REPORT NO.: RES38446

RESTRUCTURING PAPER

ON A

PROPOSED PROJECT RESTRUCTURING

OF

LAO PDR HEALTH GOVERNANCE AND NUTRITION DEVELOPMENT PROJECT

APPROVED ON MAY 18, 2020

TO

LAO PEOPLE'S DEMOCRATIC REPUBLIC

HEALTH, NUTRITION & POPULATION

EAST ASIA AND PACIFIC

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ABBREVIATIONS AND ACRONYMS

ANC	Antenatal Care
CRI	Corporate Results Indicators
DDO	Deferred Drawdown Options
DHIS2	District Health Information System version 2
DLIs	Disbursement Linked Indicators
DPC	Department of Planning and Corporation
DPT-HebB-Hib	Diphtheria, Tetanus, Pertussis, Hepatitis B, and Hemophilus vaccine
EA	Environmental Assessment
EPI	Expanded Program for Immunization
FP	Family Planning
GoL	Government of Laos
HANSA	Health and Nutrition Services Access Project
HGNDP	Health Governance and Nutrition Development Project
HMIS	Health Management Information System
HNP	Health, Nutrition, and Population
IAI	Independent Academic Institute
IDA	International Development Association
IEC	Information, Education, Communication
IPV	Inactivated Poliovirus Vaccine
IUD	Intrauterine Device
Lao PDR	Lao People's Democratic Republic
M&E	Monitoring and Evaluation
MCH	Maternal and Child Health
MDTF-IDFHP	Multi-Donor Trust Fund for Integrating Donor-Financed Health Program
MOH	Ministry of Health
MR	Measles and Rubella
NHIB	National Health Insurance Bureau
NPCO	National Project Coordination Office
PDO	Project Development Objective
PHRD	Policy and Human Resource Development
PNC	Postnatal Care
QPS	Quality Performance Scorecard
RMS	Results Measurement System
SBCC	Social Behavior Changes and Communication
SDR	Special Drawing Rights
TA	Technical Assistance

BASIC DATA

Product Information

Project ID	Financing Instrument
P151425	Investment Project Financing
Original EA Category	**Current EA Category**
Partial Assessment (B)	Partial Assessment (B)
Approval Date	**Current Closing Date**
23-Jun-2015	31-Dec-2020

Organizations

Borrower	Responsible Agency
Lao People's Democratic Republic	Ministry of Health

Project Development Objective (PDO)

Original PDO

The Project development objective is to help increase coverage of reproductive, maternal and child health, and nutrition services in target areas in Lao PDR.

Current PDO

The Project development objective is to help increase coverage of reproductive, maternal and child health, and nutrition services in target areas in Lao PDR, and to provide immediate and effective response in case of an Eligible Crisis or Emergency.

Summary Status of Financing

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IDA-61450	27-Sep-2017	06-Nov-2017	26-Dec-2017	31-Dec-2020	10.00	6.83	3.06
IDA-56760	23-Jun-2015	17-Aug-2015	12-Oct-2015	31-Dec-2020	13.20	12.42	.83
IDA-D0730	23-Jun-2015	17-Aug-2015	12-Oct-2015	31-Dec-2020	13.20	12.90	.01
TF-A5620	06-Nov-2017	06-Nov-2017	26-Dec-2017	31-Dec-2020	4.00	3.63	.37

TF-A6106	27-Sep-2017	06-Nov-2017	26-Dec-2017	31-Dec-2020	1.00	1.00	0

Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. Project Status Project Status

1. The original IDA Grant (D073-LA) and Credit (5676-LA) for the Lao PDR Health Governance and Nutrition Development Project (HGNDP) were approved on June 23, 2015, and became effective on October 12, 2015, with total financing of SDR 18.8 million (US$26.4 million equivalent). The original project development objective (PDO) was to help increase coverage of reproductive, maternal and child health, and nutrition services in target areas in Lao PDR. The project uses a combination of results-based financing through disbursement-linked indicators (DLIs) and input-based financing—with over 73 percent of total project value invested through DLIs, of which a large part is disbursed directly at the provincial level, and the remaining 27 percent shared across different departments in the Ministry of Health (MOH). The project received an additional financing (AF) in September 2017 in the amount of SDR 7.2 million IDA Credit (US$10 million equivalent) and co-financing grants from the Multi-Donor Trust Fund for Integrating Donor-Financed Health Program (MDTF-IDFHP) (TF0A5620) (US$4 million) and from the Japan Policy and Human Resources Development (PHRD) Trust Fund (TF0A6106) (US$1 million). The total project value is therefore US$ 41.4 million equivalent with the current project closing date of December 21, 2020. As of March 31, 2020, disbursement is at 87.6 percent.

2. The HGNDP has so far made an important contribution to the Lao PDR health sector. Under Component 1: Health Sector Governance Reform, the project has been supporting extensive use and expansion of the District Health Information System version 2 (DHIS2) as a tool to effectively monitor delivery of services through an integrated central platform. Strengthening of the Health Information System is one of the five priority areas for reform under the Lao Health Sector Reform Strategic Framework (2013-2025). The project has supported integration of different vertical program data into DHIS2, development of event capture and direct data entry at subnational levels to the level of health centers. The project is also supporting the roll out of a village health information system (Family Folder) which will provide denominators for calculation of service coverage and is a strong priority of the government. Under Component 2: Service Delivery, the achievement of DLIs have contributed to strengthening the capacity at both central and provincial levels in output-based planning and budgeting; the use of DLIs has gained wide interest by the Government of Lao PDR (GoL) to further continue and expand this funding modality. Under Component 3: Nutrition Social and Behavior Change Communication, the project has been supporting the development and implementation of a Social Behavior Change Communication (SBCC) Strategy, thus contributing to health and nutrition service delivery and uptake through an integrated approach. At the community level, the project is contributing to establishing nutrition-related SBCC platforms in a total of 881 villages in the 12 selected priority districts of four target northern provinces with high levels of stunting, thus contributing to the multi-sectoral approach to achieve impact on the reduction of child stunting. Component 4: Project Management, Monitoring and Evaluation has contributed to intensified supervision and monitoring at provincial levels as well as introducing independent verification of the data collected through DHIS2, thus contributing to significant improvement of reporting and data quality.

