18 February 2019). A new team of finance staff (externally hired) was mobilized in October and November 2021. Contract with the new chief accountant was signed on 1 November 2021.</p> <ul style="list-style-type: none"> <li>• PIU Champasak finance and accounting staff recruited and commenced on 1 March 2019</li> <li>• PIU Vientiane province finance and accounting staff recruited and commenced on 1 March 2019</li> <li>• PIU Vang vieng finance and accounting staff recruited and commenced on 1 March 2019</li> <li>• PIU Luang Prabang finance and accounting staff recruited and commenced on 1 March 2019</li> </ul>	<b>Completed with delay</b>
2. National Steering Committee established	Project oversight comprised of representatives from national level and participating provinces (Champasak, Luang Prabang and Vientiane), as specified in the PAM.	EA and IAs	Coincide with ADB Board approval of project	<p>Board approval was on 31 August 2018.</p> <ul style="list-style-type: none"> <li>• A 7-member National Project Steering Committee (NPSC), comprising the Vice Minister for Tourism, MICT (Chair), the Director General, Tourism Marketing Department (Vice Chair) and five other senior officials representing various departments of MICT has been established and meets periodically to review progress (ref. MICT letter no. 792 dated 8 Sept 2021).</li> </ul> <p>In contrast to what the PAM specifies, MOF, MONRE, MPWT, Lao Women's Union, and representatives from the target provinces, are not on the NPSC, but they are invited to NPSC meetings as appropriate. Further, the project has also established Provincial Steering Committees (PSC) in Champasak, Luang Prabang and Vientiane Province, chaired by the Vice Provincial Governor. In provinces with infrastructure subprojects (Champasak and Vientiane</p>	<b>Completed</b>

Planned Action	Output	Responsible Party	Due Date	Describe action taken	Status of compliance
				<p>Province), PSC include representatives from DPWT. In districts where infrastructure subprojects are located (Khong, Keo Oudom and Vang Vieng), district-level committees have been established, chaired by the Vice District Governor, with representatives from OICT, OPWT, and ONRE, and in Vang Vieng also the UDAA, to support the implementation of civil works.</p> <p>As of 13 July 2021, the NPSC composition has been revised and comprises the Vice Minister for Tourism, MICT (Chair), DGs of MICT's Planning and International Cooperation Department, Tourism Management Department, Finance Department and Tourism Development Department, and the Deputy DDG of MICT's Cabinet Office (Ref. 792/TIIG2-21, 08/09/2021).</p> <ul style="list-style-type: none"> <li>• A 11-member project coordination committee has also been established, chaired by the project director, with members from various departments and units in MICT involved in project implementation (ref. 207/TWT, 07/03/2018).</li> <li>• Further, the project has established a permanent bid evaluation and consultant selection committee.</li> </ul>	
<p>3. Project funds flow arrangements adopted &amp; operational.</p>	<ul style="list-style-type: none"> <li>• As outlined in the PAM</li> <li>• MOF, EA, PCU, and PIU staff briefed on funds flow arrangements, advance account opened, and project sub- accounts established.</li> </ul>	<p>MOF, EA, PCU, and PIUs assisted by financial management and procurement consultants</p>	<p>Prior to first disbursement.</p>	<p>The project met condition for withdrawal from the grant account stated in para. 4 of Schedule 2 of Grant Agreement, which ADB acknowledged on 20 February 2019 and advance to the advance account was disbursed on 2 April 2019. MICT has adopted the fund flow arrangement outlined in the PAM without modifications in coordination with MOF and MICT. PCU and PIUs have been briefed on the funds flow arrangements by the financial management consultants. PCU has opened an advance account and PIUs have opened sub-accounts.</p>	<p><b>Completed by due date</b></p> <p>ADB processed and approved initial disbursement to advance account in April 2019</p>
<p>4. PCU and PIU financial management capacity established and financial systems operational.</p>	<p>a. Financial management and procurement support consultants mobilized; project accounting and financial reporting systems established, including dedicated</p>	<p>EA, assisted by project consultants PCU and PIU, assisted by project consultants</p>	<p>Within six months of project effectiveness</p>	<p>4.1 International and National Financial Management and Procurement Specialists and National Internal Auditor recruited and mobilized. They are supporting the PCU with the establishment of the project accounting and financial management systems, including dedicated accounting software.</p> <ul style="list-style-type: none"> <li>- The Financial Management Manual (FMM) was finalized in December 2019 and approved/signed later</li> </ul>	<p><b>Ongoing</b></p>

Planned Action	Output	Responsible Party	Due Date	Describe action taken	Status of compliance
	<p>accounting software meeting government FM-EMP and ADB requirements, and a progress report template linking financial with physical progress.</p> <p>b. PCU and PIUs attend training on project accounting, including the use of accounting software and compliance with government FM-EMP</p> <p>c. Project disbursement arrangements and procedures</p>	<p>PCU, PIU and ADB EA and MEF ADB</p>		<p>in mid 2021. A Lao version of the Accounting Manual has been prepared (signed in January 2022), and shared with PCU and PIUs for their guidance. SAO has recommended to PCU to also prepare other sub manuals including a Fixed Asset manual. However, it was noted and to be raised to SAO that these were included as appendices to the accounting manual.</p> <ul style="list-style-type: none"> <li>- The Project accounting software is operational but PCU and PIUs still continue to record transactions daily in an excel template. Then PIUs will submit to PCU for consolidation, who will upload the all excel files in the accounting system. The accounting system will create account ledgers and generate financial reports.</li> <li>- PCU and PIUs record in the excel template for importing into the accounting software in daily basis. Then, at each month-end PCU will gather all the information from each PIU to do consolidation.</li> <li>- A progress report template was agreed that links financial with physical progress.</li> </ul> <p>4.2 PCU had participated in following workshops:</p> <ul style="list-style-type: none"> <li>o orientation on financial management of ADB-financed projects delivered by the International Financial Management and Procurement Specialist (IFMPS) on 28-29 March 2019.</li> <li>o a financial management training to discuss the preparation of withdrawal applications and key features of the FMM with PCU finance staff in August 2019.</li> <li>o Training on the FMM and accounting software, conducted from 28-30 June 2020.</li> <li>o ADB FM training in November 2021.</li> <li>o The new set of PCU finance team had participated in a one day training on preparation of WAs/SOEs, financial reporting and on procurement in January 2022.</li> <li>o And recently, PCU staff attended a FM workshop conducted by ADB Manila last October 2022.</li> <li>o One of the PCU Finance staff is attending an English course to improve fluency in the English language,</li> </ul>	

Planned Action	Output	Responsible Party	Due Date	Describe action taken	Status of compliance
	<p>established in accordance with government FM-EMP regulations and procedures; staff trained in their operation.</p> <p>d. Internal audit function established.</p> <p>e. Independent external auditor appointed.</p> <p>f.ADB Inception mission Aide-Mémoire confirms suitable financial management system.</p>			<p>4.3 The project's disbursement arrangements have been established (following the example of L3156-LAO, with appropriate modifications).</p> <p>4.4 MICT has recruited and mobilized a National Internal Auditor, who will be responsible for supporting and advising the PCU and PIUs on adherence to the financial management requirements.</p> <p>4.5 As per para. 64 of PAM, the State Audit Organization will audit the project financial statements. The combined APFS for December 2018 to December 2019 was submitted to ADB in October 2020 and disclosed on the ADB website on 18 November 2020. The 2020 APFS was submitted to ADB on 29 September 2021, with delay due to covid lockdown and disclosed on 29 October 2021. The 2021 APFS was submitted to ADB on 30 June 2022 and disclosed on 13 September 2022. The 2022 APFS was submitted to ADB on 17 October 2023 and disclosed on 21 December 2023. The 2023 APFS was submitted to ADB on 28 June 2024 and disclosed on 13 August 2024. The draft financial statements for 2024 APFS has been submitted to SAO in January 2025 and audit fielding is ongoing.</p> <p>4.6 ADB inception mission AM (para. 17–20)</p>	
5 PCU and PIU staff attend disbursement seminar as part of capacity building.	5.1 At least 1 staff member from the PCU and each PIU attends ADB's in-country FM/disbursement seminar.	PCU, PIU and ADB	Within one year of project effectiveness and once a year during	5.1 Two PCU attended ADB's in-country disbursement seminar in June 2019. However, PIU staff were not invited to the seminar due to limited slots (allocated only 2 staff per project). But PCU staff with the assistance from the consultants has continued to conduct hands-on training to the PIU staff, during their regular visit to the project provinces.	<b>Ongoing</b>

Planned Action	Output	Responsible Party	Due Date	Describe action taken	Status of compliance
	5.2 Unresolved issues from previous fiscal years APFSs and APFS fiscal year 2023 management letter issues to be closely monitored and resolved by MICT APFS FY2023 management letter issues to be closely monitored and resolved by MICT	PCU, PIUs	31 Dec 2024	<p>implementation</p> <p>- The latest training was completed in May 2024. 2 staff from PCU attended the training.</p> <p>Ongoing, MICT PCU monitors the ML issues and reports actions in the quarterly project progress report. One pending issue is the excess payment of fuel and telephone rates which the PCU has stopped payment since October 2023. However, ADB CTL still awaiting the refund of excess payments since 2019 amounting to</p>	Ongoing
	5.3 Update project financial management/accounting manual for internal control areas that need strengthening	PCU, PIUs	31 Dec 2024	There is no need to update the FM Manual. ADB has not approved the fuel and telephone rates paid to government staff. Although the PCU continue to record transactions in excel as its preferred recording of accounting transactions, but the software could still function as required and generate the financial statements.	Ongoing
	5.4 Financial management training on project closing	ADB, PCU, PIUs	31 Dec 2025	The PCU will attend FM trainings as invited until the project is closed.	Ongoing
	5.5 Internal audit findings or recommendations to be included in project quarterly progress reports	PCU	Start from Q3 2024 quarterly progress	Attached to this Q1 2025 progress report	Ongoing
6 Publicizing grievance redress mechanism.	(i) Grievance redress mechanism to report suspected	EA	Within six months of	Project effectiveness 25 December 2018.	Completed

Planned Action	Output	Responsible Party	Due Date	Describe action taken	Status of compliance
	<p>procurement related cases of corruption and collusion established and publicized on project website.</p> <p>(ii) Contact details of MOF and ADB's office on Anti-corruption periodically advertised in newspapers and on project website.</p>		project effectiveness	<p>(i) Grievance redress mechanism to report suspected procurement related cases of corruption and collusion was established in February 2021 and has been publicized on the project website (<a href="https://www.tiigp2-laos.org/article-categories/procurement-grievance-redress-mechanism/">https://www.tiigp2-laos.org/article-categories/procurement-grievance-redress-mechanism/</a>)</p> <p>(ii) A link to ADB's Anticorruption and Integrity web page containing procedures and a form to report integrity violations is included in the grievance redress mechanism published on the project website. Contact details of MOF will be published on the project website</p>	

ADB = Asian Development Bank; AM = Aide Memoire; DICT = Department of Information, Culture and Tourism; DPWT = Department of Public Works and Transport; EA = executing agency; MICT = Ministry of Information, Culture and Tourism; MOF = Ministry of Finance; OICT = Office of Information, Culture and Tourism; ONRE = Office of Natural Resources and the Environment; OPWT = Office of Public Works and Transport; PAM = Project Administration Manual; PCU = project coordination unit; PIU = project implementation unit; SAO = State Audit Organization; UDAA = Urban Development Administration Authority.

Source: Asian Development Bank and Ministry of Information, Culture and Tourism.

## Annex 8: Time Bound Action Plan on Previous and Fiscal Year 2023 APFS Audit Findings as of 31 March 2025

Year / Number	Priority	Observations and implications	Status as of August 2024	Planned actions (responsibility, targeted completion date)
<b>1. There are seven issues which are fully improved against the previous year recommendations of audit team</b>				
<b>1.1 Preparation of Financial Statements</b>				
<i>FY2021</i>	<i>H</i>	The manual on accounting and financial management of the project was not endorsed. There is no manual on management of equipment and vehicles and no monitoring sheet on payment for consultants by showing contract amount, previous payments and remaining amount.	<b>Resolved.</b> The manual on accounting and financial management and manual on managing and utilizing of vehicle and equipment of the project were endorsed by project manager on 4 January 2022 and monitoring sheet on payment for consultants showing contract details has been prepared and is in use.	PCU and PIUs to ensure that the manual is being complied with.
<b>1.2 Summary and Preparation of Financial Statements</b>				
<i>FY2021</i>	<i>H</i>	Implementation of sub-project in Keo Oudom district, Vientiane province and Luangprabang province were summarized sub-project account and cash account in monthly and yearly basis, but there is no summary on monitoring of expenditures by categories in monthly, quarterly and yearly basis.	<b>Resolved.</b> Summarized by category each month	PCU to continue to monitor to ensure this is done regularly.
<b>1.3 Account Records</b>				
<i>FY2021</i>	<i>H</i>	PCU has recorded disbursements for capacity buildings (A.5) amount of 2.000 US\$ equivalent to 21.562.000 LAK into salary expense (B.1), which was not correct to the allocated expenditures in Project Administration Manual	<b>Resolved.</b> The project adjusted recording account from category B.1 to A.5 in 23 Sept 2021.	PCU will ensure correct charging to categories to avoid adjustment.
<b>1.4 Consulting Services</b>				
<i>FY2021</i>	<i>H</i>	In 2021, sub-project in Keo Oudom district, Vientiane province signed a contract on hiring a project financier and a cashier in amount of 90.000.000 LAK (contract duration are 10 months), noted that the contract has not been registered in Court	<b>Resolved.</b> The 2 contracts were registered in Court.	PCU and PIUs to ensure new contracts are always registered as required.
<b>1.5 Training</b>				
<i>FY 2021</i>	<i>H</i>	Sub-project in Vangvieng, Vientiane province disbursed per diem for participants of meeting and training for capacity building	<b>Resolved.</b> Vang Vieng PIU has stopped disbursing per	PCU and PIUs to ensure that this per

Year / Number	Priority	Observations and implications	Status as of August 2024	Planned actions (responsibility, targeted completion date)
		activities organized in the city (categories A5) total amount 6.620.000 LAK.	diem for participants of meeting and training for capacity building activities organized in the city since July 2022.	diem policy is being followed.
<b>1.6 Disbursement of Allowance for contract staff</b>				
<b>FY 2021</b>	<b>H</b>	In 2021, the Project disbursed fuel and telephone allowance to staff in contract, however, the allowance were not included in salary to subject to income tax of LAK130,808,000.	<b>Resolved.</b> In 2022, PCU and PIUs (Champasack province, Vientiane province, Vang Vieng, and Luang Prabang province) have stopped disbursing fuel and telephone for staff in contract since June 2022	No further action required as contractual staff's salaries include these allowances, therefore subject to tax.
<b>1.7 Consulting Expenses</b>				
<b>FY2021</b>	<b>H</b>	In 2021, PCU paid for van hiring and air ticket amounting to 3.458,47 US\$, equivalent to 34.067.621 LAK but were recorded to consulting services, category A3, noted that the said expenses had no supporting documents such as invoices from services providers for each item of expense.	<b>Resolved.</b> In 2022, PCU hired van in amount of 520 US\$, equivalent to 8.840.000 LAK and air ticket in amount of 410,84 US\$, equivalent to 6.946.674 LAK but were now supported by invoices from service providers. The amount of \$3,58.47 were properly supported.	PCU will ensure all expenditures are properly supported and filed properly.
<b>2 There are Five issues which are partially improved against the previous year recommendations of audit team</b>				
<b>2.1 Budget Plan Execution</b>				
<b>FY 2021</b>	<b>H</b>	<ul style="list-style-type: none"> <li>- In 2021, sub-project paid for activities not comply with the budget plan, details as followings:</li> <li>- Keo Oudom district, Vientiane province prepared annual budget plan and activity plan totally 167.917,00 US\$, actual executed 90.935,00 US\$, less than annual plan 76.982,00 US\$</li> <li>- Luangprabang province prepared annual budget plan totally 219.417,00 US\$, actual executed 72.021.00 US\$, less than annual plan 147.395,00 US\$,</li> </ul>	<b>Resolved.</b> - For 2022, Luang Prabang PIU prepared an annual budget plan totalling 284.067,00 US\$, out of which it executed 206.445.00 US\$, equivalent to 73,67%;	In addition to reminder, PCU to regularly monitor to ensure that PIUs implement all activities based on approved workplan. Cleared with SAO in FY2023 audit.

