



Sector Working Group Review Meeting

MINUTES

Friday 11 May 2007

9.00am – 12.00pm

ICTC

Chair: Dr. Bountheuang Mounlasy, Director General, Department of International Cooperation, Ministry of Foreign Affairs
Co-Chair: Ms. Sonam Yangchen Rana, UN Resident Coordinator
Invitees: At attachment one

1. Opening and background

The Chair and co-chair welcomed participants. While there is overall consensus of the value of sector working groups (SWGs), there is also recognition that they must be improved upon. The Chair and co-chair noted that the SWGs working groups are well positioned to assist in implementing the National Socio-Economic Development Plan (“NSED”) and the Vientiane Declaration Country Action plan (“VDCAP”), and should be linked to the Round Table Meeting (RTM) process. The Chair expressed appreciation toward Development Partners (DPs) for actively engaging in the review, and stated that it is important for DPs to provide technical and other support to strengthen the capacities of line ministries to effectively manage the SWGs.

The Co-Chair noted that the meeting to review SWGs was timely as it had been exactly 12 months since government and DPs came together to investigate ways to merge pre-existing government and donor sector working groups. The co-chair reiterated three main areas for consideration: clear linkages to the RTM, agreeing on a simple common set of functions to ensure groups implement and adhere to a common development agenda, while also allowing flexibility, and greater cooperation and coordination.

2. Presentation on Sector Working Group Review by Department of International Cooperation (DIC)

The Department of International Cooperation delivered a presentation of the SWG review, including key findings and recommendations, a proposed structure of the SWGs, and roles and functions of the groups in line with the five key pillars of the Vientiane Declaration (Ownership, alignment, harmonisation and simplification, mutual

accountability and managing for results). Key findings of the review, included limited staff and time, the need to deliver results, the need for greater linkages with the NSEDP, the VDCAP, and the RTM process, capacity of the groups, and communication issues. Based on extensive consultations with ministries and DPs, the review outlined the following proposed structure for the SWGs:

1. Macro economics, private sector development and trade (CPI)
2. Public Finance (MoF)
3. Education (MoE)
4. Public Health (MoH)
5. Transport (MCTPC)
6. Drug Prevention (National Committee for Drug prevention)
7. Governance (PACSA, PMO)
8. Agriculture and Resource Management (MAF)
9. Energy and Mines (MEM)
10. Poverty reduction and Rural Development (Committee for Rural Development and Poverty (PMO)

This proposed structure includes retaining the current education, health, governance, and drug prevention groups; refocuses the “infrastructure” group to “transport”, adds “trade” to the “macro-economic issues & Private Sector Development”, divides the “agriculture, Rural Development & Natural Resources management” SWG into two – “agriculture and resource management” and “poverty reduction and rural development”, and establishes a new “energy and mining” SWG and a “public finance” SWG.

The presentation also outlined a recommended way forward, including the development of generic guiding terms of reference, identification of governance arrangements, and decisions on interpretation, translation and communication issues (A copy of the presentation is at attachment two).

3. Discussion and comments

A draft Terms of Reference Guidance Note (the “Guidance Note”) was distributed to meeting participants for comments and review (refer to attachment three). The Guidance Note outlines a proposed composition of SWGs, roles and functions (both core and optional functions), support required for the SWGs to function effectively, and operational issues. Mr Aidan Cox noted that the draft Guidance Note is to be used as a guide for SWGs to develop their own terms of reference. In this respect, the Guidance Note has tried to move away from the blueprint approach to determining the functions of such groups.

Government Ownership:

- In accordance with the SWG review, it was recognised by both government and DPs that there was limited ownership under the current SWG mechanism and there was unanimous support for government ownership and leadership over the SWGs.

Composition of SWGs

- The EC commented that the SWGs should be determined first and the roles and functions determined thereafter when there is more clarity regarding who should participate.
- UNFPA suggested that each sector should review working groups functioning within it and determine whether they should be dissolved, maintained or restructured.

Roles and Functions:

- There were differences in opinion regarding the degree of flexibility stipulated in the Guidance Note.
- There was wide support from both government and DPs that the SWGs could assist with, and provide advice on implementation of the NSEDP and facilitate the VDCAP, and the RTM process. PACSA, ADB and EC noted that this would strengthen linkages of SWGs with government priorities, ensure that there was no duplication, and also facilitate recognition and value of SWGs within the RTM process.
- CPI noted that under the current system, there is limited follow up actions after meetings and that any work emanating from SWGs is viewed as “additional work” that was not necessarily recognised by supervisors. The fact that the SWGs was a proposal originally emanating from donors and not government was highlighted as a contributing factor. CPI agreed with the concept of SWGs, although noted that greater clarity is required within government regarding the purpose of the SWGs.
- The EC commented that the Guidance Note was quite vague and should specify the exact role that each SWG should fulfil, while also allowing for priorities of each SWG to be discussed within each group. The EC also noted that the SWGs could be a forum for policy dialogue, and the difference between technical and policy discussions need to be distinguished.
- IMF noted that flexibility for SWGs to determine their own mandate was important, and that DPs should not prescribe how SWGs should be organised.
- UNFPA suggested that cross cutting themes, such as gender be integrated into all SWGs.