3. Progress toward achievement of PDO has been rated satisfactory and overall implementation progress has been rated moderately satisfactory in the past 12 months. The moderately satisfactory rating of implementation progress was mainly due to delays in the implementation of Component 3; with the situation further exacerbated by the ongoing COVID-19 pandemic which has delayed the training of village facilitators and roll out in the Phase 4 villages. Monthly SBCC sessions in the Phase 1-3 villages are currently only being conducted in a partial manner. By the end of the project it is expected that the nutrition SBCC platform would be established in 881 villages. While the data verification process has identified several implementation and reporting weaknesses, indicators suggest that the project is on track to achieve the PDO. The project continues to meet all compliance requirements.

4. On March 13, 2020 the Government of Lao PDR (GoL) submitted a request for project restructuring requesting: (i) a reallocation between expenditure categories by transferring the remaining balance of Component 2 (DLIs) to Component 4 (project management and M&E); (ii) additional support for the post-flood rehabilitation in the target provinces; (iii) extension of the current project closing date of December 31, 2020 by 12 months to December 31, 2021; and (iv) modification of the results framework to align the end targets with the new closing date.

II. DESCRIPTION OF PROPOSED CHANGES

A. Reallocation between expenditure categories and additional activities under Components 2 and 4

5. The restructuring proposes reallocation between expenditure categories by transferring the unused balance from the category “Eligible Expenditure Program” (Category 1) to the Category “Goods, non-consulting services, consulting services, training and workshops, and Operating Costs” (Category 2) , to accommodate the expanded scope of activities as described below. The balance under Category 1 is generated from the accumulated savings from the unachieved or underachieved targets of the five years of DLIs. The project has so far implemented five rounds of DLIs, from Year 0 to Year 4, with the final round of DLIs (Year 4) completed in June 2019. Out of the total budget of US$30.4 million allocated to the DLI component (Component 2), approximately US$25.7 million was disbursed against achievement of targets in the last five rounds, leaving a balance of approximately US$4.7 million.

6. Under Component 4, the project has so far been providing technical and operational support for day-to-day coordination, administration, fiduciary management, environmental and social safeguards, and monitoring and evaluation (M&E). It also supports intensified supervision and monitoring at provincial levels as well as independent verification of the achievement of DLIs. Under the AF, technical assistance (TA) for the improvement of financial management and expenditure tracking at central, provincial and district levels as well as improvement of the capacity for results-based management and planning for DLI implementation were added. The reprogramming of the undisbursed balance will support the following additional activities under Component 2 and 4 respectively: (i) support to post-flood rehabilitation activities to ensure continued delivery of key MCH and nutrition services that are fully aligned with the project development objectives; and (ii) support to preparatory activities for the new Health and Nutrition Services Access Project (HANSA), particularly in the areas of rolling out the quality and performance score card and strengthening FM capacity at subnational levels.

a) **Support to post-flood rehabilitation activities to ensure continued delivery of key MCH and nutrition services.** The GoL requested the World Bank to use some of the project savings to post-flood rehabilitation that occurred in September 2019 and has significantly affected six southern provinces (Champasak, Sekong, Attapue, Savannakhet, Salavan and Khammuan)[1]. To mitigate the risk of disruption of health service delivery in these areas, it was agreed that activities will primarily support these flood-affected provinces. Some savings from the DLIs will thus be used for input-based activities including procurement of essential drugs and medical supplies, training and operational costs in the affected project target provinces. The MOH has prepared a costed action plan detailing out the activities to be carried out during the remaining period of HGNDP to continue delivery of MCH and nutrition services. Continuation of these activities are critical both to in support of achievement of the 10 National Assembly indicators as well as achievement of the project development objectives.

b) **Support HANSA preparatory activities.** HANSA was approved by the World Bank's Board of Executive Directors on March 12, 2020[2]. The project's agreement was signed on April 28, 2020 and become effective in August 2020. However, given the GoL's request to align the funds flow with the third phase (2021-2025) of the Health Sector Reform Strategic Framework (2013-2025) which will be implemented through the 9th five years health sector development plan from 2021-2025, the project funds will only begin to disburse in January 2021. It has therefore been agreed that some of the critical activities that require preparation prior to the HANSA's effectiveness will need to be supported under HGNDP to ensure seamless transition between the two projects.

   Preparation of Quality and Performance Scorecard implementation. The supervisory checklist (provincial DLI 6) introduced under HGNDP is being developed under HANSA into a Quality and Performance Scorecard (QPS) to more systematically assess both the readiness and the quality and performance of the health centers in line with the MOH Quality of Health Care strategy. For the roll out to happen in time, development and field testing of the tools, recruitment of assessors and their training, are among the activities that are required to ensure readiness by HANSA effectiveness. Some of HGNDP funds are therefore being proposed to support these preparatory activities. Given the criticality of this preparation to ensure smooth transition from HGNDP to HANSA for quality improvement, additional intermediate outcome level indicator has been added to ensure these preparatory activities are conducted on time.