Year / Number	Priority	Observations and implications	Status as of August 2024	Planned actions (responsibility, targeted completion date)
			<ul style="list-style-type: none"> <li>- Vientiane Province PIU still continues to implement activities in Keo Oudom district out of the 2022 annual plan, and some activities were implemented over the 2022 plan,</li> <li>- PCU has reminded PIUs and ensure to implement activities based on approved workplan</li> </ul>	
<b>2.2 Civil works</b>				
<b>FY 2021</b>	<b>H</b>	<ul style="list-style-type: none"> <li>- Repair of public in Nuanta Gas Station at Saensoum Vilage, Phonehong District, Vientiane – there was no agreement with owner on sustainability such as maintenance and continuous repairs</li> <li>- TIIGP2-LAO-W02, TIIGP2-LAO-W01, TIIGP2-LAO-W03, TIIGP2-LAO-W04 – low progress vs implementation schedule</li> </ul>	<p><b>Partly Resolved.</b> Nuanta Gas Station has assumed responsibilities for O&amp;M of the public toilets improved with Project support as per minutes of meeting No. 023/MICT/TIIGP2 dated 25/01/2021.</p> <ul style="list-style-type: none"> <li>- Civil works for TIIGP2-LAO-W01 are complete and for other contracts are ongoing following agreed acceleration plans.</li> </ul>	Closely monitor progress of contracts W02, W03 and W04 against acceleration plans and issue official warning letters also outlining the consequences of late completion of works (PCU & PMCES Consultant, ongoing). O&M plans are being prepared to ensure proper maintenance of completed projects.
<b>2.3 Project Management</b>				
<b>FY 2021</b>	<b>H</b>	In 2021, PCU and PIUs disbursed fuel and telephone for project staff each month based on minute of meeting number 003/TIIGP2, dated 22 Feb 2019. It was over rate prescribed in decision on payment procedure of state budget, accumulated to 248.100.000 LAK.	<p><b>Partly Resolved.</b> Since 2022, PCU has not paid these allowances to project staff, and starting October 2023, PIUs have also discontinued this payment. PCU has continued to pay the fuel and telephone allowance to National Project</p>	PCU has stopped payment of fuel and telephone to NPSC members effective October 2024. Total amount to be confirmed but per SAO audit it was estimated at LAK441.2 million. ADB has requested

Year / Number	Priority	Observations and implications	Status as of August 2024	Planned actions (responsibility, targeted completion date)
			Steering Committee members, reduced to MOF cost norm.	refund of excess amount but PCU has not identified where to get the money..
<b>2.4 PCU and PIUs Operations (category B.2)</b>				
<i>FY2021</i>	<i>H</i>	PIU in Luangprabang disbursed insurance over for car number AA7563 amounting to 1.484.000 LAK and disbursed for repairing car number AA7560 of PCU amounting to 1.231,93 US\$, equivalent to 18.944.600 LAK, but noted the cars are not assets of the project	<b>Resolved.</b> Resolved based on official document No.014/PIULPB - TIIGP2 dated 12/01/2021 and No. 0569/TIIGP2 dated 15/05/2023 confirming that the vehicles are from TIIGP1 and used by Project for monitoring visits	Cleared with SAO in FY2023 audit
<b>2.5 Assets</b>				
<i>FY 2021</i>		-In 2021, PIU in Luangprabang prepared monitoring sheet for project assets and appointed a team to conduct physical counting at year ended, but noted that there was not tag for a chair and a meeting room table. -4 external hard disks of sub-project in Keo Oudom district, Vientiane province were broken with cost of 2.516.400 LAK without supporting documents to indicate reasons for breakage and no physical counting conducted.	<b>Resolved</b> - Luang Prabang PIU tagged code number for a chair and a meeting room table as audit recommendation. - in 2022, Vientiane Province PIU (responsible for Keo Oudom subproject) appointed a team to conduct physical counting at the end of year and prepared counting memorandum for evidence. Disposal of 4 broken external hard disks reported.	Cleared with SAO in FY2023 audit.
<b>3. There are 2 issues which are not improved at all against the previous year recommendations of audit team</b>				
<b>3.1 Court registration</b>				
<i>FY 2021</i>	<i>H</i>	In PCU, 17 contracts on hiring project staff and consultants were not registered from court totally 2.066.443 US\$.	<b>Resolved.</b>	Cleared with SAO in FY2023 audit.

Year / Number	Priority	Observations and implications	Status as of August 2024	Planned actions (responsibility, targeted completion date)
		In 2022, the project signed 26 contracts on capacity building (category A5) amounting to 1.195.034.190 LAK but still not registered.	In 2023, the contracts on hiring project staff and individual consultants were registered in Department of Assets, Ministry of Finance. However, contracts with 26 short-term consultants were not registered since already expired. New contracts are being registered.	
<b>3.2 Preparing annual budget</b>				
<b>FY 2021</b>	<b>H</b>	- In 2021, annual budget plan of project was not aggregated to overall of budget plan of Ministry of Information, Culture and Tourism.	<b>Resolved.</b> Budget of externally financed projects is normally not consolidated with the MICT budget, unless there is a requirement for government counterpart in cash, then it has to be submitted and consolidated with MICT budget.	Cleared by SAO in FY2023 audit
<b>3.3 Internal Control System</b>				
<b>FY 2021</b>	<b>H</b>	-Decision on mandate of the TIIGP2 was endorsed by project manager, number 0011/ICT.TIIGP2, dated 04 Jan 2022 without approval by leader of ministry (Project Steering Committee) and the letter of appointment of project management to implement project activities also were approved by project manager; -Sub-project in Keo Oudom district, Vientiane province did not report on monthly and yearly implementation to leader of Vientiane province as prescribed in decision on appointment of PIU staff in Vientiane province number 169/VTP.GON, dated 16 Feb 2022.	<b>Resolved.</b> -The agreement on the organization and implementation of the project has been reviewed twice by the Vice Minister who oversees project implementation. ADB has agreed that the project manager will sign this agreement.	Cleared with SAO in FY2023 audit.
<b>2 Budget Plan Execution</b>				

Year / Number	Priority	Observations and implications	Status as of August 2024	Planned actions (responsibility, targeted completion date)
FY 2022		Project re-allocated budget plan for activities and approved by ADB mission meeting on 16 May 2022, but noted that project did not propose to related ministry and ADB for approval of revised budget plan in accordance with manual on management and administration of official development assistance.	<b>Resolved.</b> SAO pointed out that any reallocation should be submitted through MPI or MOF and then submit to ADB for approval. The AM of the midterm revision is not a basis to effect the reallocation.	Cleared with SAO in FY2023 audit.
<b>3. Budget Plan execution 2022</b>				
FY 2022		<p>-PCUs implemented 06 activities out of plan totally 100.304 UD\$ and disbursed for 23 activities over annual budget plan totally 228.155 US\$;</p> <p>-Sub-project in Vangvieng district, Vientiane province implemented 05 activities out of plan totally 7.022 US\$ and disbursed over annual budget plan totally 35.494 US\$ and disbursed for 05 activities over annual budget plan totally 35.494 US\$;</p> <p>-Sub-project in Champasack province disbursed for procurement of vehicles and tourism activities (category A2) over budget plan amount of 8.048 US\$, capacities building (category A5) over budget plan amount of 1.654 US\$ and implemented activities out of annual budget plan amount of 1.907 US\$.</p>	<b>Resolved.</b> As explained by management activities paid over the plan and/or out of annual the plan 2022 were account payable for activities 2021. As of annual plan 2023, payments pending from previous years are carried over into next annual workplan.	Cleared with SAO in FY2023 audit.
<b>4. Replenishment to imprest account and sub-account</b>				
FY 2022		<p>Ending balance of imprest account and sub-account of PCU was short by less than 1/3 of ceiling as specified in PAM such:</p> <p>-Ceiling of imprest account 2.300.000 UD\$, ending balance in April 2022 was 318.907,16 US\$ and ending balance in June 2022 was 386.789 US\$ then proposed to replenishment;</p> <p>- Ceiling of sub-account 500.000 US\$, ending balance in Dec 2021, May 2022 and Sept 2022 were 8.872,51 US\$, 28.296,88 US\$ and 30.980,08 US\$ respectively then proposed documents for replenishment and did not prepare to reconciliation attached to replenishing documents</p>	<b>Resolved.</b> Reason of outstanding balance of imprest account was low is because the processing of liquidation/ replenishment requests was often delayed due to not always being submitted on a monthly basis and challenges in timely preparing SOE due to translation requirements.	Cleared with SAO in FY2023 audit.
<b>5. Accounting Records</b>				

Year / Number	Priority	Observations and implications	Status as of August 2024	Planned actions (responsibility, targeted completion date)
<b>FY 2022</b>		Sub-project in Keo Oudom district, Vientiane province and Champasack province recorded expenditure for construction of public toilet (A1) totally 774.269.980 LAK to category (A2) vehicles and equipment; - Sub-project in Keo Oudom district, Vientiane province recorded 01 transaction for capacity building category (A5) to project management category (A4) amount of 463,72 US\$, equivalent to 6.965.000 LAK and sub-project in Vangvieng, Vientiane province recorded 02 transactions for capacity building category (A5) to project management category (A4) amount of 1.592,09 US\$, equivalent to 21.080.000 LAK.	<b>Resolved.</b> PCU has adjusted the transaction in 2023.	Cleared with SAO in FY2023 audit.
<b>6. Procurement</b>				
<b>FY 2022</b>		-PIU in Champasack improve facilities as required by ASEAN tourism standard (construction of public toilet) at Salao mountain temple in Phonethong district, tourism standard by population participation (advertisement sign, coffee show house and souvenirs made by villagers) at Nongluang village, Parksong district and set advertisement, provided printing procedure on tourism information in project target (Home stay) at Donedeng, Outhoumphone district and Donekho, Sanasomboun district totally 44.000 US\$, equivalent to 757.768.000 LAK conducted shopping. -Sub-project in Keo Oudom, Vientiane province implemented public network member DMN by organizing training in english and chinese for tourism sector in Vientiane province amount of 47.460.000 LAK, invited only one trainer.	<b>Resolved</b> Procurement methods and ceilings stipulated in approved Project Procurement Plan and government requirements for advertising adhered to.	Cleared with SAO in FY2023 audit.
<b>7. Civil Works</b>				
<b>FY 2022</b>		Payment for construction of public toilets in 03 sub-project such: Keo Oudom district, Vangvieng district, Vientiane province and Champasack province totally 774.269.980 Kip have not deducted retention money 10% of contract value 77.426.998 LAK.	<b>Resolved.</b> No works using shopping procured in 2023.	Cleared with SAO in FY2023 audit.
<b>8. Project Management</b>				
<b>FY2022</b>		- PIU in Champasack province disbursed allowance, accommodation and fuel for 08 persons project staff in monitoring progress of project activities in terms of improvement of tourism infrastructure in Khong district, Champasack province amount of 39.655.000 LAK, but there was no decision on appointment of project staff used as reference for the payment.	<b>Resolved.</b> Letters to appoint project staff are now prepared for all project-related travel	Cleared with SAO in FY2023 audit.
<b>9. Capacity building</b>				

Year / Number	Priority	Observations and implications	Status as of August 2024	Planned actions (responsibility, targeted completion date)
<b>FY 2022</b>		<ul style="list-style-type: none"> <li>- PCU implemented activities of capacity building (training) 17 times totally 58.630,39 US\$, equivalent to 1.891.827.250 LAK;</li> <li>- Sub-project in Vangvieng district, Vientiane province organized training English language for public sector and business firms totally 69.975,00 US\$ and training on organizing and management of meeting in efficiency way amount of 23.800.000 LAK, after completion, there was no outcome assessment.</li> <li>- Project paid for gathering information and consideration of tourism development plan in Feung district amount of 129.290.000 LAK totally 142.073.000 LAK, the said activities were out of project scope or project target.</li> </ul>	<b>Resolved</b> in 2023 PCU submitted an assessment report and cleared with SAO. ADB has approved the inclusion of the Meuang Feuang Masterplan activity is in project scope and authorized payment by email dated 22 November 2023..	Cleared with SAO in FY2023 audit.
<b>10. Civil Works</b>				
<b>FY 2022</b>		<p>Through site visiting of civil works of audit team, project team and consultants, noted that:</p> <ul style="list-style-type: none"> <li>- Toilet improvement project for tourism site in Poukham cave, Vangvieng district, Vientiane province was completed 100%, noted that contractor did not set walkway steel case for disable people as specified in bill of quantity amount of 165,00 US\$.</li> <li>- Improvement of garbage storage field in Vangvieng district contract number TIIGP2-LAO-W04, noted that wall of building used for maintenance and repair vehicles was cracked and welded steel of roof structure were not good, so it should be redone and painted of color resistant..</li> </ul>	<b>Resolved.</b> Shortcomings were corrected in 2023 and cleared with SAO.	Cleared with SAO in FY2023 audit
<b>Time Bound Action Plan on Previous and Fiscal Year 2023 APFS Audit Findings as of 31 march 2025</b>				
<b>1.1 Internal Control</b>				
<b>FY 2023</b>		<p>Project Organization Chart – Two project staff of PIU Vientiane Province retired but did not adjust the organization chart and identify specific duties It would be difficult to monitor and assess project staff</p>	Ongoing Project agreed to recommendation	PIU Vientiane submitted the revised organization chart to PCU and to be cleared with SAO
<b>1.2 Budget Plan for 2023</b>				
<b>FY 2023</b>		<p>The Project has exceeded the allocation of capacity building (A5) per PAM by \$15,040.39. The overpayment may affect the implementation of other categories</p>	Resolved Project agreed to recommendation..	ADB has approved the reallocation of grant proceeds in September 2024.
<b>2. Replenishment to Cash Account</b>				

<b>Year / Number</b>	<b>Priority</b>	<b>Observations and implications</b>	<b>Status as of August 2024</b>	<b>Planned actions (responsibility, targeted completion date)</b>
<b>FY 2023</b>		PIU Vangvieng has done several replenishment to cash account which has exceeded the allowed ceiling Replenishment is over the budget ceiling.	Ongoing Project agreed to recommendation	PCU to monitor and coordinate with PIU to comply with project financial-accounting manual.
<b>1.3 Compliance audit findings by law and procedure</b>				
1. Procurement				
<b>FY 2023</b>		PCU purchased equipment for tourism homestay in the amount of \$96,852 which are not part of project target Some activity may not be implemented since the budget were used in other activity	Resolved Project agreed to recommendation	PCU has extended the scope and ADB approved.
2. Recurrent Cost				
<b>FY 2023</b>		PCU disbursed to pay translation fee in the amount of \$2,000 but the contract did not indicate the unit price Could not assess whether the price is expensive	Ongoing Project agreed to recommendation	PCU to ensure details of contract prior to signing.
3. Capacity Building				
<b>FY 2023</b>		Overpayment against budget as approved by MICT or the rental and design fees of international tourism exhibition in China by \$3,180.14 Payment of cost of English which is not part of project objective/scope.	Resolved Project agreed to recommendation. This is part of the approved workplan	This is due to change in booth design which increased the cost. PCU prepared and MICT approved the documents to cover the excess.
4. Management of Construction Contract				
<b>FY 2023</b>		Construction of civil works not implemented as planned (Packages W03 and W02) Delay might affect the budget, resettlement plan, and project activity.	Ongoing Project agreed to recommendation	PMCES in coordination with PCU and PIU are monitoring the issues and delays
<b>5 Fixed Asset</b>				
<b>FY 2023</b>		Project procured 14 units of notebook computer but handed over to division of MICT which are not part of the project scope. This may affect project financing	Resolved This is part of the approved workplan.	The computer will be used to collect data nationwide. No further action needed.

