

The Improvement of National Road No.12 Section Thakhek-Na Phao Project

1. Project Information

Project Name:	The Improvement of National Road No.12 Section Thakhek-Na Phao Project			
Project No:	LFA 022-2024			
Country:	Lao PDR			
Sector(s):	<ul style="list-style-type: none"> - Transportation Linkage - Facilitate Trade and Investment 			
Year of Approval:	FY2024			
Executing Agency:	Department of Roads, Ministry of Public Works and Transport (MPWT) Lao PDR			
Scope of Works:	<p>Project starts at the junction of the R13, at Km. 17 to Nhommalath, Boulapha and ends at Na Phao, the crossing point of Lao PDR, opposite the international crossing point, Quang Binh Province, Vietnam. The total distance is 147 Km. The guidelines and scope of operations are as follows;</p> <ol style="list-style-type: none"> 1. Improve physical and geometric design in conformity to the Asian Highway (standard class 2-3 which is 2 lanes wide. 2. Enhance border office buildings, loading and unloading yards, and public utility system at the checkpoint. 3. Renovation of the lighting system at intersections in communities, drainage system, installation of safety equipment at hazardous points. 4. Development of tourist facilities. 			
Budget Allocation (Thai Baht: THB):	Category	Loan Allocation	Contract Allocation	Contract Allocation (VO)
	- Civil Works	1,676,000,000	N/A	N/A
	- Civil Works under the Loan	1,584,937,000		
	- Civil Works under the Grant	91,063,000		
	- Consulting Services	51,000,000		
	- Administrative Cost	20,000,000		
	- Contingencies	84,000,000		
	- Management Fee	2,747,000		
	Total	1,833,747,000	N/A	N/A

Loan Condition:	- Interest Rate	1.75 per annum
	- Loan Period	30 years (including 7 years of grace period)
	- NEDA's Management Fee	0.15% of the Loan amount
	- Interest/ Principal Payment Dates	20 May and 20 November
	- Civil Work Contractor and Consultant	Thai nationality
	- Eligible goods, equipment and service project purchased from Thailand	Not less than 50% of the total Project Cost
	- Applicable Law	Thailand
Construction Period:	30 Months	

2. Project Objectives/ Benefits

Objectives: To improve National Road No.12 Section Thakhek-Na Phao (R12).
R12 is an important link in the central Lao PDR for the Greater Mekong Sub-region (GMS). It plays an important role in economic and development linkage of Thailand, Lao PDR, Vietnam and China. It is a trading gateway from Northeastern Thailand to Vietnam and China. R12 runs the shortest distance compared with R8 and R9 for the East-West Economic Corridor (EWEC) to make communication network in the Greater Mekong Sub-region more complete.

Benefits:

1. Supporting an important role of R12 which play an important link in the central Lao PDR for the Greater Mekong Sub-region (GMS). It plays an important role in economic and development linkage of Thailand, Lao PDR, Vietnam and China.
2. Encouraging people to travel across countries, supporting cultural exchanges and maintain international relations between people/countries.
3. Creating commerce opportunities for Thai and foreign investors in/around the project area and distributing an income to Thai nationality manufacturers of by using construction materials/equipment from Thailand.
4. - Direct benefits to people in the area who transport goods. Moreover, the project support people to transport faster and more safely.
 - Indirect benefits in making a living from trade, investment, and tourism that results in a better quality of life for people in the area.
5. Saving time on international shipping and customs clearance.

3. Key Dates

Loan Approval:	18 April 2024	Loan Signing:	30 May 2024
Loan Effectiveness:	N/A	Restructuring (if any):	N/A
Original Closing:	N/A	Revised Closing (if any):	N/A

4. Disbursement Summary (Status as of June 2024)

Net Commitment:	N/A	Revised Amount (if any):	N/A
Disbursed Amount:	N/A	Disbursement:	N/A
Undisbursed Balance:	N/A	Disbursement Ratio:	N/A
Cumulative Thai good and service usage:	N/A	Thai good and service usage:	N/A

5. Project Implementation (Status as of June 2024)

	Status/ Details	Progress (%)
Consulting Services:	During Lao PDR procurement process	
- Name of Consultant(s):		
- Contract Signing Date:		
- Contract Amount:		
- Consultant Period:		
- Starting Date – End Date:		
- Consultant Extension (if any):		
Construction Works:	During Lao PDR procurement process	
Contract 1		
- Name of Contractor(s):		
- Contract Singing Date:		
- Contract Amount:		
- Construction Period:		
- Starting Date – End Date:		
- Construction Extension:		
- Variation Order (VO)		
Contract 2	N/A	