Support Required:

- As stated in the review the shift from informal donor SWGs to government led SWGs was not accompanied, on the whole, by sustained capacity development support for charring ministries. It was widely recognised that commitment to capacity development is critical to the success of the SWGs.
- CPI particularly noted that human and financial capacity is critical to the success of the SWGs. The EC also noted that DPs as well as government have human resource constraints.

Conduct of Meetings:

- The EC suggested that each working group have a smaller group of DPs and government representatives that could work together to prepare documents and generally assist with meeting preparation.
- The EC also noted that meetings should not be too frequent, possibly 3 – 4 per year, and that they should be very well organised.
- WHO supported the need for meetings to be well prepared and for partners to received materials well in advance to allow for adequate consultation before meetings.
- The National Regulation Authority (NRA) noted that the mine action sector has close collaborations between government and donors in the area of UXO, however greater collaboration between the mine action group and the health and agriculture sectors would be welcome.
- Mr Cox stated the importance of getting the mix of political and technical level meetings correct. While political meetings are important as they involve decision makers, the formation of smaller sub-groups would allow progress and follow up on action items stemming from the political meetings.

A general recommendation arising from the review is that ministries and DPs be afforded considerable flexibility in how they organise their SWGs, chairing arrangements, possible sub-groups, and other aspects in order to better enable the mechanism to evolve to meet the rather varied requirements of the SWGs.

The World Bank (WB) proposed an alternate structure than that outlined in the presentation. It included eight SWGs and five thematic groups, namely:

SWGs

1. Macroeconomics (CPI)
2. Private Sector Trade (MIOC)
3. Education (MoE)
4. Public Health (MoH)
5. Transport (MCTC)
6. Agriculture and Forestry (MAF)
7. Energy and Mining (MoEM)
8. Public Finance Management (MoF)

Thematic working groups (led by the Prime Minister's Office)

1. Governance
2. Drug prevention
3. Rural Development and Poverty Alleviation
4. Gender
5. Natural Resources Management.

This suggestion is based on the premise that the mandates of the SWGs need to be closely aligned to the lead ministry, and that the core roles of the SWGs should be derived from the VDCAP. The SWGs are ones where the WB sees considerable need for government–

donor coordination and have clear lines of accountability as they are linked with ministries. The thematic groups do not lend themselves to similar clear ownership and accountability, but are nonetheless critically important in achieving the results outlined in the NSEDP. These groups would meet less often than SWGs, and would be expected to build on the work of the SWGs, as well as making requests of SWGs as necessary.

- CPI suggested that it is better to avoid too many groups as the government lacks human resource capacity to deal with the SWGs. CPI suggested that government be adequately consulted and a decision made on whether the groups were really necessary and whether there is adequate human resource capacity to support the groups.
- CPI noted that the education, health transport and agriculture groups should be retained as they are closely linked to the NSEDP and the VDCAP. Some groups, such as drug prevention were not a sector and should be considered a sub group of another SWG. Instead of a poverty reduction group, he proposed a group for dealing with social development issues. CPI sought clarification over the status of the macro economic group as the presentation suggested the group be dissolved, while the WB proposed it be retained. CPI also suggested the merging of the macroeconomic and public finance groups (that could be co-chaired by both ministries). While private sector development is a driving force, CPI noted that it is new for government and one that is not well understood.
- PACSA noted that drug prevention and poverty reduction were not sectors, and should therefore not be considered a SWG, and agreed with CPI that government should not be burdened by too many SWGs.
- The MoE informed the meeting that the education SWG met on the 27 April 2007 established two sub-working groups (basic education and post-basic education). The MoE agrees that there should be common overall objectives amongst the SWGs and that a smaller amount of SWGs would be preferable.
- The ILO noted that there was possibly too many SWGs for both government and DPs to support effectively, and suggested the possibility of concentrating on 4- 5 key sectors while also allowing existing mechanisms that already work well to continue. The 4 - 5 groups could be linked to those sectors outlined in the NSEDP.
- The EC noted that they were unsure of any value add in thematic working groups as proposed by the WB, and stated that such cross cutting issues require careful consideration by all SWGs.
- The ADB noted that there was a strong need for SWGs to be needs based and demand driven. Agreement on appropriate SWGs should be determined by the ministries. Once this decision is made, the roles and functions of the SWGs would become clearer.
- ADB also noted that with a large number of working groups, it is very difficult to ensure adequate levels of participation in each, and suggested if SWGs have specific agendas then it would not be necessary for everyone to participate in every meeting. In addition, the ADB noted that there are a large number of existing groups which could be linked to SWGs to reinforce mandates.