## Annex 9: Goods, works and non-consulting service procurement monitoring tables as of 31 March 2025

### Goods

Package No.	Description	Mode	Signed	PCSS No.	Amount	\$ Equiv	Name and Consultants
<b>TIIGP2-LAO-G01a</b>	<b>PCU &amp; PIU vehicles</b>	<b>NCB</b>				<b>223,513.78</b>	
TIIGP2-LAO-G01a	PCU & PIU vehicles (3 units)	NCB	25/Apr/19	G20440	LAK	1,136,220,000	130,633.78 ISUZU LAO SERVICES SOLE CO.,LTD
TIIGP2-LAO-G01b	PIU vehicles (2 units)	NCB	4/Nov/20	G23062	USD	92,880	92,880.00 Toyota Champa Co. Ltd.
<b>TIIGP2-LAO-G02</b>	<b>PCU office furniture and equipment</b>	<b>Shopping</b>				<b>37,452.77</b>	
TIIGP2-LAO-G02	Office Furnitures for PCU	Shopping	19/Feb/19	G20443	LAK	31,955,000	3,720.02 Panuvat Furniture
TIIGP2-LAO-G02-02	Office Equipment	Shopping	14/Feb/19	G20860	LAK	17,200,000	1,994.20 Me shop
TIIGP2-LAO-G02-03	Office Renovate	Shopping	18/Mar/19	G20861	USD	3,500	3,500.00 Thavisouk Construction Co., Ltd
TIIGP2-LAO-G02-05	Office Equipment	Shopping	9/Apr/19	G20865	LAK	49,170,000	5,724.00 XP Computer Co., Ltd
TIIGP2-LAO-G02-06	Office Furniture	Shopping	11/Apr/19	G20866	LAK	7,458,000	867.01 Panuvat Furniture
TIIGP2-LAO-G02-07	Office Equipment	Shopping	11/Apr/19	G20867	LAK	33,000,000	3,836.32 Sing-Lao Engineering Co., Ltd
TIIGP2-LAO-G02-08	Office Equipment	Shopping	28/Oct/20	G22643	LAK	5,197,500	560.08 LT Sole Co Ltd
TIIGP-LAO-002-09	Office Equipment	Shopping	16/Mar/21	0003	LAK	170,907,000	17,251.14 Smile Com
TIIGP-LAO-002-10	Office Equipment and Furniture	Shopping	15/Nov/23	0066	USD	5,000	5,000.00 Manyspoke Educational and Office Equipment Supply
<b>TIIGP2-LAO-G03-VV01</b>	<b>PIU office furniture and equipment (4 PIUs)</b>	<b>Shopping</b>				<b>65,370.96</b>	
TIIGP2-LAO-G03-VV01	Office Furniture for VV	Shopping	25/Mar/19	G20868	LAK	45,782,000	5,300.68 Sangchieng Furniture
TIIGP2-LAO-G03-VV02	Office Equipment of VV	Shopping	26/Mar/19	G20869	LAK	56,760,000	3,358.85 XP Computer
TIIGP2-LAO-G03-VV03	Office Equipment of VV	Shopping	28/Mar/19	G20870	LAK	23,953,900	1,396.20 SOA Co., Ltd
TIIGP2-LAO-G03-VV04	Office Repair of VV	Shopping	30/Mar/19	G20871	LAK	39,864,000	4,616.56 Thavisouk Construction Co., Ltd
TIIGP2-LAO-G03-LPB01	Office Renovate of LPB	Shopping	14/Jun/19	G20876	LAK	67,947,000	7,858.78 Than Van Binh Binh
TIIGP2-LAO-G03-LPB02	Office Furniture & office Equipment (LPB)	Shopping	27/Jun/19	G20877	LAK	97,746,000	11,290.98 Advice Shop LPB
TIIGP2-LAO-G03-CPS01	Office Equipment of CPS	Shopping	24/Jun/19	G20878	LAK	63,294,000	7,295.30 Advice Pakse Pakse
TIIGP2-LAO-G03-VP01	Office Furniture for VP	Shopping	26/Mar/19	G20879	LAK	43,211,300	4,997.84 Somphan Shop
TIIGP2-LAO-G03-VP02	Office Equipment of VP	Shopping	26/Mar/19	G20881	LAK	60,099,600	6,951.15 Vilayvanh Shop
TIIGP2-LAO-G03-VP03	Office Repair of VP	Shopping	20/Jun/19	G20883	LAK	62,421,348	7,210.51 Thavisouk Construction Co., Ltd
TIIGP2-LAO-G03-CPS02	Office furniture for Champasak PIU Office	Shopping	28/Aug/20	G22469	LAK	46,387,000	5,094.11 Silisomboun Shop
<b>TIIGP2-LAO-G04</b>	<b>Vang Vieng landfill management equipment</b>	<b>NCB</b>				<b>424,929.47</b>	
TIIGP2-LAO-G04-01	Pick-up truck for Vang Vieng UDAA for administrative and management purposes at Vang Vieng Landfill	Shopping	18/Nov/22	0043	USD	40,300	40,300.00 Lao Ford City Co.,Ltd
TIIGP2-LAO-G04-02	Weighbridge equipment including installation and training for Vang Vieng staff	Shopping	20/Jun/23	0060	USD	37,386	37,386.00 MPC Sole Co.,LTD
TIIGP2-LAO-G04-03	Personal protective equipment for Vangvieng landfill	Shopping	20/Jun/23	0061	USD	19,400	19,400.00 Sonesavanh Khounthikoummane Customer Supply Individual Enterprise
TIIGP2-LAO-G04-04	Bulldozer for Vang Vieng Landfill	Shopping	9/Dec/23	0062	USD	116,630	116,630.00 VK Trading Import Export Sole Co., Ltd

Package No.	Description	Mode	Signed	PCSS No.	Amount		\$ Equiv	Name and Consultants
TIIGP2-LAO-G04-05	Vang Vieng Landfill Management Equipment for cell and MRF operation (Water bowser (towable) with pump and heavy-duty vehicle matting)	Shopping	16/Aug/24	0081	LAK	640,495,000	29,043.44	SteelPro Engineering Co., Ltd
TIIGP2-LAO-G04-06	Vang Vieng Landfill Management Equipment for cell & MRF operation (Paddle Wheel Aerators, Groundwater monitoring equipment, Landfill gas monitor, Leachate submersible pumps, portable pump and portable diesel pump)	Shopping	16/Aug/24	0082	LAK	508,763,400	23,070.03	Aqua Nishihara Corporation Lao Sole Co., Ltd
TIIGP2-LAO-G04-07	Vang Vieng Landfill Management Equipment (Crawler type excavator and Tipper truck)	Shopping	2/Oct/24	0090	USD	159,100	159,100.00	Multico Equipment Lao Co., Ltd
<b>TIIGP2-LAO-G05</b>	<b>Equipment for ASEAN Standards certification bodies</b>	<b>Shopping</b>					<b>43,451.80</b>	
TIIGP2-LAO-G05-01	Purchasing sets of computers for ASEAN standard implementation Units at the national level, Vientiane Province, and members of Lanexang Cultural Quadrangle networks from public and private sectors of Vientiane Capital and Sayabouli Province 2.4.2b	Shopping	25/Sep/19	G21439	LAK	206,800,000	23,393.67	BPIT Sole.,Ltd
TIIGP2-LAO-G05-02	Provision of IT equipment and materials for ASEAN standard certification body of Luang Prabang Province 2.4.2.b	Shopping	15/Oct/19	G21440	LAK	49,632,000	5,610.04	Advice Shop Luang Prabang
TIIGP2-LAO-G05-03	Procurement of IT Equipment for Tourism Destination	Shopping	11/Feb/20	G22218	LAK	12,952,500	1,429.00	LaoCom Computer Service Center
TIIGP2-LAO-G05-04	Procurement of computer for the secretariat of ASEAN Standard Implementation	Shopping	10/Jul/20	G22220	LAK	58,740,000	6,472.01	BP IT Sole.,Ltd
TIIGP2-LAO-G05-05	Provision of IT equipment for ASEAN standard certification body	Shopping	15/Aug/21	0013	LAK	75,141,000	6,547.09	Micro Info Import-Export Sole Co Ltd
TIIGP2-LAO-G05-06	Equipment to meet the ASEAN homestay standard in Lak40 and Nongluang village, Paksong District, Champasak Province	Shopping	1/Nov/23	0067	USD	9,978	9,978.00	Hengphouvanh Construction Co., Ltd
<b>TIIGP2-LAO-G06</b>	<b>Equipment for ASEAN Tourism Standards Implementation (public sector)</b>	<b>Shopping</b>					<b>265,439.52</b>	
TIIGP2-LAO-G06-VV01	Garbage Collection Trucks		10/Nov/19	G21441	LAK	356,000,000	40,248.72	Lao-Jinchun Vehicle Trade Sole Co.,Ltd
TIIGP2-LAO-G06-LPB03	Medical Equipment and Supplies for Destination Management Network Task Force	Shopping	2/Jun/20	G22185	LAK	82,621,000	12,912.62	Pharmacy Bouaphan
TIIGP2-LAO-G06-VV02	CCTV and Fittings	Shopping	15/Jun/20	G22335	LAK	117,040,000	9,130.40	MP SOLUTION INDIVIDUAL ENTERPRISE
TIIGP2-LAO-G06-LPB05	Beddings for Tourism Destination (Nayang Village)	Shopping	17/Jul/20	G22336	LAK	23,047,200	2,542.70	Nang Thongphout Shop
TIIGP2-LAO-G06-LPB06	Tourism Destination Direction Signs, Ban Nayang, Nambak District, Luangprabang Province	Shopping	20/Aug/20	G22468	LAK	35,590,500	2,106.12	Luangprabang Tianyi Advertising
TIIGP2-LAO-G06-LPB09	Procurement of Public Amenities for Luangprabang Urban Area	Shopping	1/Sep/20	G22644	LAK	49,500,000	2,929.23	Sisana Construction and Renovation Co.,Ltd
TIIGP2-LAO-G06-VP08	Procurement of Tourism Destination Direction Signs	Shopping	7/Oct/20	G22645	LAK	41,442,500	2,452.42	Ms. Sakhone Sign Enterprise
TIIGP2-LAO-G09-VV09	Procurement of Beddings and Homestay Accommodation Name Sign, Nathong Village, Vangvieng District	Shopping	11/Nov/20	G22646	LAK	41,490,000	2,455.28	Thongta and Khamla Hotel Supplies

Package No.	Description	Mode	Signed	PCSS No.	Amount		\$ Equiv	Name and Consultants
TIIGP2-LAO-W06-VP06	Renovation of Facilities of Homestay Accommodation at Lingxan Village, Thoulakhom District	Shopping	16/Oct/20	G22653	LAK	41,481,000	2,454.70	Khambang-Sompanh Trading Sole Co.,Ltd
TIIGP2-LAO-G06-10	Procurement and installation of equipment for ASEAN standards implementation in Luang Prabang	Shopping	19/Oct/21	0014	LAK	66,418,000	5,786.04	Sisana Construction and Renovation Co.,Ltd
TIIGP2-LAO-G09-VV07	Procurement of Bedroom amenities for Amari Hotel (Support for Green Hotel)	Shopping	22-Oct-20	G22647	LAK	24,882,000	1,472.43	Thongta and Khamla Hotel Supplies
TIIGP2-LAO-G09-VP08	Procurement of Amenities and Cleaning Supplies for Long Ngum View Resort in Keo-Oudom District, Vientiane Province (Support for Green Hotel)	Shopping	13-Oct-20	G22648	LAK	41,479,900	2,454.63	Khambang-Sompanh Trading Sole Co.,Ltd
TIIGP2-LAO-G09-CPS06	Procurement of Equipment for Pon Arena Hotel in Khong District, Champasak province (Support for Green Hotel)	Shopping	30-Oct-20	G22649	LAK	41,446,000	2,452.63	Hengphouvanh Construction Sole Co.,Ltd
TIIGP2-LAO-G09-CPS10	Procurement of Improvement to Handicapped Toilets and CCTV for Eravan Riverside Hotel in Champasak City, Champasak Province (Support for Green Hotel)	Shopping	28-Oct-20	G22651	LAK	41,475,000	2,454.34	Extra Architecture Design, Engineering, Consulting and Construction Co.,Ltd
TIIGP2-LAO-G09-VV11	Procurement of Advertisement signed for Covid-19 in Vang Vieng District	Shopping	24-Sep-21	0021	LAK	47,960,000	3,195.84	F-Design Individual
TIIGP2-LAO-G06-VV13	Improving facilities as cleaning the road drainage, planting the tree and building the rubbish locations in the target areas in Vangvieng District	Shopping	15-Jan-22	0022	LAK	57,695,000	3,844.54	ManichokChareun Construction Co.,Ltd
TIIGP2-LAO-G06-VV14	Procurement of tourism destination, direction, prohibited signs and rubbish bins at Vangvieng District	Shopping	15-Jan-22	0023	LAK	65,780,000	4,383.29	F-Design Individual
TIIGP2-LAO-G06-CPS15	Procurement of tourism destination, direction, prohibited signs including installation of rubbish bin at Champasak Province	Shopping	13-Jan-22	0024	LAK	128,480,000	8,553.93	Hengphouvanh Construction Sole Co.,Ltd
TIIGP2-LAO-G06-CPS16	Contribution towards procurement of waste management tanks, solar energy including installation at Pon Arena Hotel, Khong District, Champasak Province (cost sharing arrangement)	Shopping	17-Jan-22	0025	LAK	38,003,179	2,525.96	Hengphouvanh Construction Sole Co.,Ltd
TIIGP2-LAO-G06-CPS17	Procurement of equipment to meet (i) ASEAN public toilet standard, (ii) ASEAN CBT standard, (iii) ASEAN homestay standard, and (iv) ASEAN clean tourist city standard in Champasak Province	Shopping	19/Oct/22	0044	USD	19,915	19,915.00	Hengphouvanh Construction Co., Ltd
TIIGP2-LAO-G06-LPB18	Procurement of equipment to meet (i) ASEAN homestay standard, (ii) ASEAN CBT standard and (iii) ASEAN clean tourist city standard in Luangprabang province	Shopping	5/Oct/22	0045	USD	31,967	31,967.00	Sokmueangluang Servey-Design Construction and Renovation Co.,Ltd
TIIGP2-LAO-G06-VTE19	Procurement of equipment to meet (i) ASEAN homestay standard, (ii) ASEAN CBT standard, and (iii) ASEAN public toilet standard in Vientiane Province	Shopping	29/Aug/22	0046	USD	6,970	6,970.00	Singthavixub Construction Co.,Ltd
TIIGP2-LAO-G06-CPS21	Equipment to meet the ASEAN homestay standard in Lak40 and Nongluang village, Paksong District, Champasak Province	Shopping	1/Nov/23	0067	USD	9,978	9,978.00	Hengphouvanh Construction Co., Ltd
TIIGP2-LAO-G06-VTC22	Printing of stickers and poster (Chinese and English Version)	Shopping	1/Nov/23	0068	USD	4,500	4,500.00	F-Design Individual

Package No.	Description	Mode	Signed	PCSS No.	Amount	\$ Equiv	Name and Consultants	
TIIGP2-LAO-G06-LPB20	Provision of Equipment for Villagers to Implement ASEAN Tourism Standards (Conservation Tourism and Homestay Standards with the Community Participation) in Luang Prabang Province	Shopping	21/Jun/24	0080	USD	29,772	29,771.50	Sokmueangluang Servey-Design Construction and Renovation Co.,Ltd
TIIGP2-LAO-G06-CPS21	Equipment to implement ASEAN Community-based Tourism Standard and ASEAN Homestay Standard for Nong Ya Thueng Village, Paksong District; Don Som Village, Khong District, Champasak Province; and ASEAN Clean Tourist City Standard at bus station, Pakse District, Champasak Province	Shopping	2/Aug/24	0084	USD	12,994	12,994.00	Hengphouvanh Construction Co., Ltd
TIIGP2-LAO-G06-VV04	Equipment for ASEAN Tourism Standards in Subproject Areas (Community-based tourism, Homestay Standard in Phoukaonang Village, Thoulakhom District and Donxayoudom Village, Keoudom District, Vientiane Province)	Shopping	25/Sep/24	0094		14,995	14,995.20	Thaveesup Integrated Construction Sole Co., Ltd
	Equipment for ASEAN tourism standards in subproject areas (CBT Standard and Homestay Standard in Nadouang Village, Vang Vieng District, Vientiane Province)	Shopping	21/Oct/24	0095	USD	14,999	14,999.00	F Survey Design, Consultant and Construction Co., Ltd
TIIGP2-LAO-G06-VTC23	Design, produce, and install informational signage for Tad Gneung Waterfall in Champasak Province and Pou Kham Cave/Blue Lagoon 1 in Vientiane Province.	Shopping	27/Sep/24	0097		4,994	4,994.00	F-Design Individual
<b>TIIGP2-LAO-G07</b>	<b>Equipment for DMO secretariats</b>	<b>Shopping</b>					<b>54,230.17</b>	
TIIGP2-LAO-G07	Office Furniture for DMO Secretariat	Shopping	19/Mar/19	G20884	LAK	78,400,000	9,100.41	Smart Technology Co., Ltd
TIIGP2-LAO-G07-02	Office Furniture for DMO Secretariat	Shopping	11/Apr/19	G20885	LAK	2,310,000	268.54	Panuvat Furniture
TIIGP2-LAO-G07-03	Office Repair for DMO Secretariat	Shopping	19/Mar/19	G20886	USD	4,300	4,300.00	Thavisouk Construction Co., Ltd
TIIGP2-LAO-G07-04	Office Repair for DMO Secretariat	Shopping	22/Apr/19	G20887	LAK	41,997,300	4,882.27	Manichanh Phanvadvongsouk
TIIGP2-LAO-G07-05	Renovation of Toilets for Consultants and DMN Secretariat	Shopping	19/Nov/19	G21782	LAK	39,660,500	4,468.79	Mephounsab construction sole co.,Ltd
TIIGP2-LAO-G07-06	OFFICE EQUIPMENT FOR THE SECRETARIAT OF SOUTHERN LAOS DESTINATION MANAGEMENT NETWORK	Shopping	18/May/20	G21919	LAK	55,990,000	6,212.83	WW Import-Export Sole Co Ltd
TIIGP2-LAO-G07-07	Additional furniture for DMO secretariat	Shopping	15/Mar/21	0004	LAK	29,694,500	2,997.33	Panuvat furniture
TIIGP2-LAO-G07-08	Procurement of equipment for DMO secretariats for national and project target areas	Shopping	11/May/22	0033	USD	22,000	22,000.00	Micro Info Import-Export Sole Co., Ltd
TIIGP2-LAO-G07-09	Equipment for DMO secretarial Luang Prabang	Shopping	27/Sep/23	0069	USD	4,998	4,998.00	SP COM Import-Export Sole Co., Ltd
<b>TIIGP2-LAO-G08</b>	<b>Equipment for Heritage Interpretation</b>	<b>Shopping</b>					<b>99,305.05</b>	
TIIGP2-LAO-G08-VC01	Procurement of Signs of Direction and Information Tourism Destination.	Shopping	2/Mar/20	G22249	LAK	33,440,000	3,695.44	F Design Individual
TIIGP2-LAO-G08-LPB02	Procurement of Tourism Promotion Signs for the Tourism Information Room of Xiengman Village	Shopping	29/May/20	G22188	LAK	41,173,000	4,563.12	Luanprabang Tiany Advertising
TIIGP2-LAO-G08-LPB03	Procurement of Tourism Promotion Signs and Amenities for the Tourism Information Room of Chan Neua, Xang Hai and Pak Ou Village	Shopping	2/Jul/20	G22187	LAK	101,123,000	11,050.49	Luanprabang Tiany Advertising

