



## Integrated Rural Development in Poverty Regions of Lao PDR (NU-IRDP)

The Integrated Rural Development in Poverty Regions of Lao PDR (NU-IRDP) is the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH contribution to the Government of Laos' Northern Uplands Development Programme (NUDP). As a Programme-based Approach (PBA), the NU-IRDP complements a set of other support measures financed by a group of donors including the French AFD, the European Union and the Swiss SDC, who mainly contribute to a pooled fund for the procurement of technical assistance services to implement some NUDP activities that aim to strengthen the concerned government agencies.

NUDP and NU-IRDP operate in three districts each, of Luang Prabang, Phongsaly and Huapanh Provinces, which number among the poorest in Laos. The support components comprise advice to selected government authorities at the national and local/regional levels, supply of material and equipment, and subsidies for the preparation of plans and for training and workshops.

NU-IRDP follows up on two other ongoing Lao-German TC programmes, Integrated Rural Development in Mountainous Areas of the Lao People's Democratic Republic and Land Policy Development. Promising approaches have already been developed in these programmes, but have not yet been transferred and adapted to the NUDP target provinces. Also, the local rural population has not been sufficiently involved in processes of economic and social development.

The relevant government authorities, consisting of the Ministry of Agriculture and Forestry, which is the executing agency of the Lao NUDP, as well as the Ministry of Planning and Investment, the National Leading Board for Rural Development and Poverty Eradication, the National Land Management Authority, and the Ministry of Health, want to strengthen their performance and coordination capabilities. At present they lack sufficiently trained staff, and they have very limited funds to carry out activities.

The programme's focus is not only to improve the capacities of these ministries and agencies at the national level, but also to strengthen their capacities at the provincial, district and village levels. In order to promote the participation of the village population in all development activities, the Government of Laos has decided to further strengthen the level of village clusters – the *kumban*. The *kumban* are intended to act as an intermediary institutional level between villages or hamlets and districts, and must therefore be strengthened. This would enable the village population to take a more active part in community development planning and enable them to draw on governmental services. Besides improving local economic and social planning, strengthening the *kumban* may also support mapping of the land used by communities and households, which will provide an improved basis for land titling and registration. In general, secure property rights enhance the willingness of villagers to invest in land.

Strengthening the *kumban* will also make it possible to more effectively approach the poorest regions in a drive to eradicate extreme poverty. The experiences from these governance and capacity development initiatives will be fed back into national policies as well as development and poverty eradication strategies at the national government level. These programme components are scheduled to run until December 2013.

In addition to the governance components, NU-IRDP is also implementing a small facility financed and commissioned by the European Union (EU) as a Delegated Cooperation with the German Federal Ministry for Economic Cooperation and Development (BMZ), which aims to improve food security in the target communities. This EU Food Facility Action (FFA) is assisting *kumban* in the target areas with the implementation of small infrastructure projects which help to achieve better and more secure food production and better health conditions. This closely ties in with a complementary set of activities to raise nutrition awareness in order to counter under- and malnourishment and to adjust agricultural production and food crop management accordingly. Since latent rodent infestation and rodent outbreaks cause substantial damage in the fields as well as substantial post-harvest losses, a third set of activities aims to control rodent infestation and periodic outbreaks at the early stages. The implementation of the FFA is scheduled to end by October 2011.

The overall term of the German contribution to the programme through NU-IRDP is planned for 12 years (January 2010 to December 2021). The BMZ has commissioned GTZ for a first phase of four years (from January 2010 to December 2013) for technical cooperation services and procurement to support the governance components, at a value of up to EUR 4,000,000. European Union co-financing for the FFA of up to EUR 2,000,000 covers the period from January 2010 to October 2011.

The innovative PBA approach which integrates the BMZ-funded NU-IRDP technical cooperation programme into the Lao Government's own area development approach NUDP, requires special coordination efforts with all stakeholders – ministries, donors, provinces, districts, *kumban*, as well as other agencies and NGOs already working there. Intensive coordination with the three other donors – AFD, EU and SDC – who are involved in policy dialogue and program design and who contribute to a pooled fund from which additional technical assistance consulting services will be recruited, strengthens the Lao government's own programme. This approach promotes Lao ownership and harmonisation, and moreover improves coordination amongst donors. Thus, it substantiates the Vientiane Declaration for Aid Effectiveness, signed by all participating donors and the Government of Laos.



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