

**Bank of the Lao PDR  
Deposit Protection Office  
Lao PDR Financial Sector Safety Net Strengthening  
Project (FSNP)**

**Financial Statements  
and  
Independent Auditors' Report  
For the period from 27 October 2020 to 31 December 2021**

**Bank of the Lao PDR**  
**Deposit Protection office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**

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**Bank of the Lao PDR**  
**Deposit Protection office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**

**Project information**

|                            |  |   |
|----------------------------|--|---|
| <b>Project</b>             | Lao PDR Financial Sector Safety Net Strengthening Project<br>Financial Statements ("FSNP"), IDA 65710  |   |
| <b>Funding agencies</b>    | International Development Association (IDA),<br>the World Bank Group   |   |
| <b>Duration</b>            | 27 October 2020 to 31 December 2024  |   |
| <b>Implementing agency</b> | Deposit Protection Office, Bank of the Lao PDR   |   |
| <b>Project management</b>  | Ms. Daomanivone Vilayvieng<br>Mr. Bolisath Southichack   | Deputy Director General of DPO,<br>Project Director<br>Deputy Chief of Division of DPO,<br>Project Manager. |
| <b>Registered office</b>   | Lao PDR Financial Sector Safety Net Strengthening Project/FSNP<br>Deposit Protection Office, Bank of the Lao PDR<br>#144, 4th floor, ICONIC Building<br>Phonxay Avenue, Phonxay Village Xaysettha District<br>Vientiane Capital, Lao PDR, Tel.: (856 21) 410 212;<br>Fax: (856 21) 410 213 |   |
| <b>Auditors</b>            | KPMG Lao Co., Ltd.<br>10th Floor, Royal Square Office Building,<br>Samsenthai Road, Nongduong Nua Village,<br>Sikhotabong District, P.O.Box 6978,<br>Vientiane, Lao PDR  |   |



Lao People's Democratic Republic  
Peace Independence Democracy Unity Prosperity

Bank of the Lao PDR  
Deposit Protection Office

### **Statement of management's responsibilities**

It is the responsibility of management to prepare financial statements of Lao PDR Financial Sector Safety Net Strengthening Project ("FSNP or the Project") for the period from 27 October 2020 to 31 December 2021, which are prepared in all material respect in accordance with the accounting policies as described in Note 2 to the financial statements. In preparing these financial statements, management is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Maintain financial records and prepare the financial statements based on the accounting policies as described in Note 2 to the financial statements; and
- Prepare the financial statement on going concern basis under it is inappropriate to assume that the Project will continue operations in the foreseeable future.

Project Management of Lao PDR Financial Sector Safety Net Strengthening Project ("FSNP") is responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any time, the financial position and performance of the Project. Members of project management have a general responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Project and to prevent and detect fraud and other irregularities.

Project Management confirms that the Project has complied with the above requirements in preparing the financial statements.

On behalf of the management

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Ms. Daomanivone VILAYVIENG  
Deputy Director General of DPO  
Project Director  
Deposit Protection Office  
Bank of the Lao PDR  
Date: 16 June 2022





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## **Independent Auditors' Report**

### **To the Project Management of the Lao PDR Financial Sector Safety Net Strengthening Project**

#### ***Opinion***

We have audited the financial statements of the Lao PDR Financial Sector Safety Net Strengthening Project ("FSNP" or "the Project"), which comprise the balance sheet as at 31 December 2021, statements of receipts and payments by component, receipts and payments by category, and designed bank account for the period from 27 October 2020 to 31 December 2021, and notes, comprising summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements as at 31 December 2021 and result of the project for the period from 27 October 2020 to 31 December 2021 are prepared, in all material respects, in accordance with the accounting policies as described in Note 2.

#### ***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Project in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standard) (IESBA Code) that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Emphasis of Matter- Basic of Accounting and Restriction on Distribution and Use***

We draw attention to Note 2 (a) to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Project management to report to donor. As a result, the financial statements may not be suitable for other purpose. Our report is intended solely for the Project management and donor, and should not be used by or distributed to other parties. Our opinion is not modified in respect of this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation of these financial statements in accordance with the basis of accounting and policies described in Note 2 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.