Package No.	Description	Mode	Signed	PCSS No.	Amount		\$ Equiv	Name and Consultants
TIIGP2-LAO-G08-04	Directional sign design, production, and installation along the National Highway, access to priority tourism locations, and roads connecting to provincial target areas and neighboring countries	Shopping	18/Oct/22	0041	USD	20,000	20,000.00	F-Design Individual
TIIGP2-LAO-G08-06	Produce and install tourist information signs and tourist attraction signs along entrance roads and in tourist attraction sites in Champasak province	Shopping	14/Nov/23	0070	USD	20,000	20,000.00	F-Design Individual
	Produce and install tourism information signage for Luang Prabang City in Luang Prabang Province, Keo Oudom District in Vientiane Province, and Khong District in Champasack Province.	Shopping	4/Oct/24	0098		39,996	39,996.00	F-Design Individual
<b>TIIGP2-LAO-G09</b>	<b>Equipment for SMEs to Implement Private Sector-Led Actions in the DMPs</b>	<b>Shopping</b>					<b>146,011.27</b>	
TIIGP2-LAO-G09-01	Equipment for printing tour guide badges	Shopping	3-Mar-20	G21584	LAK	70,400,000	7,806.61	Smart Technology Co., Ltd
TIIGP2-LAO-G09-LPB02	Improvement to the Night Market of Luang Prabang	Shopping	29-May-20	G22184	LAK	101,728,000	11,169.08	Sisana Construction Co; Ltd
TIIGP2-LAO-G09-LPB04	Seedling and Amenities for the Landscaping of Pottery Demonstration Center	Shopping	10-Jun-20	G22186	LAK	63,855,000	7,056.58	Noumnim Shop
	Equipment and furniture for shophouse owners at Nam Ngum 1 Marina/Recreation Area in Keo Oudom District, Vientiane Province.	Shopping	22/Nov/24	0099		49,995	49,995.00	F Survey, Design, Consultant and Construction Co., Ltd
	Equipment, furniture, and kitchenware at the Kaeng Nyui waterfall site in Vang Vieng District, Vientiane Province.	Shopping	3/Dec/24	0100		19,998	19,998.00	F Survey, Design, Consultant and Construction Co., Ltd
	Equipment for site management, including waste management, for Nam Ngum 1 Recreation Areas in Keo Oudom District, Vientiane Province.	Shopping	6/Dec/24	0101		49,986	49,986.00	F Survey, Design, Consultant and Construction Co., Ltd
<b>TIIGP2-LAO-G10</b>	<b>Accounting Software</b>	<b>Shopping</b>	25/Feb/20	G21571	USD	22,990	<b>22,990.00</b>	LAOSINGAPOR INFORMATION TECHNOLOGY AND COMMUNICATION PROMOTION CO.,LTD
<b>TIIGP2-LAO-G11</b>	<b>Laptop computers for data collection for 18 provincial statistical units</b>	<b>Shopping</b>	6/Jun/22	0042	USD	18,000	<b>18,000.00</b>	NSV Computer
<b>TIIGP2-LAO-G12</b>	Supply and Installation of Prefabricated Aerated Wastewater Treatment System for Nam Ngum Marina Subproject	Shopping	26/Sep/24	0089	USD	100,817	100,817	Aqua Nishihara Corporation Lao Sole Co., Ltd
<b>Total</b>							<b>1,501,511.54</b>	

## Works

Package No.	Description	Mode	Signed	PCSS No.	Amount	\$ Equiv
TIIGP2-LAO-W01	Nakasang and Don Det-Don Khone Access Improvements	ICB	30/Dec/19	G21291	USD	3,964,308
TIIGP2-LAO-W02	Nam Ngum Reservoir Access Improvements	ICB	26/Apr/21	G23079	USD	4,669,065
TIIGP2-LAO-W03	Kaeng Yui Waterfall Access Improvements and Western Loop Rural Access Road and Bridge Improvements	ICB	23/Jul/21	0001	USD	8,829,631
TIIGP2-LAO-W03a	Vang Vieng Urban Renewal	NCB	17/Oct/24	0093	USD	1,883,118.02
TIIGP2-LAO-W04	Vang Vieng Landfill Improvements	ICB	19/Feb/21	G22778	USD	3,156,160
TIIGP2-LAO-W05	Small works for ASEAN Tourism Standards certification bodies	Shopping				4,405.81
TIIGP2-LAO-W06	Small works for AESAN Tourism Standards implementation (public sector)	Shopping				
TIIGP2-LAO-W06-VV03	Renovation of Lom Cave Toilets, Vang Vieng District	Shopping	04/Sept/20	G22466	LAK	265,224,000
TIIGP2-LAO-W06-CPS04	Renovation of Wat Phou Toilets	Shopping	07/Sept/20	G22462	LAK	265,187,000
TIIGP2-LAO-W06-PCU06	Renovation of ASEAN Public Toilets at Lao-Thai International Customs Post on the Road to Luangprabang Heritage Town	Shopping	23/Mar/20	G22461	LAK	281,609,202
TIIGP2-LAO-W06-LPB07	Renovation of Public Toilets at Mekong River Recreational Area, Phonheuang Village, Luangprabang Capital	Shopping	03/Oct/20	G22453	LAK	330,941,516
TIIGP2-LAO-W06-VV07	Procurement of Vang Vieng Urban Landscape Improvements	Shopping	20/Oct/20	G22652	LAK	66,330,000
TIIGP2-LAO-W06-VP05	Renovation of Toilets of Nuanta Fuel Station, Sensoum Village, Phonhong District, Vientiane Province	Shopping	02/Sept/20	G22808	LAK	195,381,780
TIIGP2-LAO-W06-CPS05	Renovation of Public Toilets at Tadfan Waterfall, Parksong District, Champasak Province	Shopping	24/Sept/21	0009	LAK	200,645,830
TIIGP2-LAO-W06-VP06	Renovation of Public Toilets at Thongsamsee Temple, Tholakhom District, Vientiane Province	Shopping	28/Sept/21	0010	LAK	269,735,900
TIIGP2-LAO-W06-VP07	Renovation of Public Toilets at Savang Village (Kang Temple), Vangvieng District, Vientiane Province	Shopping	29/Sept/21	0011	LAK	303,888,750
TIIGP2-LAO-W06-10	Renovation of public toilets at Vat Mai in Luang Prabang Province	Shopping	20/Dec/21	0026	LAK	322,861,000
TIIGP2-LAO-W06-11	Improvement of tourist facilities for ASEAN clean tourist city standard and public toilet standard in the project's target sites in Luang Prabang	Shopping	08/Aug/22	0037	USD	76,965
TIIGP2-LAO-W06-12	Improvement of Public Toilets to meet ASEAN standard at the tourist site of Pu Kham Cave, Vangvieng District, Vientiane Province	Shopping	26/Jul/22	0038	USD	33,958
TIIGP2-LAO-W06-13	Improvement to meet ASEAN standards for (i) Homestay at Lingsan Village, (ii) Community Based Tourism at Phon Village, and (iii) Public Toilets at the park near to Nam Gnum Dam at Sengsavang Village, Keoudom District, Vientiane Province	Shopping	05/Aug/22	0039	USD	41,877
TIIGP2-LAO-W06-14	Improvement to meet the ASEAN Standards for (i) Public Toilets in Phousalao Temple, Phothong District, (ii) Community Based Tourism in Nongluang Village, Pakxong District, and (iii) Homestay at Don Deng Village, Pathoumphone District and Don Kho, Sanasomboun District, Champasak Province	Shopping	30/Sept/22	0040	USD	44,000
<b>Total</b>						<b>22,945,439</b>

## Non-consulting Services

Contract Number (PCSS)	Nature of Contract	Description	Supplier Name	Contract Amount USD	Contract Date
0028	NON-CONSULTING SERVICES	Support services for updating of Vang Vieng and Environs Tourism Masterplan and peer review of development proposal(s)	Archineer Associates Survey Design and Consulting Sole Co.,Ltd	96,770.80	13/Jun/22
0036	NON-CONSULTING SERVICES	ASEAN Tourism Standards Promotional Video Production	Smart Class Co.,Ltd	26,685.80	27/Sept/22
0054	NON-CONSULTING SERVICES	Preparation and Implementation of Lao Tourism Marketing Campaign	RDK Group Sole Co.,Ltd	50,000.00	01/Jun/23
0077	NON-CONSULTING SERVICES	Implementation of Laos Tourism Marketing Campaign	RDK Group Sole Co.,Ltd	29,600.00	09/Apr/24
0085	NON-CONSULTING SERVICES	Business plan development facilitation for micro and small size businesses in the Sengsavang Marina, Nam Ngum 1 Reservoir, Keo Udom district, Vientiane province	Enterprise and Development Consultants Co., Ltd (EDC)	9,100.02	03/Oct/24
0096	NON-CONSULTING SERVICES	Training and Coaching for Micro and Small Businesses in Hospitality Skills and Interim Site Management	Consultant Development Hotel and Tourism Sole Co., Ltd	21769.65	12/Nov/24

**Annex 10: Consultant recruitment monitoring table as of 31 March 2025**

Package No.	Description	Mode	Estimate (\$ million)	Signed	PCSS No.	Amount		\$ Equiv
TIIGP2-LAO-C01	Project Management and Civil Engineering Support	QCBS	3,109,134.00	01-Jul-19	G20711	\$	2,602,460	2,602,460
					G20712	EUR	805,926	870,000
TIIGP2-LAO-C02	International Tourism Specialist/Co-Team Leader	ICS	862,223.00	19-Feb-19	G20083	\$	930,000	930,000
TIIGP2-LAO-C03	International Tourism Standards Specialist	ICS	100,876.00	19-Aug-19	G20821	\$	121,000	121,000
TIIGP2-LAO-C04	National Tourism Specialist/Deputy Team Leader	ICS	239,663.00	19-Feb-19	G20084	\$	242,000	242,000
TIIGP2-LAO-C05	International Gender Specialist	ICS	34,500.00	19-Aug-19	G20823	\$	34,500	34,500
TIIGP2-LAO-C06	National Gender Specialist	ICS	49,500.00	19-Aug-19	G20822	\$	49,500	49,500
TIIGP2-LAO-C07	International Financial Management & Procurement Specialist	ICS	71,369.00	20-Feb-19	G20085	\$	75,000	75,000
TIIGP2-LAO-C08	National Financial Management & Procurement Specialist	ICS	23,510.00	19-Feb-19	G20086	\$	25,000	25,000
TIIGP2-LAO-C09	International Monitoring and Evaluation Sepcialist	ICS	45,500.00	29-Aug-19	G20994	\$	45,500	45,500
TIIGP2-LAO-C10	National Monitoring and Evaluation Sepcialist	ICS	53,500.00	13-Nov-19	G21187		53,500	53,500
TIIGP2-LAO-C11	National Internal Auditor	ICS	103,394.00	18-Feb-19	G20087	\$	102,904	102,904
TIIGP2-LAO-C12	Tourism Experts-Various Resource Persons	SSS	200,000.00					
	TIIGP2-LAO-C12-001	SSS		23-May-19		\$	3,150	3,150
	TIIGP2-LAO-C12-002	SSS		23-Jul-19		\$	2,500	2,500
	TIIGP2-LAO-C12-003	SSS		30-Jul-19		\$	3,150	3,150
	TIIGP2-LAO-C12-004	SSS		17-Sep-19		\$	2,100	2,100
	TIIGP2-LAO-C12-005	SSS		22-Oct-19		\$	2,400	2,400
	TIIGP2-LAO-C12-006	SSS		09-Jan-23	0051	\$	3,000	3,000
	TIIGP2-LAO-C12-007	SSS		09-Jan-23	0052	\$	18,743	18,743
	TIIGP2-LAO-C12-008	SSS		01-Sep-23	0056	\$	10,000	10,000
	TIIGP2-LAO-C12-009	SSS		01-Sep-23	0058	\$	10,000	10,000
	TIIGP2-LAO-C12-010	SSS		20-Sep-23	0057	\$	8,975	8,975
	TIIGP2-LAO-C12-011	SSS		01-Mar-24	0064	\$	10,000	10,000
	TIIGP2-LAO-C12-012	SSS		08-Mar-24	0065	\$	20,000	20,000
	TIIGP2-LAO-C12-013	SSS		18-Mar-24	0071	\$	12,175	12,175
	TIIGP2-LAO-C12-014	SSS		01-Apr-24	0072	\$	8,000	8,000
	TIIGP2-LAO-C12-015	SSS		06-May-24	0074	\$	5,000	5,000
	TIIGP2-LAO-C12-016	SSS		01-May-24	0075	\$	8,500	8,500
	TIIGP2-LAO-C12-017	SSS		01-May-24	0076	\$	6,000	6,000
	TIIGP2-LAO-C12-018	SSS		17-Sep-24	0087	\$	3,800	3,800
	TIIGP2-LAO-C12-019	SSS		11-Mar-25	0104	LAK	224,781,480	10,406
TIIGP2-LAO-C13	International Urban Planning and Design Specialist	ICS	93,290.00	08-Nov-19	G21188	\$	93,258	93,258
TIIGP2-LAO-C14	National Destination Management Specialist	ICS	57,829.00	24-Apr-19	G20442	\$	57,829	57,829
TIIGP2-LAO-C15	International Tourism Management and Development Specialist	ICS	73,880.00	21-Nov-19	G21189	\$	73,600	73,600
TIIGP2-LAO-C16	International Natural and Cultural Heritage Specialist	ICS	22,311.00	21-Nov-19	G21190	\$	22,252	22,252
TIIGP2-LAO-C17	Natuonal Tourism Destination Development and Mangement Specialist	ICS	128,057.00	10-Sep-20	G22209	\$	128,000	128,000
TIIGP2-LAO-C18	International Social Safeguards Specialist	ICS	70,000.00	07-Dec-20	G22604	\$	75,000	75,000
TIIGP2-LAO-C8a	National Financial Management and Procurement Specialist	ICS	12,494.00	23-Apr-21	G23034	\$	12,494	12,494
TIIGP2-LAO-C19	National Social Safeguards Specialist 1	ICS	47,000.00	16-Jun-21	G23267	\$	52,000	52,000
TIIGP2-LAO-C20	National Social Safeguards Specialist 2	ICS	25,000.00	16-Jun-21	G23268	\$	22,080	22,080
TIIGP2-LAO-C21	National External Monitor (Social Safeguards)	ICS	39,000.00	29-Aug-22	0029	\$	42,000	42,000
TIIGP2-LAO-C18a	International Social Safeguards Specialist	ICS	63,000.00	03-Jul-24	0079	\$	60,000	60,000
TIIGP2-LAO-C22	National Community Liaison Officer	ICS	32,100.00	20-Nov-24	0092	\$	33,200	33,200
TIIGP2-LAO-C22a	National Community Liaison Officer	ICS	23,000.00	22-Apr-25	0105	\$	22,000	22,000

