

Evaluation Summary

Urban development project in Luang Prabang (PADUL)

Country: **Lao PDR**

Sector: **Urban development**

Evaluator: **ASCONIT Consultants**

Date of the evaluation: **November 2016**

Key data on AFD's support

Projet number: CLA 3010

Amount: €2 million in grant

Disbursement rate: 100%

Signature of financing agreement: June 2009

Completion date: June 2014

Total duration: 5 years



Context

PADUL is composed of PADUL I (2009-2014, €2 million) and PADUL II (2012-2019, €2 million), the latter including one component in Vat Phu (Champasak province).

PADUL is the third stage of projects financed (through grants) by the AFD in Luang Prabang to support urban development with for purpose to ensure the **preservation of the tangible and intangible heritage of the cultural city**.

The two previous stages have closely involved a decentralized cooperation (City of Chinon), which enabled the establishment of the Heritage house of Luang Prabang (HHLP). In 2009, the HHLP was transformed into World heritage office and urban development administration authority (WHOLP), established as a provincial department.

Actors and operating method

- **The contracting authority** was the People's Democratic Republic of Lao.
- **The project management unit** was the WHOLP.

Objectives

1. **To preserve and highlight the protected area of LPB by supporting physical works.**
2. **To foster sustainable development of the city by the improvement of urban management tools and by encouraging creation of LPB municipality.**
3. **To strengthen the Heritage House to turn it into a guardian of the preservation of the site.**

Expected outputs

- **Heritage building remediation.**
- **Strengthened abilities of the municipality.**

Performance assessment

Relevance

PADUL I contributed to **balance dangers threatening the World heritage site** in consistence with Unesco policy. The project was also in **consistence with provincial authorities' expectations** in the context of **decentralization**, although this is just starting after over a decade of it being expected.

The project is also consistent with the orientation of the French cooperation in the urban sector in Laos.

Effectiveness

In spite of the delay in the implementation, facilitated by the program revision in 2013, **all activities planned were achieved**. In particular, the quality of construction works is good. Aside from the technical quality of local teams involved, effectiveness has likely benefited from the relative flexibility of the management of the projects as well as from institutional arrangements permitting full support from the local authorities.

Efficiency

By choosing a local project ownership with two local implementing agencies, **the fund was used in an optimal manner** and allowed to implement multiple activities. There were **no cost overruns**.

Efficiency was however affected by the **delays during implementation**.

Impact

The program had positive impacts on the city of Luang Prabang (**heritage preservation**) and on its residents (**job creation**).

Moreover, the program contributed to **increase the legitimacy** of publication by providing **urban management tools** to prevent adverse effects of business development, in particular **tourism**.

However, the impacts in terms of support to policy dialogue are more **limited**.

Sustainability

The situation of WHO & UDAA remains **financially fragile** and the start of decentralization process raises many questions for the future, for instance with regard to **planning**.

Also, other key players of the development of PADUL, such as the business community, was not much involved in PADUL I. This may also **weaken the good results** achieved in the long-term.

Added value of AFD's contribution

The support of the AFD to **capacity strengthening** was successful.

Also the management of the project, in spite of the limits highlighted above, was globally successful thanks to its **relative flexibility**.

Conclusions and lessons learnt

Long-term efforts to strengthen capacities should be regarded as **positive**, in particular in the case of the WHOLP.

Yet, the experience of the program suggests that having had an external support, limited to the first or second year of PADUL I would have likely shortened the period made necessary to the implementing agencies to familiarize themselves with the procedures. Technical skills of the three agencies supported have made significant progress, but their **weak point remains project management**.

Finally, this report recommends to **continue supporting Luang Prabang but with limited budgets** and to explore the ways to achieve a **better coordination with other donors**. In turn, and rich of the experience learnt in Luang Prabang, further support to Vat Phu Champasak represents a fecund way to achieve general objectives of PADUL; not only in Champasak, but also in other provinces of Laos and also in neighbouring countries. Indeed, although Luang Prabang represents a rare case in Asia, as a large part of its core is protected, **this approach can be extended, if adapted, to other areas in Laos and in neighbouring countries**.