[1] According to the damage assessment conducted by the MOH, the estimated population directly affected was over 900,000 in 41 districts.

[2] Project Appraisal Document, report number: PAD3533, is available via the following link: http://documents.worldbank.org/curated/en/298581584324067365/pdf/Lao-Peoples-Democratic-Republic-Health-and-Nutrition-Services-Access-Project.pdf

Strengthening of financial management (FM) capacity at subnational levels. As HANSA will channel some funds from QPS directly to health center levels, further strengthening of FM capacity at subnational levels, technical staff/local consultants to develop health center FM guidelines and training manuals and assistance with roll-out to build capacity at sub-national levels is proposed. Development of the sub-national FM guidelines and roll-out of FM training at sub-national levels are critical preparatory activities for the country's goal of achieving universal health coverage. Hence an additional indicator has been added to measure the health center readiness in conducting FM-related activities.

7. The activities under this restructuring will not trigger any change or require any update to the Project's existing safeguard instruments.

B. Extension of the project closing date

8. GoL has requested an extension of the project closing date by 12 months, from the current December 31, 2020 to December 31, 2021 to ensure full completion of the activities mentioned above. In addition, implementation delays of Component 3 (nutrition SBCC) due to the country's lockdown by COVID-19 would require additional time to ensure full completion of the SBCC roll out in all the 881 villages. The team has discussed with GoL the cost implications of this one year extension and agreed that a large part of the project management-related costs (including extension of National Project Coordination Office (NPCO) personnel, operating cost, cost of supervision etc.) could be absorbed under the HANSA project which is expected to become effective by August 2020 with disbursement to begin in January 2021, given that there is a large overlap in the NPCO team working on the two projects. This would also ensure synergies and close coordination across the two projects.

9. In addition to the extension of IDA Grant and Credits, based on request from GoL, the team requests extension of the two trust funds (TFs): MDTF-IDFHP (TF0A5620) and PHRD TF (TF0A6106) to be aligned with the IDA closing date, from the current December 31, 2020 by one year to December 31, 2021. The MDTF-IDFHP has been providing, in addition to the DLIs on immunization coverage and integrated outreach, important technical support to improve immunization coverage under Components 2 and 4. The PHRD through its PRIME window has been instrumental in strengthening the health information systems namely the integration and expansion of DHIS2 under Component 1. These activities will continue in parallel with other IDA-supported activities.

C. Considerations for project restructuring to support COVID-19 emergency response.

10. At the time of COVID-19 outbreak, it was discussed with the GOL whether the remaining balance of HGNDP should be reprogrammed to support the emergency response activities for COVID-19. However, the decision was to focus the HGNDP activities on other priorities, while COVID-19 emergency response would be supported under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA), approved on April 2, 2020. A separate US$20 million operation has been prepared under the SPRP umbrella and was declared effective on April 7, 2020. In the meantime, HGNDP has supported several urgent activities within the

current budget at the request of the MOH, including production of Information for Education and Communication (IEC) materials for points of entry and risk communication.

I. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Reallocation between Disbursement Categories	✓	
Disbursement Estimates	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
PBCs		✓
Cancellations Proposed		✓
Disbursements Arrangements		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

COMPONENTS

Current Component Name	Current Cost (US$M)	Action	Proposed Component Name	Proposed Cost (US$M)
Component 1: Health Sector Governance Reform	2.00	No Change	Component 1: Health Sector Governance Reform	2.00
Component 2: Service Delivery	30.40	Revised	Component 2: Service Delivery	29.00
Component 3: Nutrition Social and Behavior Change Communication	5.20	No Change	Component 3: Nutrition Social and Behavior Change Communication	5.20
Component 4: Project Management, Monitoring and Evaluation	3.80	Revised	Component 4: Project Management, Monitoring and Evaluation	5.20
Component 5: Contingent Emergency Response	0.00	No Change	Component 5: Contingent Emergency Response	0.00
TOTAL	**41.40**			**41.40**

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-56760	Effective	31-Dec-2020		31-Dec-2021	30-Apr-2022
IDA-61450	Effective	31-Dec-2020		31-Dec-2021	30-Apr-2022
IDA-D0730	Effective	31-Dec-2020		31-Dec-2021	30-Apr-2022
TF-A5620	Effective	31-Dec-2020		31-Dec-2021	30-Apr-2022
TF-A6106	Effective	31-Dec-2020		31-Dec-2021	30-Apr-2022

REALLOCATION BETWEEN DISBURSEMENT CATEGORIES

Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
			Current	Proposed

IDA-61450-001 | Currency: XDR

iLap Category Sequence No: 1		Current Expenditure Category: ELIG EXP PROGRAMS PT. 2 OF PROJ			
	5,400,000.00	1,604,079.00	3,300,000.00	100.00	100.00
iLap Category Sequence No: 2		Current Expenditure Category: GDS,NON-CS,CS,TR/WS,OC PT.1,3,4			
	1,800,000.00	1,008,998.55	3,900,000.00	100.00	100.00
iLap Category Sequence No: 3		Current Expenditure Category: EMERGENCY EXP UNDER PT. 5			
	0.00	0.00	0.00	100.00	100.00
Total	**7,200,000.00**	**2,613,077.55**	**7,200,000.00**		