## Annex 11: Utilization of consulting services as of 31 March 2025

Package/Positions	Expert name	Person-Months (pm) as per PAM	Contract signing date	Original contract (total pm)	Current contract incl. variations (total pm)	Current contract closing date	Cumulative person-months utilized as of 31-Mar-25	Balance (pm)	Notes
<b>TIIGP2-LAO-C01: Project Management and Civil Engineering Support (Firm)</b>									
<b>International</b>									
1 International Civil Engineer - Co-Team Leader	Mr. Mrityunjoy Ghosh	54	05/Aug/19	41	71.00	31/Dec/25	66.71	4.29	
2 International Environmental Specialist	Mr. Peter Gammelgaard Jensen	6	12/Aug/19	6	14.00	31/Dec/25	12.13	1.87	Replacement
3 International Social Safeguards Specialist (Resettlement & Indigenous People)	Mr. Nils Gardek	6	05/Aug/19	6	4.74	31/Dec/24	4.74	0.00	Position discontinued, closed
4 International Institutional Development Specialist	Mr. Steven Long	4	05/Aug/19	4	12.50	31/Dec/25	10.48	2.02	Replacement
<b>Subtotal</b>		<b>70</b>		<b>57</b>	<b>102.24</b>		<b>94.06</b>	<b>8.18</b>	
<b>National</b>									
1 National Lead Civil Engineer	Mr. Phomma CHANTHIRATH	54	07/Sept/19	41	74.29	31/Dec/25	65.19	9.10	Replacement
2 National Environmental Specialist	Ms. Phaylin BOUNMANYVONE	12	05/Aug/19	12	34.00	31/Dec/25	30.49	3.51	Replacement
3 National Social Safeguards Specialist (Resettlement & Indigenous People)	Mr. Misa PHOUTHILATH	12	05/Aug/19	12	9.00	31/Dec/24	9.00	0.00	Position discontinued, closed
4 National Institutional Development Specialist	Mrs. Baythone Lovanxay	12	22/Jun/20	12	18.00	31/Dec/25	13.31	4.69	Replacement
5 Resident Engineer 1 (W01 C1 Nakasang + C2 Don Det-Don Khone)	Mr. Vongdeth Frichitthavong		22/Jun/20	24	37.50	31/Dec/24	36.66	0.00	Replacement; closed
6 Resident Engineer 2 (W02 Nam Ngum)	Mr. Xayavath Chanthavongsa		11/Sept/19	24	54.00	31/Dec/24	53.98	0.00	Replacement; closed
7 Resident Engineer 3 (W04 VV Landfill + W03 Vang Vieng)	Mr. Lueyang SISOMBONG		15/Jun/21	22	48.00	31/Dec/24	44.83	3.17	New Position
8 Construction Supervisor 1 (W03 - V3 Western Loop)	Mr. Vilath KHAMVONGSA			24	32.30	31/Dec/24	32.27	0.00	Replacement; closed
9 Construction Supervisor 2 (W04 Landfill)	Mr. Anikone THAMMAVONG		01/Jun/21	24	37.60	31/Dec/24	30.03	7.57	Replacement
10 Construction Supervisor 3 (W03 Kang Yui)	Mr. Bounxom VONGSOUTCHAY		13/Sept/21	20	28.40	31/Dec/24	28.37	0.00	Replacement; closed
11 Construction Supervisor 4 (W01-C2 Don Det-Don Khone)	Mr. Phoumano Khodpanya		15-Jun-20	20	18.00	31/Dec/24	18.03	0.00	Replacement; closed
<b>Subtotal</b>		<b>90</b>		<b>235</b>	<b>391.09</b>		<b>362.16</b>	<b>28.04</b>	
<b>Summary</b>									
Total International		70		57	102.24		94.06	8.18	

Package/Positions	Expert name	Person-Months (pm) as per PAM	Contract signing date	Original contract (total pm)	Current contract incl. variations (total pm)	Current contract closing date	Cumulative person-months utilized as of 31-Mar-25	Balance (pm)	Notes
<i>Total National</i>		90		235	391.09		362.16	28.04	
<b>Grand Total TIIGP2-LAO-C01: PMCES Consultant</b>		<b>160</b>		<b>292</b>	<b>493.33</b>		<b>456.22</b>	<b>36.22</b>	
<b>Capacity Building Support (Individuals)</b>									
<b>International</b>									
1	TIIGP2-LAO-C02: International Tourism Specialist - Co-Team Leader	Mr Henricus Braunius PONNE	54	19/Feb/19	54	61.5	30/Jun/26	52.58	8.92
2	TIIG2P-LAO-C03: International Tourism Standards Specialist	Mr Ross Alexander Corbett	8	19/Aug/19	7	19.5	30/Jun/26	18.97	0.53
3	TIIGP2-LAO-C05: International Gender Specialist	Ms Luz Lopez Rodriguez	2	19/Aug/19	2	5.5	31/Dec/24	5.49	0.01 Closed
4	TIIGP2-LAO-C07: International Financial Management & Procurement Specialist	Ms Nida Azada CALMA	5	19/Feb/19	5	20.5	30/Jun/26	18.30	2.20
5	TIIGP2-LAO-C09: International Monitoring and Evaluation Specialist	Ms. Irene Villapando (through Ramboll)	3	28/Aug/19	2.5	2.8	30/Jun/26	2.22	0.58 Replacement
6	TIIGP2-LAO-C13: International Urban Planning and Design Specialist	Mr Craig Czarny	-	8/Nov/19	lump-sum	lump-sum	31/Oct/24	lump-sum	- Closed
7	TIIGP2-LAO-C15: International Tourism Management and Development Specialist	Mr Paul Rogers	-	21/Nov/19	lump-sum	lump-sum	31/Dec/22	lump-sum	- Closed
8	TIIGP2-LAO-C16: International Natural and Cultural Heritage Specialist	Ms Ester van Steekelenburg	-	8/Nov/19	lump-sum	lump-sum	31/Dec/22	lump-sum	- Closed
9	TIIGP2-LAO-C18: International Social Safeguards Specialist	Mr Paul van Strijp	-	7/Dec/20	4	19	31/Dec/24	19.55	0.00 New position (moved from PMCES) - closed
10	TIIGP2-LAO-C18a: International Social Safeguards Specialist	Mr. Jethro Stern	-	3/Jul/24	3	5.5	30/Jun/26	1.67	3.83 Replacement for TIIGP2-LAO-C18
<b>Subtotal</b>			<b>72</b>		<b>77.5</b>	<b>134.3</b>		<b>118.78</b>	<b>16.07</b>
<b>National</b>									
1	TIIGP2-LAO-C04: National Tourism Specialist - Deputy Team Leader	Ms Phongisth DAVADING	54	19/Feb/19	54	65	30/Jun/26	56.84	8.16
2	TIIGP2-LAO-C06: National Gender Specialist	Ms Sipaseuth Chanthapanya	12	19/Feb/19	12	15	31/Dec/24	15.00	0.00 Closed
3	TIIGP2-LAO-C08: National Financial Management & Procurement Specialist	Mr Kim XAISANA	6	19/Feb/19	6	6	31/Dec/20	5.94	0.06 Closed

Package/Positions	Expert name	Person-Months (pm) as per PAM	Contract signing date	Original contract (total pm)	Current contract incl. variations (total pm)	Current contract closing date	Cumulative person-months utilized as of 31-Mar-25	Balance (pm)	Notes
4 TIIGP2-LAO-C08a: National Financial Management & Procurement Specialist	Mr Somphone Siriphanh	-	19/Apr/21	3	9	31/Dec/24	7.00	2.00	Replacement for TIIGP2-LAO-C08 - Closed
5 TIIGP2-LAO-C10: National Monitoring and Evaluation Specialist	Dr Vivath Sauvaly	12	13/Nov/19	11	35	30/Jun/26	31.84	3.16	
6 TIIGP2-LAO-C11: National Internal Auditor	Mr Lomphet PHONGSVANH	-	18/Feb/19	30	43.5	30/Jun/26	34.59	8.91	
7 TIIGP2-LAO-C12: Tourism experts - various resource persons	Various								18 awarded
8 TIIGP2-LAO-C14: National Destination Management Specialist	Mr Vila Chanthavong	-	24/Apr/19	lump-sum	lump-sum	31/Dec/19	lump-sum		Closed
9 TIIGP2-LAO-C17: National Tourism Destination Development and Management Specialist	Mr Vila Chanthavong	-	10/Sep/20	32	59.4	30/Jun/26	50.16	9.24	New position
10 TIIGP2-LAO-C19: National Social Safeguards Specialist 1	Mr Misa Phouthilath	-	16/Jun/21	10	46.5	30/Jun/26	40.64	5.81	New position (moved from PMCES)
11 TIIGP2-LAO-C20: National Social Safeguards Specialist 2	Mr. Khonevilay SAYYAVONG	-	14/Jun/21	5	7	31/Dec/22	7.00	0.00	Closed
12 TIIGP2-LAO-C21: National External Monitor (Social Safeguards)	Ms Vongchanh INDAVONG	-	29/Aug/22	3.64	3.64	30/Jun/26	1.36	2.28	New position
13 TIIGP2-LAO-C22: National Community Liaison Officer	Mr Vongdeth Frichitthavong	-	20/Nov/24	9.09	9.09	31/Dec/25	1.68	0.00	New position - closed
<b>Subtotal</b>		<b>84</b>		<b>175.73</b>	<b>299.09</b>		<b>252.05</b>	<b>39.62</b>	
<b>Summary CBS Individual Consultants</b>									
Total International		72		77.50	134.30		118.78	16.07	
Total National		84		175.73	299.09		252.05	39.62	
<b>Total CBS Individual Consultants</b>		<b>156</b>		<b>253.23</b>	<b>433.39</b>		<b>370.83</b>	<b>55.69</b>	
<b>Project Summary</b>									
Total International		142		134.50	236.54		212.84	23.70	
Total National		174		410.73	690.18		614.21	75.97	
<b>Project Grand Total</b>		<b>316</b>		<b>545.23</b>	<b>926.72</b>		<b>827.05</b>	<b>99.67</b>	

## Annex 12: Progress of Accident Report's Preventive and Corrective Actions

As of 31 March 2025

1. Summary of Planned Preventive and Corrective Actions
2. Compliance Monitoring by PMCES-PCU
3. Summary of Training (relates to Labor issue of W3)

### 1. Summary of Planned Preventive and Corrective Actions (Table 4 of Accident Report)

Item	Timing	Activities	Responsible Implementor	Progress as of 30 September 2024	Plan
1	Before 30 Sept 2022	Conduct work hazard assessment at all construction sites under W01, W02, W03 & W04	All contractors with Assistance from PMCES	W01: Conducted on 16 February 2023 W02: conducted on 12 December 2022 W03: conducted on 23 December 2022 W04: conducted in May 2023	Completed
2	8 Sept 2022	Prepare safety procedure for operation, maintenance and cleaning of mixing plant. Detail improvement plan for mixing including electrical system, the air pump, water pump, the platform of mixing plant, the sedimentation pond.	W03 contractor	W03: Completed on Oct & Nov 2022	Completed
3	First week of Sept 2022	Drill on the emergency response	W03	W03: Completed Drills carried out on 22 September 2022 and on 07 August 2023	Completed
4	3 <sup>rd</sup> week of Sept 2022	Frist Aid Training of the contractor's staff	W03 Contractor	Completed Frist aid training carried out on 22 September 2022 and on 07 August 2023	Completed
5	By 31 Dec 2022	Develop safety procedures and measures for hazardous construction activities and submit these to PMCES for review and approval	All contractors	W01: June 2023 W02: December 2022 W03: December 2022 W04: Jan 2023	Completed
6		Provide health and safety training to their staff including operation, maintenance and cleaning of the mixing plant.	All contractors	W01 Completed: Action 2. 30 Oct 2022 Action 3. 30 Oct 2022	

Item	Timing	Activities	Responsible Implementor	Progress as of 30 September 2024	Plan
		<ol style="list-style-type: none"> <li>1. Electricity safety training at mixing plant.</li> <li>2. Emergency/training on first aid and safety for workers</li> <li>3. Construction safety training</li> <li>4. Safety working at height training for bridge construction.</li> <li>5. Electricity safety at bridge construction</li> </ol>		<p>Action 4. not required as there is no bridge construction under this package. Action 5. 30 Oct 2022 and Mar 2023</p> <p>W02 Completed: Action 1. Sep 2022 Action 2. 21 Dec 2022 Action 3. Oct 2022, 13 Aug 2023 Action 4 and 5. Not required due to no bridge Action Done on 21 Nov 2024 for the Health and Safety training and working at Height training</p> <p>W03 Completed: 1. Sep 2022 2. May 2022 3. 22 Sep 2022 4. 22 Sep 2022 5. 07 Aug 2023 6. Done on the Health and safety training carried in Q2 2024.</p> <p>W04 Completed: Action 1. Not required as there is no batching plant Action 2. 07 Nov 2022 Action 3. 07 Nov 2022 Action 4 and 5 not required due to no bridge construction</p>	
7	Daily	Health and Safety staff to record PPE checklist onsite daily.	All contractors	Completed. The EHS Officer of each package W01, W02, W03, W04 have checked and recorded the daily use of PPE	To be continued
8	By 31 Dec 2022	Drill on the emergency response	All contractors	W01: 30 Oct 2022 W02: 21 Dec 2022, 13 Aug 2023 W03: 22 Sep 2022, 07 Aug 2023	Completed

Item	Timing	Activities	Responsible Implementor	Progress as of 30 September 2024	Plan
				W04: 29 Oct 2022	

## 2. Compliance Monitoring by PMCES-PCU (Table 5 of Accident Report)

Item	Date	Activities	Responsible Implementor	Progress as of 30 September 2023	Plan
6	Monthly	Monthly the RE of PMCES inspect health and safety (using checklists record) report to PMCES environmental specialist	RE of PMCES	W01: carried out at least once a month W02: carried out at least once a month W03: carried out at least once a month W04: carried out at least once a month	The project construction period
7	Monthly	Monitor and follow up on the EHS officer's health and safety inspections (daily checklist)	RE of PMCES	The Resident Engineers have checked the daily records of PPE use prepared by the contractors' EHS Officers of each package W01, W02, W03, W04 twice a month	Continue throughout the project construction period

### Monthly inspection by PMCES consultants on safety management at construction sites.

Updated 30 December 2024

	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022
W01	x	x	x	17 Nov	x
W02	23 Aug	15 Sep	05 Oct 27 Oct	30 Nov	22 Dec
W03	19 Aug 24 Aug	14 Sep 22 Sep	x	9 Nov 22 & 23 Nov	15 Dec 23 Dec
W04	x	14 Sep	x	9 Nov	x

	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023
W01	x	15-17 Feb	x	24-25 April	15-16 May	Project completion						
W02	23 Jan	x	23 Mar 27 Mar	06 April 10-11 April	4 May	28 June	2 Jul & 8 Jul	10 Aug	9 Sep	11-Oct	x	21-Dec
W03	24 Jan	10 Feb	24 Mar 28 Mar	10-11 April	5 May	29 June	3 Jul & 9 Jul	11 Aug	10 Sep	26-Oct	x	x5 & 19-Dec
W04	24 Jan	x	24 Mar 28 Mar	10-11 April	5 May	30 June	3 Jul & 9 Jul	12 Aug	10 Sep	18 & 26-Oct	x	20-Dec

	Jan 2024	Feb 2024	Mar 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024
W01	Project completion	Project completion	Project completion	Project completion	14 to 17-May	Project completion	Project completion	Project completion	Project completion
W02	-	14-Feb	20-Mar	9-April	27-May	-	18-Jul	9-Aug	13-Sep
W03	-	13-Feb	19 & 20 - Mar	10-April	28-May	-	9 & 17-Jul	8-Aug	11-12-Sep
				1 to 2- April	-	19 June & 25-26 June	-	-	-
W04	-	13 Feb	19,20 & 31 - Mar	10-April	10-May & 24 May	19-June	2-Jul	-	-

	Jul 2024	Aug 2024	Sep2024	Oct 2024	Nov 2024	Dec 2024
W01	-	-	-	-	-	-
W02	18-Jul	09-Aug	13-Sep	03-Oct	07- Nov	-
W03	09 and 17-Jul	08-Aug 14-Aug	11-12-Sep	04 and 24-Oct	08-Nov	17 and 24-Dec
W03a	-	-	-	24-25 Oct	-	17 and 18-Dec
W04	2-Jul	15-Aug	-	25-26 Oct	-	24 & 25-Dec

	Jan 2025	Feb 2025	Mar 2025
W01	-	-	-
W02	-	06-Feb 19-Feb	20-Mar
W03	-	07-Feb 20-Feb 25-Feb	20-Mar
W03a	15-16-Jan 29- Jan	07-Feb 25-Feb	06-Mar 20-Mar
W04	-	20-Feb	-