In preparing the financial statements, management is responsible for assessing the Project's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern, and using the going concern basis of accounting unless management either intends to liquidate the Project or to cease operations, or has no realistic alternative but to do so.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Project to cease to continue as a going concern.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Balance sheet**

|  |             | <b>As at<br/>31 December 2021</b> |
|--|-------------|-----------------------------------|
| <i>In USD</i>                                | <i>Note</i> |                                   |
| Opening of fund balance                      |             | -                                 |
| Excess of receipts over payments             |             | 197,529                           |
| <b>Fund balance at the end of the period</b> |             | <b>197,529</b>                    |
| <b>Represent by:</b>                         |             |                                   |
| <b>Cash and cash equivalents</b>             | <b>6</b>    | <b>197,529</b>                    |

*The accompanying notes are an integral part of these financial statements.*




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Ms. Daomanivone VILAYVIENG  
Deputy Director General of DPO  
Project Director  
Deposit Protection Office  
Bank of the Lao PDR  
Date: 16 June 2022

**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Statement of receipts and payments by component**

**For the period from  
27 October 2020 to  
31 December 2021**

| <i>In USD</i>  | <i>Note</i> |                  |
|--|-------------|------------------|
| <b>Receipts</b>  | 3           | <b>6,481,945</b> |
| <b>Payments</b>  |             |                  |
| Capitalization of deposit protection office equity fund        | 4           | 6,163,000        |
| Institutional capacity building for DPO and project management | 5           | 121,416          |
| <b>Total payments:</b>   |             | <b>6,284,416</b> |
| <b>Excess of receipts over payments</b>                        |             | <b>197,529</b>   |

*The accompanying notes are an integral part of these financial statements.*




---

Ms. Daomanivone VILAYVIENG  
Deputy Director General of DPO  
Project Director  
Deposit Protection Office  
Bank of the Lao PDR  
Date: 16 June 2022



**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Statement of receipts and payments by category**

|   |             | <b>For the period from<br/>27 October 2020 to<br/>31 December 2021</b> |
|---|-------------|--|
| <i>In USD</i>                           | <i>Note</i> |  |
| <b>Receipts</b>                         | <b>3</b>    | <b>6,481,945</b>   |
| <b>Payments</b>                         |             |  |
| Expenditure for PBCs                    | 4           | 6,163,000  |
| Consultant services                     | 5           | 63,378   |
| Incremental operating cost              | 5           | 29,116   |
| Goods                                   | 5           | 28,922   |
| <b>Total payments:</b>                  |             | <b>6,284,416</b>   |
| <b>Excess of receipts over payments</b> |             | <b>197,529</b>   |

*The accompanying notes are an integral part of these financial statements.*




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Ms. Daomanivone VILAYVIENG  
Deputy Director General of DPO  
Project Director  
Deposit Protection Office  
Bank of the Lao PDR  
Date: 16 June 2022

**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Statement of designated bank account**

|   |             | <b>For the period from<br/>27 October 2020 to<br/>31 December 2021</b> |
|---|-------------|--|
| <i>In USD</i>   | <i>Note</i> |  |
| Receipts  | 3           | 6,481,945  |
| <b>Total receipts</b>   |             | <b>6,481,945</b>   |
| <b>Payments</b>   |             |  |
| Payments  |             | 6,284,416  |
| Increase of cash at project's operating account                 |             | 57,659   |
| Increase of cash at project's holding account                   |             | 19   |
| Increase of cash on hand  |             | 40   |
| <b>Total payments:</b>  |             | <b>6,342,134</b>   |
| Excess of receipts over payments                                |             | 139,811  |
| Fund balance at the beginning of the period                     |             | -  |
| <b>Fund balance at the end of the period</b>                    |             | <b>139,811</b>   |
| <b>Represented by:</b>  |             |  |
| <b>Cash at designated bank account,<br/>Bank of the Lao PDR</b> | 6           | <b>139,811</b>   |

*The accompanying notes are an integral part of these financial statements.*



Ms. Daomanivone VILAYVIENG  
Deputy Director General of DPO  
Project Director  
Deposit Protection Office  
Bank of the Lao PDR  
Date: 16 June 2022

**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Notes to the financial statements**  
**For the period from 27 October 2020 to 31 December 2021**

**1. Principal activities**

The Government of Lao PDR has received funding from the World Bank Group for the Financial Sector Safety Net Strengthening Project (US\$35 million). The objective of the Project is to strengthen the financial and institutional capacity of the Deposit Protection Office (DPO) to fulfil its deposit insurance mandate.