IDA-D0730-001 | Currency: XDR

iLap Category Sequence No: 1		Current Expenditure Category: ELIG EXP PROGRAMS PT. 2 OF PROJ			
	6,900,000.00	6,900,000.00	6,900,000.00	100.00	100.00
iLap Category Sequence No: 2		Current Expenditure Category: GDS,NON-CS,CS,TR/WS,OC PT.1,3,4			
	2,500,000.00	2,347,868.75	2,500,000.00	100.00	100.00
iLap Category Sequence No: 3		Current Expenditure Category: EMERGENCY EXP UNDER PT. 5			
	0.00	0.00	0.00	100.00	100.00
Total	**9,400,000.00**	**9,247,868.75**	**9,400,000.00**		

TF-A5620-001 | Currency: USD

iLap Category Sequence No: 1		Current Expenditure Category: ELIG EXP PROGRAMS Pt. 2			
	3,500,000.00	3,305,000.00	3,305,000.00	100.00	100.00

iLap Category Sequence No: 2		Current Expenditure Category: GDS,NON-CS,CS,TR/WS OC PT .4			
	500,000.00	67,321.05	695,000.00	100.00	100.00
Total	**4,000,000.00**	**3,372,321.05**	**4,000,000.00**		

DISBURSEMENT ESTIMATES

Change in Disbursement Estimates
Yes

Year	Current	Proposed
2015	0.00	0.00
2016	6,881,867.53	8,769,251.61
2017	5,228,275.87	3,934,677.46
2018	7,835,053.03	7,270,461.46
2019	5,000,000.00	4,865,288.40
2020	1,300,000.00	13,000,000.00
2021	150,000.00	4,600,000.00
2022	0.00	0.00

Results framework

COUNTRY: Lao People's Democratic Republic
Lao PDR Health Governance and Nutrition Development Project

Project Development Objectives(s)

The Project development objective is to help increase coverage of reproductive, maternal and child health, and nutrition services in target areas in Lao PDR, and to provide immediate and effective response in case of an Eligible Crisis or Emergency.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	End Target
Increase coverage of reproducitve, maternal and child health and nutrition services in target areas			
Number of women who deliver with a skilled birth attendant at home or at a health facility (DLI P1). (Number)	PBC 5	60,281.00	84,393.00
Action: This indicator has been Revised			
Number of pregnant women who receive 4 Antenatal Care Contacts (DLI P2). (Number)	PBC 6	56,292.00	78,809.00
Action: This indicator has been Revised			
Number of children 6-11 months who received first dose of Vitamin A (Number)		123,389.00	140,000.00
Action: This indicator has been Revised			
Number of women aged 15-49 years who are continued users of long term methods of family planning (DLI P3). (Number)	PBC 7	186,556.00	223,867.00
Action: This indicator has been Revised			
Direct project beneficiaries (Number)		216,532.00	1,400,000.00
Action: This indicator has been Revised			

Indicator Name	PBC	Baseline	End Target
Female beneficiaries (Percentage)		0.00	80.00
Action: This indicator has been Revised			

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
Component 1: Health Sector Governance Reform						
Number of new born children provided with birth notification in target provinces (Number)		92,617.00				131,020.00
Action: This indicator has been Revised						
Number of health centers directly entering DHIS2 data (Number)		17.00				200.00
Action: This indicator has been Revised						
Percentage of data reports from the Target Provinces provided on time and fully completed in accordance with the National Guidelines for DHIS2 Implementation (Percentage)	PBC 1	54.10	56.00	60.00	70.00	90.00
Action: This indicator has been Revised						

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
Component 2: Service Delivery						
Number of immunization target districts that have increased their coverage of IPV (Number)		0.00				45.00
Action: This indicator has been Revised						
Number of women in Target Provinces who receive free maternity health care services (DLI C4). (Text)	PBC 4	453,350.00				544,020
Action: This indicator has been Revised						
Percentage of health centers and district hospitals which score more than 50% on the Standard Supervisory Checklist monitored every six months of the Year (DLI P6). (Percentage)	PBC 10	0.00				80.00
Action: This indicator has been Revised						
Number of villages in Zones 2 and 3 in which complete Integrated Outreach Sessions are conducted at least three times during the year (DLI P5). (Number)		0.00				800.00
Action: This indicator has been Revised						

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
Number of immunization target districts which have increased their coverage of Pentavalent 3 (DPT-HebB-Hib) and Measles and Rubella (MR) immunization (DLI P8) (Number)	PBC 12	0.00				40.00
Action: This indicator has been Revised						
People who have received essential health, nutrition, and population (HNP) services (CRI, Number)		0.00				1,200,000.00
Action: This indicator has been Revised						
People who have received essential health, nutrition, and population (HNP) services - Female (RMS requirement) (CRI, Number)		0.00				960,000.00
Action: This indicator has been Revised						
Number of children immunized (CRI, Number)		0.00				400,000.00
Action: This indicator has been Revised						
Number of women and children who have received basic nutrition services (CRI, Number)		0.00				300,000.00

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
Action: This indicator has been Revised						
Number of deliveries attended by skilled health personnel (CRI, Number)		0.00				400,000.00
Action: This indicator has been Revised						
Component 3: Nutrition and Social and Behavioral Change Communication						
Children age 0-6 months in target high priority nutrition districts exclusively breastfed. (Percentage)		56.20				60.00
Action: This indicator has been Revised						
Social and Behavior Change Communication - Female village facilitators trained in SBCC in target districts (Number)		0.00				1,200.00
Action: This indicator has been Revised						
Number of children under 2 years in target provinces who have at least 4 growth mointoring and promotion sessions in the year and their growth plotted in two specified growth charts (DLI P4). (Number)	PBC 8	0.00				40,000.00