5. Conclusions

The chair and co-chair concluded that the SWGs are a means by which to assist implementation of the 6th NSESDP and facilitating the VDCAP through the RTM process. Strong commitment from Government to manage the SWGs was noted as critical. The alternate structure proposed by the WB was noted, particularly the value in aligning SWGs with ministries. The importance of government consultation in deciding on SWGs was noted to ensure that groups are needs based and demand driven, and have adequate capacity to manage them. In regard to roles and functions, while each group should be governed by broad parameters and a uniform framework, it was noted that they should also have flexibility to determine their own mandate. In closing the chair and co-chair urged participants to provide comments on the structure of the SWGs and the draft Guidance Note.

Attachment One: List of Invitees

GOVERNMENT AGENCIES		
National Assembly (NA)		
Ms. Sousada PHOUMASAK	Deputy Director General	Foreign Affairs Department
Prime Minister's Office (PMO)		
Mr. Nisith KEOPHANYA	Acting Director General	Civil Service Management Department, PACSA
Mr. Maligna SAYAVONG	Director, Chair	National Regulatory Authority (NRA) on UXO mine action in the Lao PDR
Mr. Thiphstone SOUKHATHAMMAVONGSA	Programme Officer	National Committee for Rural Development and Poverty Reduction
Mr. Vanthkone DETVONGSA	Technical officer	STEA
Ministry of Foreign Affairs (MOFA)		
Dr. Bountheuang MOUNLASY	Director General	Department of International Cooperation
Mr. Houmphanh SOUKPRASITH	Deputy Director General	Department of International Cooperation
Ms. Sisomboun OUNAVONG	Director	UN Division, DIC
Mr. Bouasavath INTHAVANH	Director	Monitoring and Evaluation Division
Mr. Douangmala CHANTHALANGSY	Acting Director	International Financial Division, DIC
Ms. Saymonekham MANGNORMEK	Acting Director	Asia-Pacific Division, DIC
Mr. Bounloune XOMSIHAPANYA	Deputy Director	Europe-America Division, DIC
Mr. Khamphay VILAYHONG	Senior Officer	Policy Analysis Unit, DIC
Committee for Planning and Investment (CPI)		
Mr. Virya DALALOY	Deputy Director	General Planning Division
Ministry of Finance (MOF)		
Ms. Anisara SOMBOUNKHAN	Technical Staff	Financial Policy Research Department
Ministry of Education (MOE)		
Mr. Darasack RATSAVONG	Director	Project Coordinator Division
Ministry of Health (MOH)		
Dr. Phouthone SOUTHALACK	Deputy Director	Center for the Control of HIV/AIDS and Sexual Transmitted Diseases

		(CHAS)
Ministry of Industry and Commerce (MOIC)		
Mr. Kingxay CHOUNLAMOUNTRY	Technical Staff	Division of Cooperation and Public Investment
Ministry of Mine and Energy (MEM)		
Mr. Thongphath INTHAVONG	Director General	Mining Department
Ministry of Justice (MOJ)		
Mr. Sila LOKAPHONE	Director	Law Research and Institutional Cooperation Institute
Bank of Lao PDR (BOL)		
Mr. Kheungthong VONSAYA	Director	International Organization and Financial Institutions Division, Dept.of Exter. Rel
Lao Women Union (LWU)		
Ms. Sirikit BOUPHA	Acting Director General	Department of Development
Ms. Bounsong PHOUTHAVONG	Director	GRID Centre
Lao National Commission for the Advancement of Women (Lao NCAW)		
Ms. Chansoda PHONETHIP	Deputy Head	Lao NCAW-Secretariat
BILATERAL DEVELOPMENT PARTNERS		
Australia		
Ms. Jane DAVIES	Senior Programme Manager	AusAID , Vientiane Lao PDR
European Commission		
Mr. Sandro CERRATO	Charge d 'Affaires	Vientiane Lao PDR
Ms. Josephine KALINAUCHAS	First Secretary and Head of Cooperation Section	Vientiane Lao PDR
Mr. Carl BJORKMAN	Programme Officer	Vientiane Lao PDR
France		
Mr. Jean-Claude PIRES	Deputy	AFD , Vientiane Lao PDR
India		
Mr. Aseem MAHJAN	First Secretary	Embassy, Vientiane Lao PDR
Switzerland		
Ms. Nithsa VONGPHANAKHONE	Programme Officer	SDC, Vientiane Lao PDR
United States of America		
Mr. Joshua ARCHIBALD	Second Secretary, Economic and Commercial Office	Embassy, Vientiane Lao PDR