The Deposit Protection Office (DPO) is the Project Implementing Agency and will be responsible for the overall supervision, execution, and management of Financial Sector Safety Net Strengthening Project (FSNP). The project shall be governed by Bank of the Lao PDR and shall be implemented through the existing DPO and concerned departments. DPO shall be responsible for formulating policy and strategy, setting standards, allocating resources, monitoring, providing technical support including the training of officials concerned, playing a role in quality assurance systems and technical auditing, and carrying out impact evaluations, planning, budgeting, procurement, contract management, quality control, and reporting.

The project is part of a broader strategy to strengthen the overall financial safety net, through strengthening the supervision and resolution of deposit-taking financial institutions, as well as the mechanism to be compliant with the rules and regulations for timely payouts of depositors in the case of bank failures. In light of the existing vulnerabilities in the banking sector, it is imperative to bolster the DPO's financial and institutional capacity with World Bank (WB) support. As demonstrated by the lessons from the global financial crisis, the establishment of a credible deposit insurance system is critical for financial sector stability, including maintaining public confidence and protecting less sophisticated and small depositors.

The Project includes two components:

- (i) Capitalization of Deposit Protection Office Equity Fund using Performance-based Condition (PBCs), whereby the WB funds are disbursed in tranches based upon verification of achievement of the pre-agreed PBCs; and
- (ii) Institutional capacity building for DPO and project management so DPO is empowered to perform its legally-mandated function (deposit payout), as evidenced by progress towards compliance with International Association of Deposit Insurers (IADI) Core Principles.

The Project is implemented by the DPO, Other agencies involved in project implementation include the Bank of the Lao PDR (BOL) and Ministry of Finance (MOF).

**2. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Project in the preparation of these financial statements:



**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Notes to the financial statements**  
**For the period from 27 October 2020 to 31 December 2021**

**2. Summary of significant accounting policies (continued)**

**a) Basis of financial statements preparation**

The financial statements are prepared in accordance with the accounting policies of the Project consist of the Balance sheet, statements of receipts and payments by component, receipts and payments by category, and statement of designed bank account, which is expressed in United States Dollars ("USD"). The financial statements have, therefore, not been designed for those who are not familiar with the accounting policies of the Project.

The financial statements have been prepared in accordance with modified cash basis of accounting where except for cash advance. Under this basis of accounting, receipts are recognised when funds are received in cash rather than when earned and payments are recognised when made rather than when incurred. This is a comprehensive basis of accounting that is designed to meet the requirements of the Project and its donors; it is not designed to produce financial statements that are compatible with International Financial Reporting Standards or other prominent generally accepted accounting principles.

**b) Fixed assets**

All purchases of equipment are recorded as payments in the statement of receipts and payments upon acquisition as goods. The Project maintains a Fixed Assets Register for control purposes.

**c) Cash**

Cash comprises cash on hand and balances with banks.

**d) Foreign exchange**

The Project maintains its accounting records in USD in accordance with the financial agreement. Transactions in currencies other than USD during the period have been translated into USD at rates approximating those ruling at the transaction dates, and if the fund, which has been replenished to operating account and apply different exchange rate, will be used combine rate. All exchange rate differences are recorded in the statement receipts and payments.

**e) Accounting reporting period**

The general financial accounting Project starts on 1 January and ends on 31 December.

The period from 27 October 2020 to 31 December 2021 is the first financial year since the project started (effective date).



**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Notes to the financial statements**  
**For the period from 27 October 2020 to 31 December 2021**

**2. Summary of significant accounting policies (continued)**

**f) Comparison of budget and actual payments**

The approved budget is developed on the same accounting basis, same classification basis and for the same period as for the financial statements.

**g) Receipt recognition**

Fund receipt from IDA is recognised as receipt when cash is credited to the Project's Holding bank accounts for component 1 and Project's operation bank account for component 2.