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
Action: This indicator has been Revised						
Social and Behavior Change Communication - Number of villages declared open defecation free in target districts. (Number)		0.00				100.00
Action: This indicator has been Revised						
Component 4: Project Management, M&E *(Action: This Component is New)*						
Pilot tests in selected health centers in 4 nutrition convergence provinces completed (Yes/No)		No				Yes
Action: This indicator is New						
Number of health centers in selected districts trained on FM (Number)		0.00				100.00
Action: This indicator is New						

Performance-Based Conditions Matrix				
PBC 1	Percentage of data reports from the Target Provinces provided on time and fully completed in accordance with the National Guidelines for DHIS2 Implementation			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Process	No	Percentage	588,000.00	97.88
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	54.10			
(Year 0) June 1, 2014- May 31, 2015	60.00		133,000.00	USD
(Year 1) June 1, 2015-May 31, 2016	70.00		133,000.00	USD
(Year 2) June 1, 2016-May 31, 2017			126,000.00	USD
(Year 3) June 1, 2017-May 31, 2018			98,000.00	USD
(Year 4) June 1, 2018-May 31, 2019			98,000.00	USD
PBC 2	Number of Target Provinces which have two quarters' stock of Essential Family Planning and Nutrition Commodities in the provinces or regional stores (DLI C2)			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Output	No	Number	4,994,000.00	88.46
Period	**Value**		**Allocated Amount (USD)**	**Formula**

Baseline	0.00		
(Year 0) June 1, 2014- May 31, 2015		50,000.00	USD
(Year 1) June 1, 2015-May 31, 2016		1,500,000.00	USD
(Year 2) June 1, 2016-May 31, 2017	4.00	1,456,000.00	USD
(Year 3) June 1, 2017-May 31, 2018	8.00	994,000.00	USD
(Year 4) June 1, 2018-May 31, 2019	12.00	994,000.00	USD

PBC 3	Number of Target Provinces in which the number of health centers without a community midwife as reported in DHIS2 has been reduced (DLI C3)			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Output	No	Number	1,000,000.00	78.40
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	0.00			
(Year 0) June 1, 2014- May 31, 2015			200,000.00	USD
(Year 1) June 1, 2015-May 31, 2016			200,000.00	USD
(Year 2) June 1, 2016-May 31, 2017	6.00		200,000.00	USD
(Year 3) June 1, 2017-May 31, 2018	8.00		200,000.00	USD

(Year 4) June 1, 2018-May 31, 2019	12.00		200,000.00	USD
PBC 4	Number of women in Target Provinces who receive free maternity health care services (DLI C4).			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Outcome	No	Text	2,114,000.00	92.75
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	453,350.00			
(Year 0) June 1, 2014- May 31, 2015			1,000,000.00	USD
(Year 1) June 1, 2015-May 31, 2016			400,000.00	USD
(Year 2) June 1, 2016-May 31, 2017			308,000.00	USD
(Year 3) June 1, 2017-May 31, 2018			203,000.00	USD
(Year 4) June 1, 2018-May 31, 2019			203,000.00	USD
PBC 5	Number of women who deliver with a skilled birth attendant at home or at a health facility (DLI P1).			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Outcome	No	Number	2,912,000.00	93.29
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	60,281.00			

(Year 0) June 1, 2014- May 31, 2015		700,000.00	USD
(Year 1) June 1, 2015-May 31, 2016		700,000.00	USD
(Year 2) June 1, 2016-May 31, 2017		700,000.00	USD
(Year 3) June 1, 2017-May 31, 2018		406,000.00	USD
(Year 4) June 1, 2018-May 31, 2019		406,000.00	USD

PBC 6	Number of pregnant women who receive 4 Antenatal Care Contacts (DLI P2).			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Outcome	No	Number	2,912,000.00	94.80
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	56,292.00			
(Year 0) June 1, 2014- May 31, 2015			700,000.00	USD
(Year 1) June 1, 2015-May 31, 2016			700,000.00	USD
(Year 2) June 1, 2016-May 31, 2017			700,000.00	USD
(Year 3) June 1, 2017-May 31, 2018			406,000.00	USD
(Year 4) June 1, 2018-May 31, 2019			406,000.00	USD

PBC 7	Number of women aged 15-49 years who are continued users of long term methods of family planning (DLI P3).			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Outcome	No	Number	2,912,000.00	71.51
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	186,556.00			
(Year 0) June 1, 2014- May 31, 2015			700,000.00	USD
(Year 1) June 1, 2015-May 31, 2016			700,000.00	USD
(Year 2) June 1, 2016-May 31, 2017			700,000.00	USD
(Year 3) June 1, 2017-May 31, 2018			406,000.00	USD
(Year 4) June 1, 2018-May 31, 2019			406,000.00	USD

PBC 8	Number of children under 2 years in target provinces who have at least 4 growth mointoring and promotion sessions in the year and their growth plotted in two specified growth charts (DLI P4).			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Intermediate Outcome	Yes	Number	2,445,332.00	57.67
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	0.00			

(Year 0) June 1, 2014- May 31, 2015		466,666.00	USD
(Year 1) June 1, 2015-May 31, 2016		466,666.00	USD
(Year 2) June 1, 2016-May 31, 2017		700,000.00	USD
(Year 3) June 1, 2017-May 31, 2018		406,000.00	USD
(Year 4) June 1, 2018-May 31, 2019		406,000.00	USD