INTERNATIONAL FINANCIAL INSTITUTIONS		
Asian Development Bank		
Mr. James NUGENT	Country Director	Lao Resident Mission, Vientiane Lao PDR
Mr. Christopher HNANGUIE	Country Economist	Lao Resident Mission, Vientiane Lao PDR
World Bank		
Mr. Patchamuthu ILLANGO VAN	Country Manager	Vientiane Lao PDR
Mr. William REX	Lead Country Office	Vientiane Lao PDR
Mr. Cayeto Casado	Research Analyst	Vientiane Lao PDR
Intentional Monetary Fund		
Mr. Soulinthone LEUANGKHAM SING	Economist	Vientiane Lao PDR
UNITED NATIONS AGENCIES		
United Nations Development Programme		
Ms. Sonam Yangchen Rana	UN Resident Coordinator UNDP Resident Representative	Vientiane Lao PDR
Mr. Stephane VIGIE	Deputy Resident Representative (Programme)	Vientiane Lao PDR
Ms. Phanchinda LENGSAVAD	Office-In-Charge, Poverty and Economic Unit	Vientiane Lao PDR
Ms. Sophie MACKINNON	Research Analyst	Vientiane Lao PDR
Ms. Mary BRADY	Research Assistant - RTM	Vientiane Lao PDR
UNDP Regional Centre		
Mr. Aidan COX	Regional Advisor Aid Coordination and Management	Bangkok Thailand
United Nations Office of Resident Coordinator		
Ms. Louise Scott	Donor Coordination Associate	Vientiane Lao PDR
Nicola Ross	Donor Coordination Associate	Vientiane Lao PDR
United Nations Population Fund		
Ms. Mariolein COREN	Deputy Representative	Vientiane Lao PDR
United Nations Children's Fund		

Ms. Laila Ismail-KHAN	Representative	Vientiane Lao PDR
Ms. Desiree JONGSMA	Deputy Representative	Vientiane Lao PDR
United Nations of On Drugs and Crime		
Mr. Leik BOONWAAT	Representative	Vientiane Lao PDR
World Health Organization		
Dr. Janos ANNUS	Acting Programme Management Office	Vientiane Lao PDR
International Labour Organization		
Ms. Fiona HOWELL	Chief Technical Advisor	Vientiane Lao PDR
United Nations Industrial Development Organization		
Dr. Kheuangkham KEONUCHAN	Head of Operation	Vientiane Lao PDR
INTERNATIONAL NON-GOVERNMENTAL ORGANIZATIONS		
Ms. Nicolette MATTHIJSEN	Portfolio Coordinator/Senior Advisor-Governance, Gender & Social Inclusion	SNV, Vientiane Lao PDR

Attachment Two: Presentation

<div style="text-align: center;">  <p>Sector Working Groups</p> <p>Review, Feedback and Resulting Recommendations for Action</p> <p>Department of International Cooperation Ministry of Foreign Affairs</p> </div>	<h3 style="text-align: center;">Objectives of this Meeting</h3> <ul style="list-style-type: none"> • Share feedback from government and development partners on SWG Review • Agree on the core functions of SWGs and additional optional roles • Discuss how many and which SWGs and Sub-Groups are needed? • Agree what support Chairs of SWGs require to deliver effectively
<h3 style="text-align: center;">Thank you for Collaborating in this Review</h3> <ul style="list-style-type: none"> • Many thanks to the many who gave time to be interviewed. • Thank you to all those who gave comments: <ul style="list-style-type: none"> – written comments: Government of Laos, ADB, EC, Finland, Sweden, UNDP, UNFPA, World Bank – and to the many others who have given comments informally • Strong support for the review, agreement with many but not all recommendations, and an energy and commitment to see recommendations result in concrete improvements in SWGs 	<h3 style="text-align: center;">Quick Overview of Findings</h3> <ul style="list-style-type: none"> • Line Ministry ownership of SWGs is low • SWGs must deliver results and should be linked to the achievement of NSEDP, to the implementation of the Vientiane Action Plan (VAP) and the preparation and follow up to the Round Table meetings. • Government & Donors have limited staff and time • But: smaller, narrower focus Sub-Group meetings have worked well in Irrigation, Agro-business & Forestry, and may be useful in other sectors – but they should report & share upwards to SWG.
<h3 style="text-align: center;">Overview (continued)</h3> <ul style="list-style-type: none"> • SWGs must deliver against a common core set of functions, defined as part of the ToR Guidance Note – but we must keep the core modest. • SWGs may <i>choose</i> to take on additional functions and incorporate them into their ToR. • Without greater and more systematic capacity development support to chair ministries, SWGs will continue to fail. • Practical issues of translation & interpretation must be addressed, for inclusive, owned and ultimately successful SWG functioning. 	<h3 style="text-align: center;">Ownership</h3> <ul style="list-style-type: none"> • Review noted limited sense of ownership among ministries - “Blueprint” that they cannot adapt. • Review recommended that ministries have flexibility on how they are structured, level of chairing, how often they meet. <ul style="list-style-type: none"> – WB: “balance clarity & flexibility.. simple core mandate... little value in enforcing uniformity” – Sida: government ownership essential. “Government should chair the groups and the donors only co-chair”. – UNFPA: SWGs should meet at least 4 times a year

Structure: do we have the right 8?