	Status/ Details	Progress (%)
- Name of Contractor(s):		
- Contract Signing Date:		
- Contract Amount		
- Construction Period:		
- Starting Date – End Date:		
- Construction Extension :		
- Variation Order (VO) :		

6. Environment and Social Safeguards Procedure (Status as of May 2024)

Stage	Require Documents	Status
Pre-Construction	<ul style="list-style-type: none"> - Guidelines for preventing environmental and social impacts and related supporting documents - Initial Environmental Examination (IEE) - Environmental Impact Assessment (EIA) - Resettlement Plan 	- Department of Roads MPWT Lao PDR delivered Evidence of Environment/Social Safeguards with Certificate IEE issue by Ministry of Natural Resources and Environment (MoNRE) to NEDA on 20 November 2023
During Construction	<ul style="list-style-type: none"> - Monitoring Report on guidelines for preventing environmental and social impacts - Evidence for implementing guidelines to prevent environmental and social impacts. - Annual Report 	N/A
Post-Construction	<ul style="list-style-type: none"> - Evidence for implementing guidelines to prevent environmental and social impacts 	N/A

7. Project Map



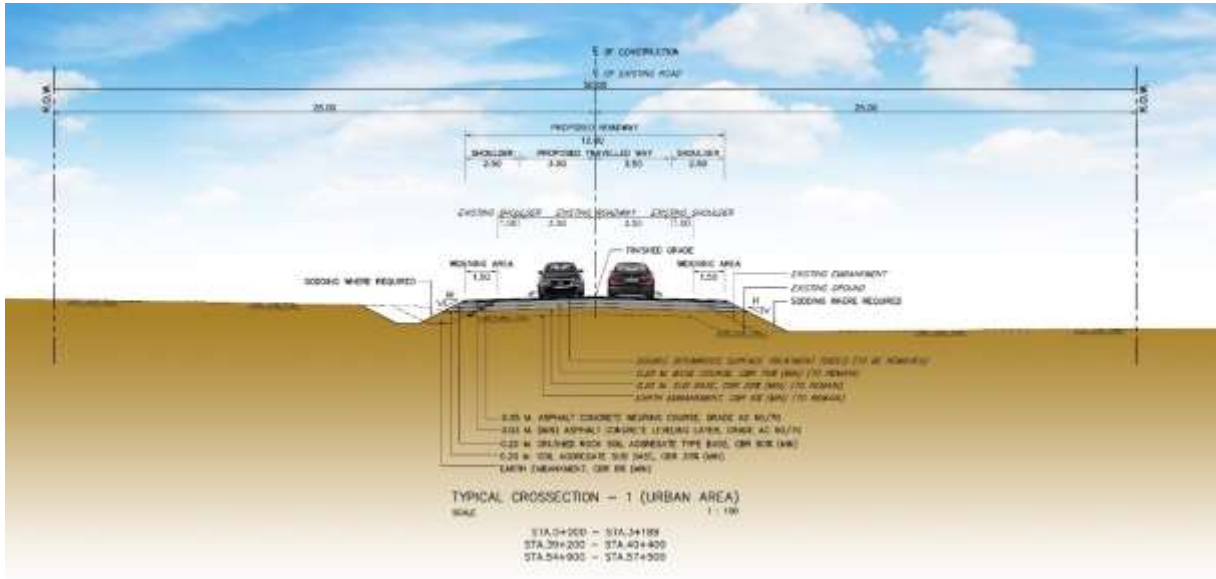
R12 Location Map



R8, R9 and R12 Location Map

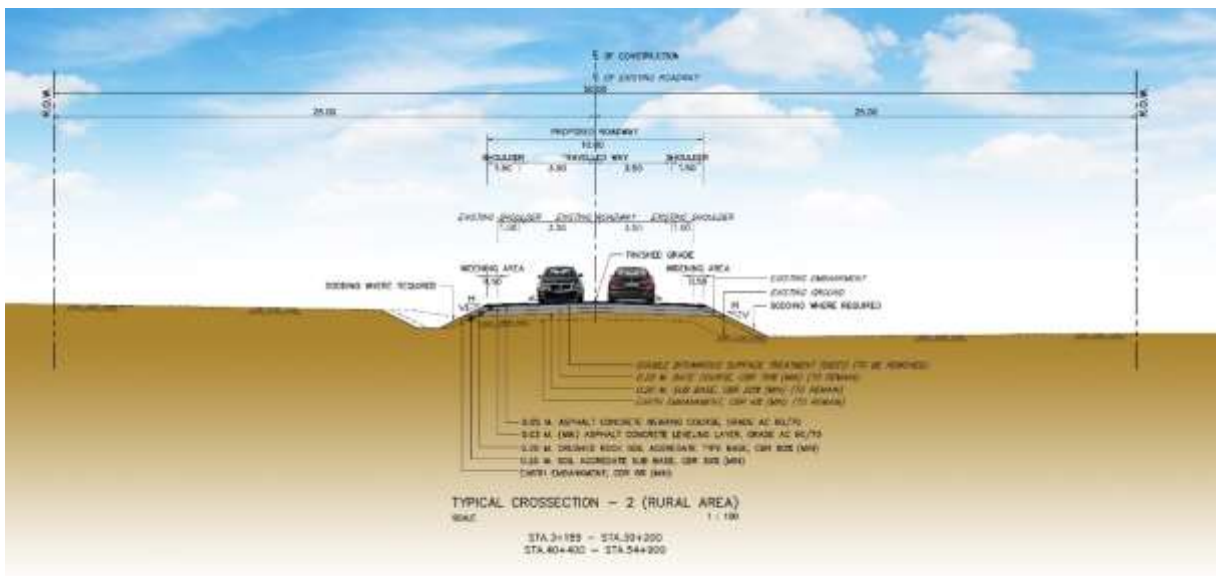
8. Design Considerations and Results for the Project

Main Road Design consist of 3 types



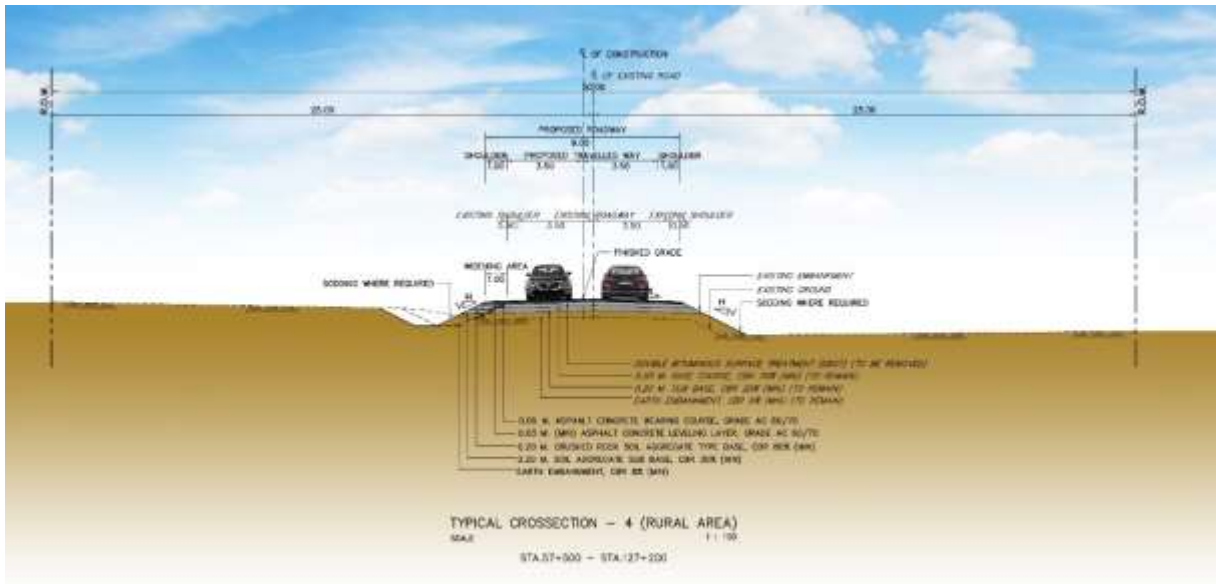
Typical Section of R12

Type 1: Existing Road Type 7/9, Design Type 7/12, Asphalt Concrete Pavement, Shoulder width 2.50 m. (each side) (Used for areas with dense communities)



Typical Section of R12

Type 2: Existing Road Type 7/9, Design Type 7/10, Asphalt Concrete Pavement, Shoulder width 1.50 m. (Used for the flat way with a community)



Typical Section of R12

Type 3: Existing Road Type 7/8, Design Type 7/9, Asphalt Concrete Pavement, Shoulder width 1.00 m. (Used for the rolling terrain with a community)

Rest Area Design



A Mockup of Rest Area near Nhommalath Intersection



A Mockup of Rest Area near Nhommalath Intersection



Proposed Location of Rest Area near Nhommalath