PBC 9	Number of villages in Zones 2 and 3 in which Integrated Outreach Sessions are conducted at least three times during the Year and reported in DHIS2 (DLI P5)			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Intermediate Outcome	Yes	Number	3,600,000.00	80.21
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	0.00			
(Year 0) June 1, 2014- May 31, 2015			700,000.00	USD
(Year 1) June 1, 2015-May 31, 2016			700,000.00	USD
(Year 2) June 1, 2016-May 31, 2017	670.00		602,000.00	USD
(Year 3) June 1, 2017-May 31, 2018	800.00		799,000.00	USD
(Year 4) June 1, 2018-May 31, 2019	800.00		799,000.00	USD

PBC 10	Percentage of health centers and district hospitals which score more than 50% on the Standard Supervisory Checklist monitored every six months of the Year (DLI P6).			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Output	No	Percentage	2,900,000.00	86.10
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	0.00			
(Year 0) June 1, 2014- May 31, 2015			200,000.00	USD
(Year 1) June 1, 2015-May 31, 2016			950,000.00	USD
(Year 2) June 1, 2016-May 31, 2017			938,000.00	USD
(Year 3) June 1, 2017-May 31, 2018			406,000.00	USD
(Year 4) June 1, 2018-May 31, 2019			406,000.00	USD

PBC 11	Percentage increase in Target Province non-salary health recurrent expenditure allocated to the districts (DLI P7)			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Intermediate Outcome	No	Text	2,158,000.00	54.85
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	Each target province baseline			

(Year 0) June 1, 2014- May 31, 2015		200,000.00	USD
(Year 1) June 1, 2015-May 31, 2016		950,000.00	USD
(Year 2) June 1, 2016-May 31, 2017		602,000.00	USD
(Year 3) June 1, 2017-May 31, 2018		203,000.00	USD
(Year 4) June 1, 2018-May 31, 2019	16% increase over Target Province Baseline	203,000.00	USD

PBC 12	Number of immunization target districts which have increased their coverage of Pentavalent 3 (DPT-HebB-Hib) and Measles and Rubella (MR) immunization (DLI P8)			
Type of PBC	**Scalability**	**Unit of Measure**	**Total Allocated Amount (USD)**	**As % of Total Financing Amount**
Intermediate Outcome	Yes	Number	2,000,000.00	76.00
Period	**Value**		**Allocated Amount (USD)**	**Formula**
Baseline	0.00			
(Year 0) June 1, 2014- May 31, 2015			0.00	
(Year 1) June 1, 2015-May 31, 2016			0.00	
(Year 2) June 1, 2016-May 31, 2017			500,000.00	USD
(Year 3) June 1, 2017-May 31, 2018			750,000.00	USD
(Year 4) June 1, 2018-May 31, 2019			750,000.00	USD

Verification Protocol Table: Performance-Based Conditions	
PBC 1	Percentage of data reports from the Target Provinces provided on time and fully completed in accordance with the National Guidelines for DHIS2 Implementation
Description	Average percentage of data reports from all Target Provinces provided on time and fully completed in line with the National Guidelines for DHIS2 is at least 90% by the end of project.
Data source/ Agency	DHIS2, Quarterly review of the data entered by MOH/DPIC
Verification Entity	Independent Academic Institution
Procedure	DHIS2 will provide information every quarter on the timeliness and completeness of data for each province; at the end of the year there will be an average collected for each quarter. The average of the 12 months for the 14 provinces will be measured.
PBC 2	Number of Target Provinces which have two quarters' stock of Essential Family Planning and Nutrition Commodities in the provinces or regional stores (DLI C2)
Description	Expected target: By September 30, 2017, 4 provinces have reported that they have at least 2 quarters' stock of essential FP and Nutrition Commodities available; by July 1, 2018, 8 provinces have reported in each of the preceding 4 quarters that they have 2 quarters' stock of essential FP and Nutrition Commodities available; by July 1, 2019, 12 provinces have reported in each of the preceding 4 quarters that they have 2 quarters' stock of essential FP and Nutrition Commodities. For the avoidance of doubt, it is clarified that the provinces will need to have adequate stocks on each of the commodities in the specified list to be counted as meeting this requirement. Compliance condition: MOH has set up committees to monitor availability of and forecast need for FP and Nutrition Commodities. Based on available information, the MOH will prepare a standard list of items and quantities of FP and Nutrition Commodities required in each province to cover 2 quarters' consumption. The approved list of commodities to be monitored will be amended to include the MCH Pink Books by September 30, 2017. Compliance specification:

	The committee will specify the requirements to be available at the provincial level for 2 quarters. The provinces will report every quarter on the FP and Nutrition Commodities available (in provincial and regional stores); for regional stores, the allocation for each province of each item must be clearly specified.
Data source/ Agency	Quarterly reports from the provinces to MOH on stocks available.
Verification Entity	IAI
Procedure	The IAI will, on a sample basis, verify that stock availability is in accordance with the stock registered at the provincial and regional levels.
PBC 3	Number of Target Provinces in which the number of health centers without a community midwife as reported in DHIS2 has been reduced (DLI C3)
Description	Expected targets: 6 provinces report 40% reduction from baseline in the number of health centers with no community midwives by July 1, 2017; 8 provinces report 60% reduction from baseline in the number of health centers with no community midwife by July 1, 2018; 12 provinces report 80% reduction from baseline in the number of health centers with no community midwife by July 1, 2019. Compliance condition: While the MOH norm is to have 1–2 community midwives in each health center, this indicator will measure annual reduction in the number of health centers with no community midwife posted. Compliance specification: The MOH norm is that 1–2 midwives must be posted in every health center. In this context, the specification will be limited to at least 1 midwife posted in every health center. Midwives are either employed directly by the MOH or employed locally on a contractual or voluntary basis; records on level, seniority, posting, and so on are maintained at the MOH on an annual basis. Availability of midwives at the health centers is reported annually through DHIS2.
Data source/ Agency	DHIS2. The province will, on an annual basis, report through DHIS2 on the health centers that have a community midwife posted.
Verification Entity	IAI