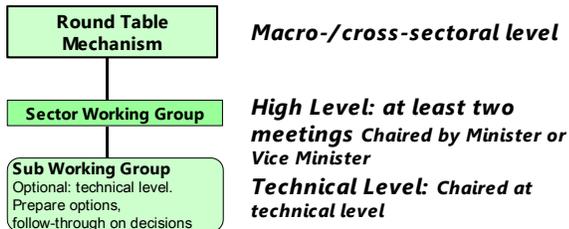
- **GoL:** Ministry of Energy & Mining wishes to have its own SWG; Ministry of Industry & Commerce would like to participate in Agro-Forestry & Agro-Business Sub-Groups
- **Finland:** avoid large number of groups – same individuals have to attend > overstretch. Supports creating Energy & Mining SWG
- **ADB:** Recommends having 7 SWGs, based on current 8, but:
 - create Public Financial Management SWG
 - create Trade/Economic Integration SWG
 - remove 3 SWGs: Macro-economic Issues & Private Sector Development, Drug Prevention, Mine Action
 - Under Infrastructure SWG could establish, if there is demand, Sub-Groups on water supply, energy, mines.

Structure (continued)

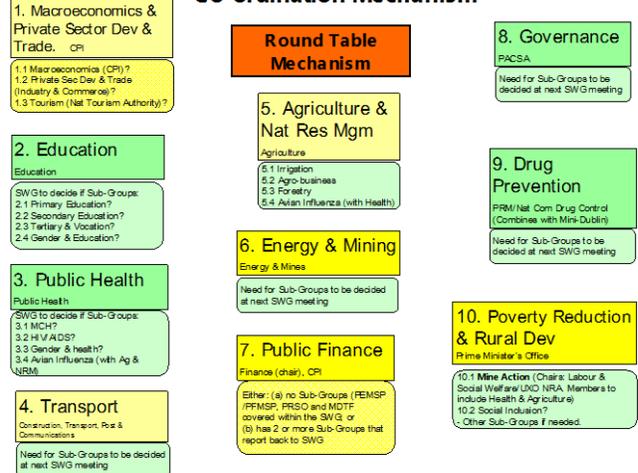
- **WB:** recommends 7 SWGs & 3 TWGs (Thematic Working Groups)
 - Keep 3 (Agriculture & Forestry; Education; Health)
 - Infrastructure becomes “Transport”
 - Remove 4 (Macroeconomic issues, Governance, Drug Prevention, Mine Action)
 - Create 3 SWGs (Public Finance, Private Sector Development & Trade, Mining & Energy)
 - Establish Thematic Working Groups for: Governance, Natural Resource Management, and Social Inclusion

Recommendation on Number & Structure of SWGs

- The Diagram shown next draws on all the feedback given and outlines a possible streamlining of the SWGs



Co-ordination Mechanism



Role & Functions of SWGs

- **Ministries retain full responsibility** for assessing needs, designing policies to meet needs, managing their programmes to operationalise policies.
- SWGs are **coordinating & supporting bodies** that potentially unlock additional expertise and resources.
- SWGs can play a **critical role in supporting:**
 - **implementation of the NSEDP**
 - **implementation of Vientiane Declaration Action Plan** – progress requires many actions at sector level
 - **reporting progress on development results and aid effectiveness at the Round Table Meeting.**

1. Ownership

Core Functions:

- Identify **NSEDP strategies, priorities & indicators** falling within SWG/SGs.
- Identify whether **additional analysis** is required to support progress in the sector and carry it out.
- Ensure sufficient **data/analysis** exists for progress towards NSEDP can be **monitored & reported** rigorously.
- Build consensus around sector priorities, including prioritised & costed sector plans
- Prepare a **Capacity Development Framework** (at SWG or SG level) based on needs assessment and functional review – addressing capacity development at institutional, organisational & individual levels:

<p style="text-align: center;">Ownership (Continued)</p> <p>Optional Functions:</p> <ul style="list-style-type: none"> • Cost priority investments & identify funding sources & gaps • Support development of costed, prioritised & sequenced medium-term expenditure framework and public investment programmes to achieve sector & NSEDP goals – integrating domestic & ODA resources • Assess & reinforce linkages between plan, budget allocation, budget outturn and results 	<p style="text-align: center;">2. Alignment</p> <p>Core Functions:</p> <ul style="list-style-type: none"> • Update the ODA Database with all on-going Development Partner funded activities relevant to SWG (both those implemented by GoL and those implemented by others) • Identify pipeline projects and potential DP funding that support sector strategy & NSEDP • Promote alignment of donor activities with sector strategies & NSEDP and Capacity Development Frameworks
<p style="text-align: center;">Alignment Continued</p> <p>Optional Functions:</p> <ul style="list-style-type: none"> • Use Database to track planned and actual outputs/results • Promote maximum possible predictability of ODA • Prepare a Project Implementation Arrangements Action Plan: identify PIUs, support development of transitional strategy where investments made in planning, finance & other departments to deliver sustainable capacity benefits (eg MoH example) 	<p style="text-align: center;">3. Harmonisation & Simplification</p> <p>Core Functions:</p> <ul style="list-style-type: none"> • Help GoL and DPs coordinate and cooperate in their analytical work, missions and training <p>Optional Functions:</p> <ul style="list-style-type: none"> • Promote progress towards programme-based approaches: Identify obstacles (policy, implementation, monitoring, laws, regulations); recommend timebound actions to resolve.
<p style="text-align: center;">4. Mutual Accountability for Managing for Results</p> <p>Core Functions:</p> <ul style="list-style-type: none"> • Develop joint monitoring indicators that enable SWGs to monitor their progress in meeting their core and additional mandates over time <ul style="list-style-type: none"> – including implementation of Vientiane Action Plan at sector level 	<p style="text-align: center;">5. Integration of SWGs with Round Table Mechanism</p> <ul style="list-style-type: none"> • SWG Workplan should ensure that the SWG has a agreed substantive “product” to contribute to the Round Table process. • Consider having chair or designated SWG spokesperson represent the group at the RTM. (WB) • SWGs analyse the outcomes of the Round Table meetings and integrate follow-up at sector level in their work programme. • (Enhanced linkages to RTM were highlighted by ADB, Sida, UNDP, World Bank)

What support do SWG Chairs Require to Function Effectively?

Capacity Development Support for SWG Chairs (and Sub-Group Chairs)

- Evolution from donor-led groups to government-led was not accompanied by systematic capacity development support.
- Shift required from ad hoc support to **predictable medium-term support**. Significant investment required if SWGs/SGs are to meet objectives and become "a process not an event".
- As part of **Capacity Development Framework**, ministries need to agree with partners the best modalities to enable to lead SWG process as part of the coordinated capacity development plan for the sector.

Capacity Development Support (cont)

- A SWG/SG "**secretariat**" may be required as an interim measure – but it is recommended that additional staff and skills training be provided to **regular line ministry departments** of planning & finance - so **sustainable capacities** are built to meet general responsibilities, of which SWGs are one (this approach is underway in some sectors such as health)

Chairing Arrangements

- Term **chair** reserved for ministry chairs of SWGs and Sub-Groups
- Term **Co-Chair** reserved for Development Partners providing political, technical or secretariat support.
- Term **vice-chair** and **deputy co-chair** should be eliminated.
- No more than **two co-chairs** at SWG level and one for each Sub-Group – but for group to decide. Could rotate the responsibility annually.

Conduct of Meetings

- **Advance Preparation:** Chairs & Co-chairs have preparatory meetings. Consult within Government & with members to develop a **workplan for the year**, indications of topics for several meetings ahead (ADB, others).
- **Predictability:** Where possible, **fix meeting dates 3 months ahead**.
- Consult and agree who will present each agenda item, what presentations & **background papers** to **circulate two weeks in advance**.
- Ensure agenda and papers in **English & Lao** (in line with GoL feedback to this review)
- Prepare **action-orientated minutes**: (see example below)

Conduct of Meetings (cont)

- **Interpretation & Translation:** feedback from GoL – "supporting documents... reports, minutes... should be produced both in English and Lao and if possible the SWG Meetings should have simultaneous translation into Lao language"
 - Can co-chair or other SWG members finance use of translation bureau and an interpreter 4 times a year?
- **SWG Website:** simple site for each SWG & Sub-Groups providing meeting timetable, agendas, minutes, background papers:
 - UNDP offers to provide each SWGs a home page linked to the existing Round Table website – providing a one-stop shop