**1. Summary of Training (relates to Labor issue of W3)**

No.	Item	Responsibilities	Plan
1.	<p><b><i>Kang Yui Waterfall construction site:</i></b> the presence of child labor and young workers being involved in hazardous work as excavator's operation work at the construction which it's unacceptable.</p> <p>Training and assessment carried out by Labor Inspectors, Ministry of Labor, and Employment</p>	Completed Training in Q4 2024	-

## Annex 14: Status of compliance with Grant Covenants as of 31 March 2025

Item	Covenants	Reference in Grant Agreement	Status of Compliance
1	In the carrying out of the Project and operation of the Project facilities, the Recipient shall perform, or cause to be performed, all obligations set forth in Schedule 4 to this Grant Agreement.	Article IV Section 4.01.	Being Complied
2	<p>(a) The Recipient shall</p> <p>(i) maintain separate accounts and records for the Project;</p> <p>(ii) prepare annual financial statements for the Project in accordance with financial reporting standards acceptable to ADB;</p> <p>(iii) have such financial statements audited annually by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB, in accordance with auditing standards acceptable to ADB;</p> <p>(iv) as part of each such audit, have the auditors prepare a report, which includes the auditors' opinion(s) on the financial statements and the use of the Grant proceeds, and a management letter (which sets out the deficiencies in the internal control of the Project that were identified in the course of the audit, if any); and</p> <p>(v) furnish to ADB, no later than 6 months after the end of each related fiscal year, copies of such audited financial statements, audit report and management letter, all in the English language, and such other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.</p>	Article IV Section 4.02.	<p>Being Complied</p> <p>(i) PCU and PIUs maintain separate accounts and records for the Project.</p> <p>(ii) PCU prepares annual financial statements for the Project based on International Public Sector Accounting Standard - Cash Basis of Accounting (IPSAS-Cash), which is acceptable to ADB.</p> <p>(iii) The project APFSs are audited by the State Audit Organization of Lao PDR (SAO), whose qualifications, experience and TOR are acceptable to ADB. APFSs have been audited annually.</p> <p>(iv) APFSs included the auditors' opinion s on the financial statements and the use of the grant proceeds, and management letter including recommendations on deficiencies in implementation of annual budget plan and internal control.</p> <p>(v) APFSs were submitted to ADB</p> <ul style="list-style-type: none"> <li>- The first APFS (APFS FY 2019), covering a period from 25 December 2018 to 31 December 2019 was submitted to ADB on 18 November 2020. Note that ADB has granted a 6-month extension of submission deadline for all APFS for FY2019 from 30 June 2020 to 31 December 2020 due to the COVID-19 pandemic.</li> <li>- The 2<sup>nd</sup> APFS (APFS FY2020) was submitted to ADB on 29 September 2021. The submission for FY2020 was delayed due to country lockdown causing travelling restriction to implement the audit field work by SAO.</li> <li>- The 3<sup>rd</sup> APFS (APFS FY 2021) was submitted to ADB on 30 June 2022.</li> <li>- The 4<sup>th</sup> APFS (APFS FY2022) submission delayed because reshuffle and improvement of audit system within the departments of audit, SAO.<sup>15</sup> The APFS was submitted to ADB on 17 Oct 2023.</li> <li>- The 5<sup>th</sup> APFS (APFS FY2023) was submitted to ADB on time on 28 June 2024.</li> </ul>
3	(b) ADB shall disclose the annual audited financial statements for the Project and the opinion of the auditors on the financial statements within 14 days	Article IV Section 4.02.	<p>Being Complied</p> <ul style="list-style-type: none"> <li>- The 1<sup>st</sup> APFS for FY2019 was confirmed their acceptability by ADB on 6 December 2020 and</li> </ul>

<sup>15</sup> SAO informed ADB about the delay in submission of FY2022 APFS on 1 June 2023 (Letter no.172) with the proposed a new deadline of 30 July 2023 due to reshuffle and improvement of audit system within the departments of audit, SAO.

Item	Covenants	Reference in Grant Agreement	Status of Compliance
	of date of ADB's confirmation of their acceptability by posting them a ADB's website.		<p>was disclosed on ADB website on 16 December 2020.</p> <ul style="list-style-type: none"> <li>- The 2<sup>nd</sup> APFS for FY2020 was delayed due to country lockdown causing travelling restriction to implement the audit field work by SAO, it was confirmed their acceptability by ADB on 29 September 2021 and was disclosed on ADB website on 29 October 2021.</li> <li>- The 3<sup>rd</sup> APFS (APFS FY 2021) was submitted to ADB on 30 June 2022 and disclosed on ADB website on 13 Sept 2022.</li> <li>- The 4<sup>th</sup> APFS (APFS FY 2022) was submitted to ADB on 17 Oct 2023 (footnote 1). It was disclosed on ADB website on 21 Dec 2023.</li> <li>- The 5<sup>th</sup> APFS (APFS FY2023) was submitted to ADB on time on 28 June 2024 and disclosed on ADB website on 13 Aug 2024.</li> <li>- The 6<sup>th</sup> APFS (APFS FY 2024) will be submitted before the deadline of 30 June 2025.</li> </ul>
4	(c) The recipient shall enable ADB, upon ADB's request, to discuss the financial statements for the Project and the Recipient's financial affairs where they relate to the Project with the auditors appointed pursuant to subsection (a) (iii) hereinabove, and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB. This provided that such discussions shall be conducted only in the presence of an authorized officer of the Recipient, unless the Recipient shall otherwise agree.	Article IV Section 4.02.	Being Complied
5	The Recipient shall enable ADB's representatives to inspect the Project, the Goods and Works, and any relevant records and documents.	Article IV Section 4.03.	Being Complied
6	<b>Implementation Arrangement</b> The Recipient shall ensure that the Project is implemented in accordance with the detailed arrangements set forth in the PAM. Any subsequent change to the PAM shall become effective only after approval of such change by the Recipient and ADB. In the event of any discrepancy between the PAM and this Grant Agreement, the provisions of this Grant Agreement shall prevail.	Schedule 4, para. 1	Being complied Project implementation followed arrangements set forth in PAM.
7	<b>Environment</b> The Recipient shall ensure that the preparation, design, construction, implementation, operation and decommissioning of the Project and all Project facilities comply with (a) all applicable laws and regulations of the Recipient relating to environment, health and safety; (b) the Environmental Safeguards; and (c) all measures and requirements set forth in the IEE, the EMPs, and any corrective or preventative actions set forth in a Safeguards Monitoring Report.	Schedule 4, para. 2	Being Complied  Four out of 5 awarded works subprojects' IEE/EMP are being implemented. The scope of one remaining civil works subproject is being finalized. Shortcomings in health and safety have been identified for W02 and W03 subprojects. The corrective actions were developed and being implemented and monitored. The progress of the corrective actions is reported through project quarterly progress reports and SMRs.
8	<b>Land Acquisition and Involuntary Resettlement</b> The Recipient shall ensure that all land and all rights- of-way required for the Project are made available to the Works contractor in accordance with the schedule agreed under the related Works	Schedule 4, para. 3	Being Complied  W01, W03, W04 site procession was on schedule.

Item	Covenants	Reference in Grant Agreement	Status of Compliance
	contract and all land acquisition and resettlement activities are implemented in compliance with (a) all applicable laws and regulations of the Recipient relating to land acquisition and involuntary resettlement; (b) the Involuntary Resettlement Safeguards; and (c) all measures and requirements set forth in the RP, and any corrective or preventative actions set forth in the Safeguards Monitoring Report.		W02: site procession in marina area delayed due to (i) change in construction approach during implementation, which required revision of RP and compensation payments; and (ii) adjustment of DED on slope protection and confirmation of location for water supply and wastewater treatment plants. The contract completion date was extended for 15 months, and the work schedule has been revised to accommodate the delays. Additional budget for RP implementation has been allocated.
9	<p><b><u>Land Acquisition and Involuntary Resettlement</u></b> Without limiting the application of the Involuntary Resettlement Safeguards or the RP, the Recipient shall ensure that no physical or economic displacement takes place in connection with the Project until:</p> <p>(a) compensation and other entitlements have been provided to affected people in accordance with the RP; and</p> <p>(b) a comprehensive income and livelihood restoration program has been established in accordance with the RP.</p>	Schedule 4, para. 4	<p>Being complied</p> <p>Subproject W01 was out of compliance with ADB's SPS (2009) as 14 structures (13 shops and 1 residence) adjacent to the construction site in Nakasang were demolished under instructions given by the District Authorities in relation to the District Development Plan without compensation provided to the affected households. Construction in Nakasang port was therefore suspended until due diligence was conducted, CAP developed and implemented. The EA confirmed that the compensation for structures and other allowances as per ADB endorsed CAP have been paid. CAP and CCR was submitted and endorsed by ADB.</p> <p>Subproject W02: two phases of compensation payments and self-resettlement package were paid. These include payments for loss of assets, loss of income, transition allowance, physical displacement allowance, accommodation allowance. Final phase of compensation will be completed by 30 Sept 2024.</p> <p>Subproject W03 and W04: Compensation was paid in full. The subprojects CCRs were submitted to and endorsed by ADB. Due to a no-cost time extension of W03 contract for 4 months until 30 June 2025. The additional compensation for Naduang tourism group will be paid.</p>
10	<p><b><u>Indigenous Peoples</u></b> The Recipient shall ensure that the preparation, design, construction, implementation and operation of the Project and all Project facilities comply with (a) all applicable laws and regulations of the Recipient relating to indigenous peoples; (b) the Indigenous Peoples Safeguards; and (c) all measures and requirements set forth in the IPP, and any corrective or preventative actions (i) set forth in a Safeguards Monitoring Report, or (ii) subsequently agreed between ADB and the Recipient.</p>	Schedule 4, para. 5	<p>Being complied</p> <p>W01 and W02: IPP development was not required as these were categorized as C for IP impact.</p> <p>W03 and W04: Ethnic Group Development and Resettlement Plans have been prepared and are being implemented.</p>
11	<p><b><u>Human and Financial Resources to Implement Safeguards Requirements</u></b> The Recipient shall make available necessary budgetary and human resources to fully implement the EMPs, the RP and the IPP.</p>	Schedule 4, para. 6	<p>Being complied</p> <p>All works contracts include budget for EMP implementation. The EA made available budget for involuntary resettlement. The EA engaged international and national environmental and social safeguards consultants to support the EA in EMP implementation, resettlement planning and RP implementation.</p>

Item	Covenants	Reference in Grant Agreement	Status of Compliance
			The EA also engaged an external social safeguard monitor to monitor social safeguard compliance.
12	<p><b><u>Safeguards-Related Provisions in Bidding Documents and Works Contracts</u></b>  The Recipient shall ensure that all bidding documents and contracts for Works contain provisions that require contractors to:</p> <p>(a) comply with the measures relevant to the contractor set forth in the IEE, the EMPs, the RP and the IPP (to the extent they concern impacts on affected people during construction), and any corrective or preventative actions set forth in a Safeguards Monitoring Report;</p> <p>(b) make available a budget for all such environmental and social measures;</p> <p>(c) provide the Recipient with a written notice of any unanticipated environmental, resettlement or indigenous peoples risks or impacts that arise during' construction, implementation or operation of the Project that were not considered in the IEE, the EMPs, the RP and the IPP;</p> <p>(d) adequately record the condition of roads, agricultural land and other infrastructure prior to starting to transport materials and construction; and</p> <p>(e) reinstate pathways, other local infrastructure, and agricultural land to at least their pre- project condition upon the completion of construction.</p>	Schedule 4, para. 7	<p>Being complied</p> <p>IEE/EMPs, RPs and EGDRPs are included in Works bidding documents and contracts, and contracts include provisions that require contractors to make available budget and comply with these documents, and to promptly report any safeguards risk or impacts.</p>
13	<p><b><u>Safeguards Monitoring and Reporting</u></b>  The Recipient shall do the following:</p> <p>(a) submit semi- annual Safeguards Monitoring Reports to ADB and disclose relevant information from such reports to affected persons promptly upon submission;</p> <p>(b) if any unanticipated environmental and/or social risks and impacts arise during construction, implementation or operation of the Project that were not considered in the IEE, the EMPs, the RP and the IPP, promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the event and proposed corrective action plan; and</p> <p>(c) report any actual or potential breach of compliance with the measures and requirements set forth in the EMPs, the RP or the IPP promptly after becoming aware of the breach.</p>	Schedule 4, para. 8	<p>Being Complied with</p> <ul style="list-style-type: none"> <li>•The 1st semi-annual Safeguards Monitoring Report was submitted to ADB on 6 December 2020 and disclosed on ADB website.</li> <li>• The 2nd SMR (Jul-Dec 2020) was submitted to ADB on 28 February 2021, it was endorsed by ADB and disclosed on the web.</li> <li>• The 3rd SMR (Jan-Jun 2021) was submitted to ADB on 3 September 2021 and disclosed on ADB website.</li> <li>•The 4th SMR (Jul-Dec 2021) was submitted to ADB on 16 Mar 2022 and endorsed by ADB and disclosed on the web.</li> <li>•The 5th SMR (Jan-Jun 2022) was submitted to ADB on 22 December 2022, it was endorsed by ADB and disclosed on the web.</li> <li>•The 6th SMR (Aug-Dec 2022) was submitted to ADB on 25 Apr 2023, endorsed by ADB and disclosed on the web.</li> <li>•The 7<sup>th</sup> SMR (Jan-Jun 2023) was submitted to ADB on 2 Aug 2023, endorsed by ADB and disclosed on the web.</li> <li>•The 8<sup>th</sup> SMR (Jul-Dec 2023) was submitted to ADB on 25 Feb 2024, endorsed by ADB and disclosed on the web.</li> <li>•The 9<sup>th</sup> SMR (Jan-Jun 2024) was submitted to ADB on 20 Aug 2024, endorsed by ADB and disclosed on the web.</li> <li>•The 10<sup>th</sup> SMR (Jul-Dec 2024) was submitted to ADB on 13 Feb 2025, under review by ADB.</li> </ul>

Item	Covenants	Reference in Grant Agreement	Status of Compliance
14	<p><b><u>Prohibited List of Investments</u></b>  The Recipient shall ensure that no proceeds of the Grant are used to finance any activity included in the list of prohibited investment activities provided in Appendix 5 of the SPS.</p>	Schedule 4, para. 9	Complied with
15	<p><b><u>Labor Standards, Health and Safety</u></b>  The Recipient shall ensure that the core labor standards and the Recipient's applicable laws and regulations are complied with during Project implementation. The Recipient shall include specific provisions in the bidding documents and contracts financed by ADB under the Project requiring that the contractors, among other things: (a) comply with the Recipient's applicable labor law and regulations and incorporate applicable workplace occupational safety norms; (b) do not use child labor; (c) do not discriminate workers in respect of employment, sex and occupation; (d) do not use forced labor; (e) allow freedom of association and effectively recognize the right to collective bargaining; and (f) disseminate, or engage appropriate service providers to disseminate, information on the risks of sexually transmitted diseases, including HIV/AIDS, to the employees of contractors engaged under the Project and to members of the local communities surrounding the Project area, particularly women.</p>	Schedule 4, para. 10	Being complied
16	<p><b><u>Labor Standards, Health and Safety</u></b>  The Recipient shall strictly monitor compliance with the requirements set forth in paragraph 10 above (Schedule 4, para. 10) and provide ADB with regular reports.</p>	Schedule 4, para. 11	Being complied
17	<p><b><u>Gender and Development</u></b>  The Recipient shall ensure that (a) the GAP is implemented in accordance with its terms; (b) the bidding documents and contracts include relevant provisions for contractors to comply with the measures set forth in the GAP; (c) adequate resources are allocated for implementation of the GAP; (d) progress on implementation of the GAP, including progress toward achieving key gender outcome and output targets, are regularly monitored and reported on quarterly basis to ADB; and (e) key gender outcome and output targets include: (i) 30% of the overall staff positions and 40% of the management positions in the PCU and PIUs to be filled by women; (ii) appointment of gender focal points in the PCU and each PIU; (iii) at least 40% of training participants under the Project are women; and (iv) disaggregation of all monitoring and evaluation (M&amp;E) data by sex and ethnicity.</p>	Schedule 4, para. 12	Being complied <ul style="list-style-type: none"> <li>• International and National Gender Specialists (individual consultants) recruited and mobilized.</li> <li>• GAP monitoring and reporting will be integrated into the PPMS (under development).</li> <li>• Updated GAP monitoring table is attached to quarterly reports.</li> </ul>
18	<p><b><u>Counterpart Support</u></b>  The Recipient shall: (a) through the Project Executing Agency, ensure that counterpart funds for Project implementation are available on time; and (b) ensure that the Project Executing Agency has sufficient funds to satisfy its liabilities arising from any Works, Goods and Consulting Services contract.</p>	Schedule 4, para. 13	Being complied
19	<p><b><u>Counterpart Support</u></b>  The Recipient shall (a) through the Project Executing Agency cause each Participating</p>	Schedule 4, para. 14	Being Complied