Procedure	The IAI will compare lists of community midwives reported through DHIS2 with the midwives present in a sample of health centers.
PBC 4	Number of women in Target Provinces who receive free maternity health care services (DLI C4).
Description	The MOH has given the National Health Insurance Bureau the responsibility for managing the payment for free MCH services through case based payment. The scheme will form a part of the overall Health Insurance Policy. As per Government Decree No 273, the Policy on free maternal and child care, all women in the country are entitled to free Maternity Care. The target beneficiaries, the services to be provided and the maternity benefit package and payment schedule are specified in the Health Insurance Guidelines. The GOL through the Health Insurance Bureau will reimburse health facilities expenditure incurred for provision of free maternity services following these guidelines.
Data source/ Agency	DHIS2. Compensation to health facilities for provision of free maternity care is provided through the NHIB. The NHIB will report to the MOH on an annual basis the number of women for which they have compensated health facilities for the delivery of maternity care. DHIS2 reports every month on the number of women who receive free maternity care (ANC, PNC, and delivery care). The NHIB reporting system will need to be interoperable with DHIS2.
Verification Entity	IAI
Procedure	The IAI will compare the list of free maternity care cases (ANC, PNC, and delivery) received from DHIS2 with the records provided by the individual facilities. They will assess documentation that payment for these services has been received by the facilities and a sample of women who delivered in the previous year will be interviewed to ensure they received free maternity care as specified in the health insurance guidelines. Interoperability will be verified by confirming that data from the NHIB monitoring system can be downloaded into and automatically populated in the relevant fields of DHIS2.
PBC 5	Number of women who deliver with a skilled birth attendant at home or at a health facility (DLI P1).
Description	Lao PDR has a staff accreditation system. Doctors and nurses as well as Community Midwives who have completed their basic education receive accreditation to conduct deliveries. They are referred to as Skilled Birth Attendants. The skilled birth attendant must have conducted the delivery â in a health facility or at the home.
Data source/ Agency	DHIS2
Verification Entity	IAI

Procedure	The IAI will review records at selected health facilities and visit a sample of women to confirm that their delivery was conducted by a skilled birth attendant.
PBC 6	Number of pregnant women who receive 4 Antenatal Care Contacts (DLI P2).
Description	The MOH Department of Maternal Child Health has a guideline (Strategy and Planning Framework for the Integrated Package of Maternal, Neonatal and Child Health Services) for the services to be provided during 1st, 2nd, 3rd and 4th ante natal care visits. By confirming that 4 ante natal care contacts have been conducted it is assumed that these services have been delivered. An â??ANC contactâ?? includes a specified package of services defined by the MOH, and in line with WHO guidelines, to be provided during ante natal care visits. The indicator will therefore measure the number of pregnant women who receive this package of services at least four times. The provincial health office will be responsible for ensuring that guidelines for ANC are available and followed in every health facility.
Data source/ Agency	DHIS2
Verification Entity	IAI
Procedure	The IAI will compare DHIS2 reports with records in a sample of health facilities; on a sample basis, women who have received ANC will be contacted to confirm the actual services they were provided. To confirm this, DLI has to be verified that all services as prescribed in the National Guidelines have taken place.
PBC 7	Number of women aged 15-49 years who are continued users of long term methods of family planning (DLI P3).
Description	Long term methods of family planning are defined as the use of intrauterine device (IUD), Injectable, Implant and sterilization (male and female). These methods are selected as they require the assistance of a health care service provider and their use can therefore be recorded and monitored. A â??continued userâ?? is defined as a person who is currently on any type of long term family planning method.
Data source/ Agency	DHIS2
Verification Entity	IAI

Procedure	The IAI will compare the reports from DHIS2 with a sample of facility registers and also on a sample basis interview the users of FP to confirm that they have received the service and are consistently using the long-term FP method. The IAI will also review facility records to confirm that the definition and process of 'continued users' has been consistently understood and correctly reported.
PBC 8	Number of children under 2 years in target provinces who have at least 4 growth mointoring and promotion sessions in the year and their growth plotted in two specified growth charts (DLI P4).
Description	The Strategy and Planning Framework for the Integrated Package of Maternal, Neonatal and Child Health Services specifies that monthly weighing of children from age 0 â 24 months includes nutrition counseling to mothers of these children. This DLI will record quarterly weighing and measurement of height/length due to the difficulty of reaching remote communities. While international best practice on growth monitoring of children < 2 years includes nutrition counseling, this will continue to be recommended practice. Due to the difficulties in recording and monitoring if adequate nutrition counseling has taken place, only the growth monitoring and plotting the growth into two of the child's growth chart (age for weight and age for height) will be measured for the purpose of achieving this DLI.
Data source/ Agency	DHIS2.
Verification Entity	IAI
Procedure	Weighing and the measurement of height/length and nutrition counseling for children under 2 years is recorded in a health facility register as well as on a child's growth charts. The number of children where both the weight and height/length has been measured at least 4 times during the year and the results entered into the child's growth charts (at least the 'weight for age' and 'height for age' charts) is recorded quarterly in DHIS2. This record for growth monitoring and promotion is assumed to include nutrition counseling according to the guideline and Standard Operating Procedure and should be defined as such in DHIS2 without separately defining or monitoring counseling in DHIS2. For the avoidance of doubt, only children who received 4 or more growth monitoring and promotion sessions in the preceding 12-month period will be counted, and children who received 3 or less sessions will not be counted for reporting under this DLI. The IAI will compare DHIS2 records with registers in a sample of health facilities to check consistency of reported data with facility records. They will further interview a sample of mothers of children under 2 years to confirm that growth monitoring and promotion (according to Standard Operating Procedures) has taken place at least 4 times in one year and that the results have been plotted in the child's growth charts. The World Bank will separately verify the availability of MCH Pink Books and Standard Operating Procedures for growth monitoring and promotion in all Target Provinces by September 30, 2017.