Next Steps

- **TOR Guidance Note:**
 - Draft TOR Guidance Note circulated today (**11 May**).
 - Please provide comments to DIC by **18 May**.
 - DIC to finalise by **30 May**
- **Ministries & Co-Chairs to hold a SWG by mid-June:**
 - **Formulate TOR to meet SWG requirements**
 - **Confirm membership of SWGs:** Ministry Chair, other ministry members, Co-chair(s), other DP members.
 - **Decide regularity of SWGs** and draft **work programme** for the year. Identify what products SWG and any Sub-Groups will contribute to Round Table meeting later in 2007.
 - **Decide which Sub-Groups or ad hoc Task Forces** may be required, who will chair and co-chair, membership, how often should they meet, work programme.
 - **Chair Ministry to circulate final TOR to SWG members and to DIC by 30 June.**

Recommendations for Action (Cont)

- **DIC will report to the Chairman of the National Steering Committee of the Round Table Process** on the changes agreed in Sector Working Group Mechanism by end May
 - Lao and English language (Diagrams and ToR Guidance Note)
 - Final draft of SWG Review (short version) in Lao and English
- **Capacity Development Support:** Chair Ministries of SWGs & SGs discuss with Co-Chairs and group members package of capacity development support needed for SWGs to function well.
 - **Package agreed by end June** if possible
- **New SWGs:** Development Partners to write by **10 June** to relevant Chair Ministry and to DIC if they wish to **join** the new SWGs and Sub-Groups
- **Current Co-Chair(s)** are asked to **continue to play their key supporting role** and to ensure that the next SWG meeting is held by mid-June and SWG TOR finalised by 30 June.



Thank You

Attachment Three



GUIDANCE ON THE ROLE AND FUNCTIONS OF SECTOR AND THEMATIC WORKING GROUPS

1. Background

These Guidelines are a product of the Sector Working Group Review that was conducted during March-May 2007, following consultations with ministries and development partners. The review identified widespread dissatisfaction that Sector Working Groups were not meeting the needs of ministries and their partners for effective dialogue designed to support the achievement of the NSED and stronger development results.

The Review concluded that the Sector Working Group (SWG) mechanism has been perceived by ministries as a blueprint that gave them little scope to adapt the mechanism to meet their particular needs. The Review sets out core functions that each SWG is expected to perform, and lists optional functions that the SWG may also wish to include, or which may be included at a later date.

The SWGs are seen by government and development partners as a mechanism to support the achievement of NSED, individual sector results, and assist in the implementation of the aid effectiveness agenda set out in the Vientiane Declaration Action Plan.

2. Composition of SWGs

SWG Chair ministries decide the membership of Sector Working Groups, but to ensure effective dialogue the following points should be taken into consideration:

- 2.1 Well-informed, technically and substantively competent representatives of Government who are mandated to represent the views of their institution, able to provide the necessary information and to facilitate follow-up within their own institution.
- 2.2 Development Partners represented at the appropriate and competent level. DPs may agree and coordinate among themselves to that not every DP supporting a sector needs to attend the SWG.
- 2.3 The Government-appointed Chair of the SWG needs to be fully committed, with authority within the ministry to deal with matters arising during the meeting, to guide discussions smoothly, and have familiarity with some or all of the DP-funded programmes in that sector.
- 2.4 Development Partner Co-chairs must be senior within their organization, competent in the field and willing to share information with all other DPs. A Co-Chair is normally expected to support the SWG for two years. SWGs may decide

to appoint Co-Chairs on a rotating basis. The SWG Chair ministry and members can choose to be supported by two DP Co-Chairs rather than one if they prefer.

- 2.5 Similar guidelines on composition of groups and chairing apply to Sub-Groups if they are established, except that membership brings with it the expectation of contributing specific technical expertise, and that overall membership should be small to facilitate informal and efficient operation.
- 2.6 Technical Advisers working within the Government structure (embedded TAs) should participate in SWGs but should contribute technical expertise and not represent Development Partners.

3. Roles and Functions of SWGs

3.1 Ministries retain full responsibility for assessing needs, designing policies to meet needs, managing their programmes to operationalise policies. SWGs are coordinating & supporting bodies that potentially unlock additional expertise and resources.

3.2 SWGs can play a critical role in supporting:

- implementation of the NSEDP
- implementation of Vientiane Declaration Action Plan –progress requires many actions at sector level
- reporting progress on development results and aid effectiveness at the Round Table Meeting.

3.3 Sector Working Groups should develop a Terms of Reference setting out:

- Chair Ministry
- Other participating ministries
- Co-Chair(s)
- Other Development Partner members
- Whether Sub-Groups or ad hoc Task Forces are required and the chairing, membership and functions of Sub-Groups.
- Functions and Roles of the SWG

3.4 Ministries retain full responsibility for assessing needs, designing policies to meet needs, managing their programmes to operationalise policies. SWGs are coordinating & supporting bodies that potentially unlock additional expertise and resources

3.5 SWGs are a critical instrument to promote progress towards NSEDP and sector goals, achieve greater aid effectiveness through the implementation of the Vientiane Declaration Action Plan and facilitate effective cross-sectoral dialogue and decisions at the Round Table level. Therefore, through the consultative review, a range of core functions that each SWG is expected to contribute towards were identified and are set out below. In addition, SWGs may choose to take responsibility for supporting ministries in additional areas, such as those listed in the optional column below.