Item	Covenants	Reference in Grant Agreement	Status of Compliance
	Provinces, prior to their physical completion, prepare and adopt a plan for achieving full cost recovery of the operation and maintenance expenditures of each Project facility within their province; and (b) finance through budget allocation any shortfall in the operation and maintenance of the Project facilities within each Participating Province.		Infrastructure subprojects' O&M plans are being developed, which include small-scale PPP arrangements and cost recovery mechanism.
20	<b><u>Consultation with Stakeholders</u></b> The Recipient shall ensure that consultation with the Project stakeholders takes place during Project implementation, in accordance with the stakeholder communication strategy set out in the PAM.	Schedule 4, para. 15	Being Complied
21	<b><u>Governance and Anticorruption</u></b> The Recipient shall (a) comply with ADB's Anticorruption Policy (1998, as amended to date) and acknowledge that ADB reserves the right to investigate directly, or through its agents, any alleged corrupt, fraudulent, collusive or coercive practice relating to the Project; and (b) cooperate with any such investigation and extend all necessary assistance for satisfactory completion of such investigation.	Schedule 4, para. 16	Being Complied
22	<b><u>Governance and Anticorruption</u></b> The Recipient shall ensure that the anticorruption provisions acceptable to ADB are included in all bidding documents and contracts, including provisions specifying the right of ADB to audit and examine the records and accounts of the executing and implementing agencies and all contractors, suppliers, consultants, and other service providers as they relate to the Project.	Schedule 4, para. 17	Being Complied

**Annex 15: Internal Audit Report as of 31 March 2025**

# ***Annual internal Audit Report of TIIGP2***

***Annual Internal Audit Report of TIIGP2 As of 31<sup>st</sup> March 2025***

## **Private & Confidential**

Attn: Management team of Second GMS Tourism Infrastructure for Inclusive Growth Project in Lao P.D.R  
Grant no. G0599-Lao, Project 49387-002-Lao

## **Internal Audit report as of 31 March 2025**

Our yearly review of the accounting systems and internal controls was conducted, not primarily directed towards either the discovery of weaknesses, detection of fraud or other irregularities; other than those which would influence us in forming our opinion and should not therefore be relied upon to show that no other weaknesses exist. Accordingly, the comments that follow refer only to those matters which have come to our attention during the course of the internal audit work and do not attempt to indicate all possible improvements had a special review.

We enclose a memorandum of the points we have noted during our internal audit.

The findings are classified using two main types of categories, type and priority. The classification of the type of findings would provide the users of the report with the nature of the findings which are classified as follows:

- IC: Internal Control issue
- PI: Performance Improvement opportunity

In addition, the classification of the findings would provide the user of this report with the priority level of each of the findings as follows:

- High: This is very critical to the project's operation and strategy in the short term, hence, requiring immediate actions within 12 months or, this will have very significant financial consequence.
- Medium: This is essential for the project's operation and strategy in the next 2-3 years or somewhat has a significant financial impact.
- Low: This is important for the project to consider for its operation and strategy in the long-term which, nevertheless, require improvement. It has no immediate or significant financial impact.

# *Annual internal Audit Report of TIIGP2*

*Annual Internal Audit Report of TIIGP2 As of 31<sup>st</sup> March 2025*

<b>Audit finding</b>	<b>Sub-heading</b>	<b>Issue Type IC/PI</b>	<b>Rating</b>
1. Budget preparation and implementation	1.1 Budget overview as of 31 March 2025. 1.2 Annual budget for FY2025 hasn't prepared in timely manner.	IC & PI	High
2. Follow-up consulting contracts		IC	Medium
3. Control over fixed assets should be improved		IC	High
4. Properly Classification expenses should be strictly implemented		PI	High
5. Follow-up resolving Audit issues Y2023		IC & PI	High

Yours faithfully,



Vientiane Capital, 30 April 2025  
Internal auditor

Lomphet Phongsavanh

# Annual internal Audit Report of TIIGP2

## Budget preparation and implementation

### 1.1 Budget overview as of 31 March 2025

Unit: USD

No	Name of Categories	Budget Allocation	For the Year 2024	For the period 01Jan25 to 31Mar25	cumulative	Balance
<b>I</b>	<b>ADB Grant</b>	<b>47,000,000.00</b>	<b>7,414,707.52</b>	<b>1,193,616.86</b>	<b>37,547,604.28</b>	<b>9,452,395.72</b>
<b>A</b>	<b>Investment Cost</b>	<b>44,150,000.00</b>	<b>7,233,757.61</b>	<b>1,142,544.16</b>	<b>35,930,342.03</b>	<b>8,219,657.97</b>
1	Civil works	24,980,000.00	4,638,723.34	478,834.35	19,385,223.70	5,594,776.30
2	Equipment and Vehicles	2,250,000.00	337,705.17	267,318.70	1,166,125.70	1,083,874.30
3	Consulting services	9,190,000.00	1,285,058.79	271,030.54	8,213,792.12	976,207.88
4	Project Management	1,040,000.00	104,211.29	32,472.71	857,836.34	182,163.66
5	Capacity Building	5,390,000.00	543,890.78	92,887.86	5,051,817.91	338,182.09
6	Land Acquisition and Resettlement	1,300,000.00	324,168.24	-	1,255,546.26	44,453.74
<b>B</b>	<b>Recurrent Cost</b>	<b>2,250,000.00</b>	<b>180,949.91</b>	<b>51,072.70</b>	<b>1,617,262.25</b>	<b>632,737.75</b>
1	PCU and PIU Staff Cost	800,000.00	104,267.39	29,026.81	578,501.34	221,498.66
2	PCU and PIU Operations	1,080,000.00	71,682.52	22,045.89	651,614.90	428,385.10
3	PCU PIU Vehicle and Office Equipment	<b>370,000.00</b>	<b>5,000.00</b>	<b>-</b>	<b>387,146.01</b>	<b>(17,146.01)</b>
<b>C</b>	<b>Contingencies</b>	<b>600,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>600,000.00</b>
1	Physical Contingency	300,000.00			-	300,000.00
2	Price Contingency	300,000.00			-	300,000.00
<b>II</b>	<b>Government Contribution</b>	<b>1,680,000.00</b>	<b>205,846.00</b>	<b>-</b>	<b>1,080,539.60</b>	<b>599,460.40</b>
<b>B</b>	<b>Recurrent Cost</b>	<b>1,540,000.00</b>	<b>205,846.00</b>	<b>-</b>	<b>1,080,539.60</b>	<b>459,460.40</b>
1	PCU and PIU Staff Cost	960,000.00	172,242.00	-	643,519.37	316,480.63
2	PCU and PIU Operations	580,000.00	33,604.00	-	437,020.23	142,979.77
<b>C</b>	<b>Contingencies</b>	<b>140,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140,000.00</b>
1	Physical Contingency	60,000.00			-	60,000.00
2	Price Contingency	80,000.00			-	80,000.00
<b>Total (I+II)</b>		<b>48,680,000.00</b>	<b>7,620,553.52</b>	<b>1,193,616.86</b>	<b>38,628,143.88</b>	<b>10,051,856.12</b>

#### Observation and implication:

Per budget overview, it has come to attention that B.3 PCU PIU Vehicle and Office Equipment is in a negative position.

The management team should review the activities listed in each of the categories and reallocate to make sure that the budget plan reflects the actual stage of the project.

**Annual internal Audit Report of TIIGP2**

Date	VCH#	Location	Description	Acc Cod#	Amount	Cate #	Act#
08/04/2019	BPCU19014	01PCU	PCU - 2First payment for set-up office and provision equipment for..	212130	3,500.00	B.3	4.08.01
10/04/2019	BPCU19017	01PCU	PCU - Second payment for providing Furniture (Tables and Chairs)	213150	3,720.02	B.3	4.08.01
11/04/2019	BPCU19019	01PCU	PCU - First payment for purchasing IT equipment for PCU as sta	213130	5,724.00	B.3	4.08.01
23/04/2019	BPCU19026	01PCU	PCU - Office improvement and Audio instrument	213140	3,836.32	B.3	4.08.01
23/04/2019	BPCU19028	01PCU	PCU - Office furniture	213150	867.01	B.3	4.08.01
22/05/2019	BPCU19055	01PCU	PCU - Note book Macbook	213130	1,994.20	B.3	4.08.01
07/06/2019	BVVD19011	03VVD	PIU VVD - Office furniture	213150	5,300.68	B.3	4.09.01
07/06/2019	BVVD19011	03VVD	PIU VVD - IT equipment	213130	6,571.73	B.3	4.09.01
07/06/2019	BVVD19011	03VVD	PIU VVD - IT equipment	213130	2,731.72	B.3	4.09.01
25/06/2019	BVVD19014	03VVD	PIU VVD - Office and Toilet improvement and	212130	4,616.56	B.3	4.09.01
27/06/2019	BVTP19023	04VTP	PIU VTP - IT equipment	213140	6,951.15	B.3	4.09.01
27/06/2019	BVTP19024	04VTP	PIU VTP Furniture for office	213150	4,997.84	B.3	4.09.01
02/07/2019	BLPB19017	02LPB	PIU LPB office maintenance	212130	7,858.78	B.3	4.09.01
18/07/2019	BVTP19033	04VTP	PIU VTP - Office improvement and	212130	7,210.51	B.3	4.09.01
24/07/2019	BLPB19020	02LPB	PIU LPB - Office equipment	213140	11,290.98	B.3	4.09.01
31/07/2019	BCPS19014	05CPS	PIU CPS - Office improvement and	626530	7,295.30	B.3	4.09.01
13/08/2019	DPCU19001	01PCU	PCU - PIU Vehicle and office equipment	214100	130,633.78	B.3	4.07.01
11/10/2019	BPCU19287	01PCU	PCU - Office equipment (Printer)	213130	274.72	B.3	4.08.01
17/10/2019	BPCU19295	01PCU	PCU - Office equipment (Printer)	213130	4,401.25	B.3	4.08.01
18/11/2019	BVVD19056	03VVD	PIU VVD - Vehicles 2 units	214100	40,248.73	B.3	4.09.01
26/12/2019	CVTP19037	04VTP	PIU VTP - Office equipment	213140	1,610.24	B.3	4.09.01
26/08/2020	BCPS20-0063	05CPS	PIU CPS - Office improvement and	626510	4,405.81	B.3	4.09.01
14/09/2020	BCPS20-0066	05CPS	PIU CPS - Office equipment and furniture	622130	5,094.11	B.3	4.09.01
02/10/2020	BLPB20-0108	02LPB	PIU LPB - opened bidding	626610	261.50	B.3	4.07.01
09/10/2020	BLPB20-0113	02LPB	PIU LPB - opened bidding	626610	59.65	B.3	4.07.01
29/12/2020	BPCU20-0712	01PCU	PCU - IT equipment (scanner)	213130	560.08	B.3	4.09.01
28/09/2021	BPCU20-1065	01PCU	PCU - IT equipment	213130	17,251.14	B.3	4.08.01
04/10/2021	DPCU21006	01PCU	PCU - Vehicle for PIU CPS ( Toyota pickup)	214100	92,880.00	B.3	4.07.01
30/05/2024	APCU24-0018	01PCU	PCU - Office equipment and furniture	213150	5,000.00	B.3	4.08.01
<b>Total</b>					<b>387,147.81</b>		

# Annual internal Audit Report of TIIGP2

## 1.2 Annual budget plan has not yet been approved in a timely manner

### Observation and implication:

As of 31 March 2025, the accounting team has not yet received the updated budget plan at activities level that adds up to the most recent updated main budget plan. Although the budget is approved in April 2025, this may affect the effectiveness of monitoring the budget plan at category level given the unrevised detail of the budget plan. The management team should prepare the finalized annual budget plan prior to the commencement of the financial year.

Description		Work plan		Disbursement		Difference		Percentage	
		FY2025 (1 Jan - 31 December 2025)		FY2024 (1 Jan - 31 December 2025)		FY2025 (1 Jan - 31 December 2025)		FY2025 (1 Jan - 31 December 2025)	
		ADB	GoL	ADB	GoL	ADB	GoL	ADB	GoL
<b>A. Investment Cost</b>									
A.1	Civil works	4,180,990.61	-	478,834.35	-	3,702,156.26	-	11%	
A.2	Equipment and Vehicles	813,000.00	-	267,318.70	-	545,681.30	-	33%	
A.3	Consulting services	861,735.00	-	271,030.54	-	590,704.46	-	31%	
A.4	Project Management	193,000.00	-	32,472.71	-	160,527.29	-	17%	
A.5	Capacity Building	1,012,500.00	-	92,887.86	-	919,612.14	-	9%	
A.6	Land Acquisition and Resettlement	4,000.00	-	-	-	4,000.00	-	0%	
<b>Subtotal (A)</b>		<b>7,065,225.61</b>	<b>-</b>	<b>1,142,544.16</b>	<b>-</b>	<b>5,922,681.45</b>	<b>-</b>	<b>16%</b>	
<b>B. Recurrent Cost</b>									
B.1	PCU and PIU Staff Cost	121,200.00	172,242.00	29,026.81	-	92,173.19	172,242.00	24%	
B.2	PCU and PIU Operations	179,866.67	33,604.00	22,045.89	-	157,820.78	33,604.00	12%	
B.3	PCU PIU Vehicle and Office Equipment	-	-	-	-	-	-		
<b>Subtotal</b>		<b>301,066.67</b>	<b>205,846.00</b>	<b>51,072.70</b>	<b>-</b>	<b>249,993.97</b>	<b>205,846.00</b>	<b>17%</b>	
<b>C. Contingencies</b>									
C.1	Physical Contingency	-	-	-	-	-	-	-	
C.2	Price Contingency	-	-	-	-	-	-	-	
<b>Subtotal (C)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total (A+B+C)</b>		<b>7,366,292.28</b>	<b>205,846.00</b>	<b>1,193,616.86</b>	<b>-</b>	<b>6,172,675.42</b>	<b>205,846.00</b>	<b>16%</b>	

# Annual internal Audit Report of TIIGP2

## 2. Follow-up consulting contracts

### 2.1 Contract not registered by proper judiciary body

#### Observation and implication:

There are 15 contracts extended to 26 June 2026 however the contracts were not registered by the judiciary body (court). As this used to be a comment by an external auditor back in 2019. It is crucial for the management team to keep on top of this as follows:

No	Name	Position	Date start	Date maturity	Contact No	PCSS	Contract Amount	New amount
1	Mr. Lomphet Phongsavanh	National Internal Auditor	01/02/2019	30/06/2026	TIIGP2-LAO-C11	G20087	105,904.00	132,024.00
2	Ms. Phongsith Davading	National Tourism Specialist/Deputy Team Leader	01/03/2019	30/06/2026	TIIGP2-LAO-C4	G20084	242,000.00	275,800.00
3	Mr. Vila Chanthavong	International Natural and Cultural Heritage Specialist	01/10/2020	30/06/2024	TIIGP2-LAO-C17	G22209	167,000.00	198,650.00
4	Mr. Vivath Sauvaly	National Monitoring and Evaluation Specialist	13/11/2019	30/06/2026	TIIGP2-LAO-C10	C21187	135,430.00	148,430.00
5	Mr. Misa Phouthilath	International Social Safeguards Specialist	14/06/2021	30/06/2026	TIIGP2-LAO-C19	C23267	146,180.00	218,440.00
6	Ms. Nida A. Calma	International Financial Management and Procurement Specialist	01/03/2019	30/06/2026	TIIGP2-LAO-C07	G20085	218,818.00	247,272.00
7	Mr. Henricus Braunius Ponne	International Tourism Specialist/Co-Team leader	01/03/2019	30/06/2026	TIIGP2-LAO-C02	G20083	930,000.00	999,062.00
8	Mr. Ross Alexander Corbett	International Tourism Standard Specialist	01/08/2019	30/06/2026	TIIGP2-LAO-C03	G20821	210,020.00	248,083.00
9	Mr. Christian Nyerup Neisen+Ms.	International Monitoring and	25/01/2022	30/06/2026	TIIGP2-LAO-C09	G20994	45,500.00	45,500.00
10	Ms Vongchanh Indavong	External Social Safeguards Monitor (Ms Vongchanh INDAVONG)	20/09/2022	30/06/2026	TIIGP2-LAO-C21	0029	42,000.00	42,000.00
11	Mr. Jethro Stem/ Paul Van Strijp	International Social Safeguards Specialist	15/06/2024	30/06/2026	TIIGP2-LAO-C18A	0079	60,000.00	104,440.00
12	Ramboll Company (USD)	Project Management and Civil work	01/07/2019	31/12/2025	TIIGP2-LAO-C01	C20711	3,144,561.67	4,252,744.37
13	Ramboll Company (EUR)	Project Management and Civil work	01/07/2019	31/12/2025	TIIGP2-LAO-C01	C20712	936,960.05	1,174,459.71

*Annual internal Audit Report of TIIGP2*

No	Name	Position	Date start	Date maturity	Contact No	PCSS	Contract Amount	New amount
14	Ceteau-Panyathilath Jointventure Co.,Ltd.	Vangvieng landfill	02/03/2021	01/02/2024	TIIGP2-LAO-W04	G22778	3,156,160.08	3,265,649.98
15	Khamfong Group Sole Co., Ltd.	Nam ngeum Reservoir Access	11/05/2021	30/09/2025	TIIGP2-LAO-W02	G23079	4,669,065.14	5,330,799.28
		Total :					14,209,598.94	16,683,354.34
		Increase					<b>2,473,755.40</b>	

# ***Annual internal Audit Report of TIIGP2***

## **3. Control over fixed assets**

### **3.1 Not properly prepare handover report on new purchased of fixed assets**

#### **Observation and implication:**

Supporting documents for the fixed assets purchase of PIU LPB, an PIU CPS hasn't yet been posted to PIU LPB and CPS. This could result in incomplete file of the purchase when external audit takes place. Also, handover report for and the memorandum of delivery, and the detailed list have not yet been found for new purchased of Fixed assets of PCU Office..