PBC 9	Number of villages in Zones 2 and 3 in which Integrated Outreach Sessions are conducted at least three times during the Year and reported in DHIS2 (DLI P5)
Description	Expected targets: By June 1, 2017, 670 villages in Zones 2 and 3 will report to have held integrated outreach at least 3 times in 1 year. By June 1, 2018, 800 villages in Zones 2 and 3 will report to have held integrated outreach at least 3 times in one year; by June 1, 2019, 800 villages in Zones 2 and 3 will report to have held integrated outreach at least 3 times in one year; provinces will be rewarded at the rate of US$1,000 per village in which integrated outreach has taken place 3 times in that year. Compliance condition: The integrated outreach package of services includes EPI, FP, ANC, PNC, and growth monitoring and promotion for children under 5 years. These services must be provided to each village at least 3 times in one year. Zone 2 is 5–10 km from the health center; Zone 3 is more than 10 km from the nearest health center; the health center team has to stay overnight to reach villages in Zone 3. DHIS2 and DHOs have records of all villages in these zones. Compliance specification: Guidelines which specify services to be delivered and equipment required for conducting integrated outreach must be available in the province and provided to all health facilities for the health facility to follow these guidelines. Only the full package of 5 prescribed services will qualify as a session of integrated outreach, and the same must be recorded in DHIS2. Villages in Zones 2 and 3 that receive 3 or more Integrated Outreach Sessions will only be considered for the payout of US$1000 per village.
Data source/ Agency	DHIS2. Integrated outreach listing village name and the services provided are recorded monthly in DHIS2. The province also holds registers of conducted outreach to Zones 2 and 3 villages.
Verification Entity	IAI
Procedure	The IAI will compare the data recorded in DHIS2 with the health facility registers and verify the information through visits to selected villages to confirm that there has been integrated outreach conducted at least 3 times in the past year and that all the 5 prescribed services have been provided.

PBC 10	Percentage of health centers and district hospitals which score more than 50% on the Standard Supervisory Checklist monitored every six months of the Year (DLI P6).
Description	A supervisory checklist monitors the physical state of the facility, availability of essential drugs, supplies and equipment, availability of adequate staff and maintenance of records. Supervision must be conducted at least two times per year in every facility and followed by an improvement plan when required; the checklist records any follow up on observations recorded during previous supervisory visits and the improvement plan. A standard supervision checklist, as approved by the Department of Health, includes a scoring function which can be used to supervise and monitor the functionality of the facility especially regarding MCH activities at the district hospital and health center level. A copy of the supervision report with a score should be retained at the facility.
Data source/ Agency	DHIS2. The province will keep a record of the facilities supervised and the score obtained during each supervision visit and record these in DHIS2 on a quarterly basis.
Verification Entity	IAI
Procedure	The IAI will compare the register of supervisions conducted in DHIS2 and the scores achieved with information obtained (verbally and though the copy of the checklist) from a sample of facilities.
PBC 11	Percentage increase in Target Province non-salary health recurrent expenditure allocated to the districts (DLI P7)
Description	Expected targets: By April 1, 2017, it will be reported for 2015–2016 to have increased by 10% over baseline; by April 1, 2018 it will be reported for 2016–2017 to have increased by 13% over baseline; by April 1, 2019 it will reported for 2017– 2018 to have increased by 16% over baseline. Compliance condition: Annual budgets to the provinces for Chapters 12 (operations and maintenance) and 13 (subsidies and transfers) will be reallocated to the district by the province. This budget should increase over time. Compliance specification: The province is in charge of allocating their budget to the districts. The ability of the primary care facilities to provide free MCH services is dependent on the non-salary recurrent budget allocated to the district.
Data source/ Agency	Interim unaudited expenditure statements for the year from the province clearly identifying the expenditure by the district level for the preceding year.

Verification Entity	IAI
Procedure	The IAI will compare the unaudited expenditure statement as reported by the province for the year with the budget received by a sample of districts for that year.
PBC 12	Number of immunization target districts which have increased their coverage of Pentavalent 3 (DPT-HebB-Hib) and Measles and Rubella (MR) immunization (DLI P8)
Description	Target districts are the 50 lowest coverage districts in target provinces that are able to increase coverage in those districts for both Pentavalent 3 (DPT-HebB-Hib) and Measles and Rubella (MR). The actual data is for June 2017-May 2018 (DLI Y3) and is on track.
Data source/ Agency	DHIS2. Immunization coverage for each district is recorded monthly through DHIS2.
Verification Entity	IAI
Procedure	The IAI will review records at selected health facilities and visit a sample of children to confirm that they received the Pentavalent 3 and MR immunizations on or before their first birthday and that this is recorded in their MCH Pink Book or on the immunization 'yellow card' registration form which is available with the parent of the child.