Core Functions	Optional Functions
1. Ownership	
<ul style="list-style-type: none"> ▪ Identify NSEDP strategies, priorities & indicators falling within SWG/SGs. ▪ Identify whether additional analysis is 	<ul style="list-style-type: none"> ▪ Cost priority investments & identify funding sources & gaps ▪ Support development of costed, prioritised

<p>required to support progress in the sector and carry it out.</p> <ul style="list-style-type: none"> ▪ Ensure sufficient data/analysis exists for progress towards NSEDP can be monitored & reported rigorously. ▪ Build consensus around sector priorities, including prioritised & costed sector plans ▪ Prepare a Capacity Development Framework (at SWG or SG level) based on needs assessment and functional review – addressing capacity development at institutional, organisational & individual levels: 	<p>& sequenced medium-term expenditure framework and public investment programmes to achieve sector & NSEDP goals – integrating domestic & ODA resources</p> <ul style="list-style-type: none"> ▪ Assess & reinforce linkages between plan, budget allocation, budget outturn and results
2. Alignment	
<ul style="list-style-type: none"> ▪ Update the ODA Database with all on-going Development Partner funded activities relevant to SWG (both those implemented by GoL and those implemented by others) ▪ Identify pipeline projects and potential DP funding that support sector strategy & NSEDP ▪ Promote alignment of donor activities with sector strategies & NSEDP and Capacity Development Frameworks 	<ul style="list-style-type: none"> ▪ Use Database to track planned and actual outputs/results ▪ Promote maximum possible predictability of ODA ▪ Prepare a Project Implementation Arrangements Action Plan: identify PIUs, support development of transitional strategy where investments made in planning, finance & other departments to deliver sustainable capacity benefits (eg MoH example)
3. Harmonisation & Simplification	
<ul style="list-style-type: none"> ▪ Help GoL and DPs coordinate and cooperate in their analytical work, missions and training 	<ul style="list-style-type: none"> ▪ Promote progress towards programme-based approaches: Identify obstacles (policy, implementation, monitoring, laws, regulations); recommend timebound actions to resolve.
4. Mutual Accountability for Development Results	
<ul style="list-style-type: none"> ▪ Develop joint monitoring indicators that enable SWGs to monitor their progress in meeting their core and additional mandates over time ▪ including implementation of Vientiane Action Plan at sector level 	
5. Integration of SWGs within the Round Table Mechanism	
<ul style="list-style-type: none"> ▪ SWG Workplan should ensure that the SWG has a agreed substantive “product” to contribute to the Round Table process. ▪ Consider having chair or designated SWG spokesperson represent the group at the RTM. (WB) ▪ SWGs analyse the outcomes of the Round Table meetings and integrate follow-up at sector level in their work programme. 	

4. Support Required for SWGs to Function Effectively

4.1 The Evolution from donor-led groups to government-led was not accompanied by systematic capacity development support. Therefore a shift required from ad hoc support to predictable medium-term support. Significant investment required if

SWGs/SGs are to meet objectives and become “a process not an event”. As part of Capacity Development Framework, ministries need to agree with partners the best modalities to enable to lead SWG process as part of the coordinated capacity development plan for the sector.

4.2 A SWG/SG “secretariat” may be required as an interim measure – but it is recommended that additional staff and skills training be provided to regular line ministry departments of planning & finance - so sustainable capacities are built to meet general responsibilities, of which SWGs are one (this approach is underway in some sectors such as health)

5. Conduct of Meetings

5.1 Advance Preparation: Chairs & Co-chairs have preparatory meetings. Consult within Government & with members to develop a workplan for the year, indications of topics for several meetings ahead.

5.2 Where possible, fix meeting dates 3 months ahead.

5.3 Consult and agree who will present each agenda item, what presentations & background papers to circulate two weeks in advance.

5.4 Ensure agenda and papers in English & Lao.

5.5 Prepare action-orientated minutes:

Issues	Agreed Actions	Progress	Responsible	Timeline
.....				
.....				

5.6 Interpretation & Translation: feedback from GoL – “supporting documents... reports, minutes... should be produced both in English and Lao and if possible the SWG Meetings should have simultaneous translation into Lao language”

5.7 SWGs and Sub-Groups commit to post the schedule of meetings on a dedicated SWG web space (part of the Round Table website), along with agendas, minutes and background documentation and presentations.