**h) Payment recognition**

Payments are recognized when documents substantiating the Project's transactions are submitted and approved and the payment is made.

Categories of payments:

1. Expenditure for PBCs: Capitalization of Deposit Protection Office Equity Fund. Performance-Based Condition (PBC) payments will only be made upon submission of supporting documentation satisfactory to the Bank confirming the achievement of respective PBC or PBCs. PBC payment is valued in SDR, disbursed in USD into a Holding Currency Account, and immediately transferred to the Capitalization account in Lao Kip.

2. Direct Payment and Reimbursement will also be used. Reporting of expenditure paid from the Designated Account will be done quarterly based on the Statement of Expenditure.

**i. Goods**

Goods consists of office equipment, furniture, vehicles, computers and software. All purchases of goods are recorded as payments in the statement of cash receipt and payments upon acquisition as goods.

**ii. Consultant service**

Consultant services consist of national project coordinator, national procurement, and national finance consultant at Lao PDR Financial Sector Safety Net Strengthening Project.

**iii. Non-consultant service**

Non-consultant services including media and outreach expenses such as brochure, poster, and video.

**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Notes to the financial statements**  
**For the period from 27 October 2020 to 31 December 2021**

**2. Summary of significant accounting policies (continued)**

*iv. Incremental operating cost*

Incremental operating cost consist of leasing and/or routine repair and maintenance of facilities and office premises; fuel, office supplies, and consumables; communication expenses (including postage, telephone, and Internet costs); translation, printing, and photocopying expenses; bank charges, publications, and advertising expenses; travel insurance; project-related meeting expenses; project-related travel, subsistence, and lodging expense.

**3. Receipts**

|                               |             | For the period from<br>27 October 2020 to<br>31 December 2021 |
|-------------------------------|-------------|---|
| <i>In USD</i>                 |             |   |
| Fund receipt for PBCs:        | <b>Date</b> |   |
| - 01-PBC-FSNP-DPO             | 22-Sep-21   | 6,163,019   |
| Advance to designated account |             |   |
| - 01-FSN-DPO                  | 25-Jan-21   | 144,960   |
| - 02.1-WA-OC-FSNP-DPO         | 8-Sep-21    | 173,966   |
|                               |             | <b>6,481,945</b>  |

**4. Capitalization of deposit protection office equity fund**

|   |  | For the period from<br>27 October 2020 to<br>31 December 2021 |
|---|--|---|
| <i>In USD</i>   |  |   |
| PBC# A2, DPO Board and BOL Governor have each approved regulations on adjusted deposit premiums   |  | 2,462,355   |
| PBC# B1, DPO and Bank of the Lao PDR have signed an updated memorandum of understanding acceptable to the Association regulating the flow of information between the two entities |  | 2,462,354   |
| PBC# C2, DPO Board has approved its Code of Ethics  |  | 1,238,291   |
|   |  | <b>6,163,000</b>  |

**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Notes to the financial statements**  
**For the period from 27 October 2020 to 31 December 2021**

**5. Institutional capacity building for DPO and project management**

|                                   |   |
|-----------------------------------|---|
|                                   | For the period from<br>27 October 2020 to<br>31 December 2021 |
| <i>In USD</i>                     |   |
| <b>Consultant services</b>        |   |
| Procurement consultant            | 24,379  |
| Project coordinator consultant    | 22,427  |
| Financial management consultant   | 16,572  |
|                                   | <b>63,378</b>   |
| <b>Goods</b>                      |   |
| IT equipment                      | 17,831  |
| Furniture equipment               | 10,286  |
| Office equipment                  | 805   |
|                                   | <b>28,922</b>   |
| <b>Incremental operating cost</b> |   |
| Car rental                        | 11,653  |
| Office rental                     | 10,900  |
| Document translation              | 2,252   |
| Office stationeries               | 921   |
| IT system maintenance             | 136   |
| Others                            | 3,254   |
|                                   | <b>29,116</b>   |
|                                   | <b>121,416</b>  |

**6. Cash and cash equivalents**

|  |                           |
|--|---------------------------|
|  | As at<br>31 December 2021 |
| <i>In USD</i>                                |                           |
| Designated bank account: Bank of the Lao PDR | 139,811                   |
| Holding bank account: Bank of the Lao PDR    | 19                        |
| Operating bank account                       | 57,659                    |
| Cash on hand                                 | 40                        |
|  | <b>197,529</b>            |

