

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Government of the Lao PDR.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures³.

4.3.1 Indirect Management with a pillar assessed entity

This action may be implemented in indirect management with the World Bank. This implementation entails contribution to the achievement of all five objectives specified in section 3.1.

The envisaged entity has been selected using the following criteria:

- Specific sector/thematic expertise
- Logistical and/or management capacities
- Specific mandate for the local context in question
- Strategic relevance for EU multilateral engagement

World Bank has been selected as one of the key development partners in Lao PDR and the leading partner in the PFM sector, with good collaboration with the EU and long-term experience of working on PFM reforms with the Government. The World Bank is currently implementing the EU funded PFM Modernization Strategy Programme (through the EU-World Bank Single Donor Trust Fund) and it has previously (2008-2013) implemented the PFM Strengthening Programme PFMS (Multi-Donor Trust Fund). The World Bank Office in Lao PDR is able to mobilise high quality experts and to ensure that the technical assistance delivered to the Government is of high quality and relevance. As the World Bank has a long record of working in PFM in Lao PDR, many of the experts it mobilises have prior experience working in the country and a good understanding of country context. In addition to its work on PFM, the World Bank has programmes in the focal EU sectors, nutrition and education, and is funding the Government's Poverty Reduction Fund.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

³ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.