### **3.2 Control over vehicles' logbook**

#### **Observation and implication:**

Vehicle logbook not properly reported for PCU and 4 PIUs.

### **3.3 Fixed asset test count must be implemented at the end of the year 2025**

#### **Observation and implication:**

It has come to the fact that some fixed assets' items are not located as presented in fixed asset registered sheets for (PCU and PIUs office). The accounting team should perform physical verification

before closing the project year 2025 and reconcile the fixed asset registered summary sheet with the physical count - disposal should be done if applicable.

## Annual internal Audit Report of TIIGP2

### 4. Follow-up resolving Audit issues Y2023

#### a. The issue in 2023 partly resolved

Previous year observation	Revision of audit team	Responsibility	Timeline
<b>Recurrent Costs</b>			
Fuel and telephone fees each month for project's staff refer to decision of Minster Mistry of Information, culture and Tourism No. 535/MICT 06/10/2021 and Notice 805/TIIGP2 08/09/2021		Project management	Implemented Oct 2023
in 2022 over rate 171,000,000 LAK	+ Jan-Sep 2023 PCU and 4 PIUs continue to disburse fuel amount \$ 5,853.49 equivalence 107,800,000 LAK and telephone fees \$2,367.32 equivalence 43,600,000 LAK  + Jan-Sep 2023 PIUs VVD,VTP,LPB,CPS continue to disburse fuel amount \$ 4,440.28 equivalence 79,200,000 LAK and telephone fees \$2,220.16 equivalence 39,600,000 LAK	Project management	In progress

### 3.2 External auditors' Observation and implication 2023 and need to be corrected

Previous year observation	Revision of audit team	Responsibility	Timeline
<b>Internal Control</b>			
In 2023 in Vientiane Province, 2 project coordinator executives have been replaced because the former has retired but no written agreement has been issued	Refer to Notice No. 011/TIIGP2 date 04 Jan 2022 and 169/VTP Date 16/02/2022 regarding the right and duties / Job description of the PCU and PIU staff and office Coordinators	Project management	Resolved

***Annual internal Audit Report of TIIGP2***

Previous year observation	Revision of audit team	Responsibility	Timeline
Strengthening expenditure budget plan (A5) budget plan \$4,400,000 accumulated \$3,959,829.27 paid in 2023 \$455,211.12 ending balance \$4,415,040.39, over budget plan \$15,040.15 equivalence 34%	Should be revised, there is a risk that other expenses category will not be implemented	Project management	Resolved in 2024
In 2023, the PIU-VVD deposited money from the bank into the petty cash 29 times, there were over limited amounting \$6,896.99 or 125,791,228 LAK	Petty cash received over limited refer to Project hand book 003/TIIGP2 22/02/2019	Accounting - Finance	Resolved
In 2023 project have been procured equipment 5 items and amount \$96,852 for Homestay for provinces not included in the project target : Thoolakhom, Phonhong, Vientiane province, Oudomxay province, Phothong, Paksong, Sanasomeboun Champasack prince and Lunagnamtha province)	The main activities of the project may not carried out, should be followed Project handbook No.G0599-Lao dat 22/05/2018 and article 5 Decision 03/NA date 02/11/2017 base regulation of state procurement policy	Project management	Resolved
In 2023, the PCU has paid \$2,000 for translating documents, but the contract does not specify the calculation of the translation value	There was not price comparison, the project should be clearly defined in the contract as a financial saving for the project	Project management	Resolved

**Annual internal Audit Report of TIIGP2**

Previous year observation	Revision of audit team	Responsibility	Timeline
<p>In 2023 PCU office paid space rent, design fee for the international Tourism Exhibition China, amount approved by Minister of MICT PO no. 527/TIIGP2 Date 31 Aug 2023 amount \$12,000. But the actual expense was \$15,180.14 over budget \$3,180.14</p>	<p>Amount recognized in account transaction over amount in the supporting document, it makes the budget expenditure inconsistent with the supporting document refer to article 15 of the agreement on budget expenditure law No. 0200/ MoF date 25 Jan 2023 and project must be refer to Project manual No. G0599-Lao Date 22 May 2018</p>	<p>Project Management and Accounting - Finances</p>	<p>Resolved</p>
<p>In 2023 the project paid to upgrade English proficiency fee for 5 staff of MICT amount \$5,610 equivalence 101,386,060 LAK, which is considered to be within the project's objective</p>	<p>The payment makes the budget expenditure inconsistent with agreement, and inconsistent with manual, and should be based on article 15 of the agreement on budget expenditure law no.0200/MoF date 25 Jan 2023 and Project Manual G0599-Lao date 22 May 2018</p>	<p>Project Management and Accounting - Finances</p>	<p>Resolved</p>
<p>1.3.4.1 Civil work Kengyui Vangvieng Contract No TIIGP2-Lao-W03 15/07/2021 \$8,829,630.71 (period 23 July to 01 September 2024) not completed, Ext from 01/09/2023 to 01/09/2024 amount \$5,091,889.08 ( 61.49% contract)</p>	<p>Contract No TIIGP2-Lao-W03 24 months (01/09/2021 - 01/09/2023)</p>	<p>Project management</p>	<p>Resolved</p>
<p>+ Road access Kengyui 6 KM amount \$1,859,530.19 completed 80% &amp; bridge 3 units not completed</p>		<p>Project management</p>	<p>Resolved</p>

**Annual internal Audit Report of TIIGP2**

Previous year observation	Revision of audit team	Responsibility	Timeline
<p>+ access surrounding road 01 &amp; 04 asphalt length 26 KM amount \$3,837,859.20 completed 64%, concrete bridge \$641,815.22 completed 70%, road #3 #4 not asphalt, public toilet completed 65%, water reservoir completed 90%</p>		Project management	Resolved
<p>1.3.4.1 Road and tourism sight in Nam Ngeum Project VTP Contract No TIIGP2-Lao-W02 24 months (01/07/2021 - 30/06/2023) \$4,669,065.14 revised contr. 26/04/2024 add task 6 items amount \$661,134.14 to \$5,330,799.28 Ext. 12 months from 30/06/2023 to 30/06/2024 ( period 36 months)</p>	<p>Construction delay: (completed - Marina completed 50%, - Merchandise shops 55%, - Concrete road 85%)</p>	Project management	Resolved
<p>+ In January 2024 applied to payment 10 time amount \$3,503,043.03 work completed only 71.10%</p>	<p>Outstanding work : Parking lots, public toilet, Garbage disposal, Plumbing, Sewer gages, Installation of plumbing fixtures</p>	Project management	Resolved
<p>In 2023 the Project purchase Notebook computer Accer-Branded value \$14,000 and handed over to Department of Information, culture and Tourism of each province for use, however there are not included the project's</p>	<p>The expenditure in excess of the project budget, recommends that the project be used in accordance with article 07 on the Management and use of state assets Lao on asset (Revised version) No. 14/NA, Date 05 July 2012</p>	Project management	Resolved

# Annual internal Audit Report of TIIGP2

## Appendix 2.1.1: Fuel and Telephone fees for project 's management

Output	Description	Actual Expense			Decision 535 / Notice 805			Diff
		Fuel fee	Telephone fee	Total	Fuel fee	Telephone fee	Total	
		1	2	3=1+2	4	5	6=4+5	7=3-6
<b>2023</b>								
4.05.02&.03	Fuel & Telephone fees	107,800,000.00	43,600,000.00	151,400,000	90,000,000	29,160,000	119,160,000	32,240,000
4.05.02&.03	Fuel & Telephone fees	19,800,000.00	9,900,000.00	29,700,000	10,460,000	1,200,000	11,660,000	18,040,000
4.05.02&.03	Fuel & Telephone fees	19,800,000.00	9,900,000.00	29,700,000	10,460,000	1,200,000	11,660,000	18,040,000
4.05.02&.03	Fuel & Telephone fees	19,800,000.00	9,900,000.00	29,700,000	10,460,000	1,200,000	11,660,000	18,040,000
4.05.02&.03	Fuel & Telephone fees	19,800,000.00	9,900,000.00	29,700,000	10,460,000	1,200,000	11,660,000	18,040,000
<b>Total for FY2023</b>		<b>187,000,000</b>	<b>83,200,000</b>	<b>270,200,000</b>	<b>131,840,000</b>	<b>33,960,000</b>	<b>165,800,000</b>	<b>104,400,000</b>
<b>2024</b>								
4.05.02&.03	Fuel & Telephone fees	69,327,000.00	14,200,000.00	83,527,000	52,500,000	9,720,000	62,220,000	21,307,000
4.05.02&.03	Fuel & Telephone fees	-	-	-			-	-
4.05.02&.03	Fuel & Telephone fees	-	-	-			-	-
4.05.02&.03	Fuel & Telephone fees	-	-	-			-	-
4.05.02&.03	Fuel & Telephone fees	-	-	-			-	-
<b>Total for FY2024</b>		<b>69,327,000</b>	<b>14,200,000</b>	<b>83,527,000</b>	<b>52,500,000</b>	<b>9,720,000</b>	<b>62,220,000</b>	<b>21,307,000</b>
<b>Sub-total</b>		<b>1,487,869,634</b>	<b>1,013,802,900</b>	<b>2,501,672,535</b>	<b>1,057,780,000</b>	<b>430,440,000</b>	<b>1,488,220,000</b>	<b>1,013,452,535</b>

## Appendix 16: Financial Report as of 31 March 2025

### Statement of Cash Receipts and Payment

Cat	Description	1 Jan - 31 December 2024	1 Jan - 31 March 2025	Cumulative to Date 31 March 2025
<b>Receipts</b>				
	<b>Asian Development Bank (ADB)</b>	<b>6,211,255.48</b>	<b>1,523,508.17</b>	<b>38,524,675.48</b>
189100	<b>Initial Advances</b>	-829,612.74	0	1,470,387.26
189200	<b>Replenishments</b>	2,285,515.46	823,193.85	15,162,784.81
189300	<b>Direct Payments</b>	4,755,352.76	700,314.32	21,891,503.41
151100	<b>Government of Lao PDR (GoL)</b>	205,846.00	0	1,080,539.60
	Total Receipts	<b>6,417,101.48</b>	<b>1,523,508.17</b>	<b>39,605,215.08</b>
<b>Payment by Category</b>				
A.1	Civil works	4,638,723.34	477,985.62	19,384,375.45
A.2	Equipment and Vehicles	337,705.17	267,318.70	1,166,125.70
A.3	Consulting services	1,285,058.79	271,030.54	8,213,792.12
A.4	Project Management	104,211.29	32,472.71	857,836.34
A.5	Capacity Building	543,890.78	92,887.86	5,051,817.91
A.6	Land Acquisition and Resettlement	324,168.24	0	1,255,546.26
B.1	PCU and PIU Staff Cost	276,509.39	29,026.81	1,222,020.71
B.2	PCU and PIU Operations	105,286.46	22,045.89	1,088,635.07
B.3	PCU PIU Vehicle and Office Equipment	5,000.00	0	387,146.01
<b>Total</b>		<b>7,620,553.46</b>	<b>1,192,768.13</b>	<b>38,627,295.57</b>
<b>Opening Balance</b>				
Cash in Bank and Cash on Hand				
	Advance Account	1,587,551.53	541,318.68	-
	Sub accounts	263,079.85	105,800.08	-
	Cash on Hand	-	60.64	-
	<b>Total</b>	<b>1,850,631.38</b>	<b>647,179.40</b>	<b>0.00</b>
<b>Closing Fund Balance</b>				
Cash in Bank and Cash on Hand				
	Advance Account	541,318.68	679,822.80	679,822.80
	Sub accounts	105,800.08	298,096.64	298,096.64
	Cash on Hand	60.64	-	-
	Other AR	-	-	-
<b>Total</b>		<b>647,179.40</b>	<b>977,919.44</b>	<b>977,919.44</b>

Statement of Budget vs Actual Expenditure

Description	Revised Allocation		Expenditure						Difference	
	2019 - 2026		FY Jan to Dec 2023		FY 2024 Jan to Mar 2024		Cumulative			
	ADB	GoL	ADB	GoL	ADB	GoL	ADB	GoL	ADB	GoL
<b>A. Investment Cost</b>										
1 Civil works	24,980,000.00		4,638,723.34		477,985.62		19,384,375.45	-	5,594,776.30	-
2 Equipment and Vehicles	2,250,000.00		337,705.17		267,318.70		1,166,125.70	-	1,083,874.30	-
3 Consulting services	9,190,000.00		1,285,058.79		271,030.54		8,213,792.12	-	976,207.88	-
4 Project Management	1,040,000.00		104,211.29		32,472.71		857,836.34	-	182,163.66	-
5 Capacity Building	5,390,000.00		543,890.78		92,887.86		5,051,817.91	-	338,182.09	-
6 Land Acquisition and Resettlement	1,300,000.00		324,168.24		0.00		1,255,546.26	-	44,453.74	-
<b>Subtotal (A)</b>	<b>44,150,000.00</b>	<b>0.00</b>	<b>7,233,757.61</b>	<b>0.00</b>	<b>1,141,695.43</b>	<b>0.00</b>	<b>35,929,493.78</b>	<b>0.00</b>	<b>8,219,657.97</b>	<b>0.00</b>
<b>B. Recurrent Cost</b>										
1 PCU and PIU Staff Cost	800,000.00	960,000.00	104,267.39	172,242.00	29,026.81		578,501.34	643,519.37	221,498.66	316,480.63
2 PCU and PIU Operations	1,080,000.00	580,000.00	71,682.46	33,604.00	22,045.89		651,614.84	437,020.23	428,385.16	142,979.77
3 PCU PIU Vehicle and Office Equipmen	370,000.00		5,000.00	-	-	-	387,146.01	-	-17,146.01	-
<b>Subtotal (B)</b>	<b>2,250,000.00</b>	<b>1,540,000.00</b>	<b>180,949.85</b>	<b>205,846.00</b>	<b>51,072.70</b>	<b>0.00</b>	<b>1,617,262.19</b>	<b>1,080,539.60</b>	<b>632,737.81</b>	<b>459,460.40</b>
<b>Subtotal</b>	<b>46,400,000.00</b>	<b>1,540,000.00</b>	<b>7,414,707.46</b>	<b>205,846.00</b>	<b>1,192,768.13</b>	<b>0.00</b>	<b>37,546,755.97</b>	<b>1,080,539.60</b>	<b>8,852,395.78</b>	<b>459,460.40</b>
<b>C. Contingencies</b>										
1 Physical Contingency	300,000.00	60,000.00	-	-	-	-	-	-	300,000.00	60,000.00
2 Price Contingency	300,000.00	90,000.00	-	-	-	-	-	-	300,000.00	90,000.00
<b>Subtotal (C)</b>	<b>600,000.00</b>	<b>150,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>600,000.00</b>	<b>150,000.00</b>
<b>Total (A+B+C)</b>	<b>47,000,000.00</b>	<b>1,690,000.00</b>	<b>7,414,707.46</b>	<b>205,846.00</b>	<b>1,192,768.13</b>	<b>0.00</b>	<b>37,546,755.97</b>	<b>1,080,539.60</b>	<b>9,452,395.78</b>	<b>609,460.40</b>