**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Notes to the financial statements**  
**For the period from 27 October 2020 to 31 December 2021**

**7. Commitments**

The Project has outstanding commitments as follows:

| <i>In USD</i>                   | As at<br>31 December 2021 |
|---------------------------------|---------------------------|
| Procurement consultant          | 5,621                     |
| Project coordinator consultant  | 5,173                     |
| Financial management consultant | 3,828                     |
|                                 | <b>14,622</b>             |



**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Comparison of budget and actual payments (Unaudited)**  
**For the period from 27 October 2020 to 31 December 2021**

*(Appendix)*

| This table represented the used of funds by activities, as set out in the Project Appraisal Document ("PAD"), compared with current budget.<br>*(Financing Agreement No.6571-LA; dated 28 April 2020) |                        |                       |                           |                       |                             |                       |                           |                           |   |
|---|------------------------|-----------------------|---------------------------|-----------------------|-----------------------------|-----------------------|---------------------------|---------------------------|---|
| <i>In USD</i>   | <b>Actual</b>          |                       | <b>Budget (Unaudited)</b> |                       | <b>Variance (Unaudited)</b> |                       |                           | <b>Project Document *</b> |   |
|   | 31<br>December<br>2021 | Cumulative<br>to date | 31<br>December<br>2021    | Cumulative<br>to date | 31<br>December<br>2021      | Cumulative<br>to date | Cumulative<br>to date (%) | Total<br>budget           | Remaining<br>budget as at<br>31<br>December<br>2021 |
| Component 1: Capitalization<br>of deposit protection<br>office equity fund  | 6,163,000              | 6,163,000             | 14,261,000                | 14,261,000            | 8,098,000                   | 8,098,000             | 43.22%                    | 33,250,000                | 27,087,000  |
| Component 2: Institutional<br>capacity building for DPO<br>and project management   | 121,416                | 121,416               | 338,659                   | 338,659               | 217,243                     | 217,243               | 35.85%                    | 1,750,000                 | 1,628,584   |
| <b>Total:</b>   | <b>6,284,416</b>       | <b>6,284,416</b>      | <b>14,599,659</b>         | <b>14,599,659</b>     | <b>8,315,243</b>            | <b>8,315,243</b>      | <b>43.04%</b>             | <b>35,000,000</b>         | <b>28,715,584</b>                                   |

**Bank of the Lao PDR**  
**Deposit Protection Office**  
**Lao PDR Financial Sector Safety Net Strengthening Project (FSNP)**  
**Comparison of budget and actual payments (Unaudited)**  
**For the period from 27 October 2020 to 31 December 2021**

*(Appendix)*

**Analysis of variances between budget and actual payments**

**Component 1:**

In comparing the annual budget, the project could implement the component 1 (PBC budget line), the project had been delayed for claiming PBC A2, B1, and C2 due to covid, and DPO themselves which could not accomplished those PBCs on time. However, the project could implement 43.22 % compared to the annual budget.

**Component 2:**

At the same time, for component 2 that including goods, non-consulting services, consulting services, training and operating costs having total budget 338,659 USD indicated goods 34,578 USD, Consultant service 248,000 USD; Non-consulting Services 1,500 USD and Incremental Operating Cost 54,581 USD in period 2021. In actual payment showed goods procurement process could not finished on time as well that's why the project had to prolong the goods procurement. In 2nd semester, the project had procured laptop, and other ICT equipment, amounting 17,830.86 USD and furniture, amounting 11,091.28 USD equal to 28,922 USD. As for Consulting service could implemented only 63,378 USD or 25.56% of budget because the project had allocated budget for communication specialist 12,000 USD and deposit insurance advisor amount 72,000 USD for the year 2021, but the project still could not recruit those consultants due to the deferment of reviewing TOR, etc. For Non-consulting service, the project could implement 752 USD or 50.97% of budget and the incremental operation cost 29.05% or USD 28,364 respectively.

Therefore, project could implement only 43.04% for both component 1 and 2 compared with budget of period 2021.