Outcome Statement

2016 Round Table Implementation meeting Panel Discussion 24th November 2016

On half of panel discussion on partnership for effective development cooperation

To be delivered at the 2016 Round Table Implementation Meeting By Dr. Kikeo Chanthaboury Deputy Minister of Planning and Investment 25th November 2016, Vientiane Province

- Governor of Vientiane Province
- Ministers, Deputy Ministers
- Ambassadors
- Development Partners
- Distinguished guests and colleagues; Ladies and gentlemen:

It is an honor for me on behalf of Ministry of Planning and Investment as well as line ministries, provincial representatives, and various development partners to delivery key outcomes from panel discussion taken place on 24th November prior to today Round Table Implementation Meeting.

The outcome that I would like to delivery is a result of joint efforts and consultations and discussions throughout the year and pre-consultation taken placed on 15th November 2016 on the Country Action Plan for the implementation of the Vientiane Declaration on Partnership for Effective Development Cooperation which is a forward-looking document, shifting attention from traditional donor – recipient relationship to broader partnerships that are more inclusive of other forms of financing, beyond ODA. These partnerships will become more relevant as Lao PDR graduates from Least Developed Country status.

With consensus from all partners, we now have a final Vientiane Declaration Country Action Plan (2016-2025) focusing on 14 key action areas for further enhancing our dynamic partnership for achieving the national development agenda including sustainable development goals (SDGs).

Ladies and gentlemen,

I would like to stress that VDCAP is a milestone for Government-Development Partners and other stakeholders to commit ourselves for better development results and outcomes through greater partnership in 14 key action areas.

Our tasks are now to implement and ensure that goals and targets of all 14 action areas are properly monitored and reported against through this Round Table Process (Round Table Meetings and Round Table Implementation Meetings) including Sector Working Group mechanism.

Keeping these in mind, I would like to highlight follow up and implementation actions which are divided into two clusters

For the first cluster which are need to be addressed immediately in 2017 where results will happen overtime.

1. The Round Table Process, including the Sector Working Groups - which bring together all partners, including private sector, south partners, civil society and others - is a key forum to put the Vientiane Declaration and its Action Plan into practice.

Therefore, reporting on the implementation of the VDCAP continues to be the core task of SWG and RTP Secretariat including the VDCAP Secretariat.

- 2. In particular, the role of the national VDCAP Secretariat and its capacity need to be strengthened. This will also include a revision of Sector Working Groups TOR to take into consideration new principles for effective partnerships such as south-south cooperation, business as partner in development and domestic resource mobilization. Also, the immediate task is also to strengthen the technical secretariats of the Sector Working Groups, which are critical to their functioning.
- 3. To guide that we all work towards the same goals and priorities, the **8th NSEDP M&E framework and the SDG indicators** will need to be finalised in order to guide the efforts of Provinces and Sector Working Groups contributing to the achievement of the national development agenda.
- 4. An ultimate purpose of coordination is to ensure greater results achieved through greater partnership, it is necessary to systematically integrate financing for SDGs and NSEDP into the round table dialogue, taking into consideration different forms of partnership and finance.
- 5. Last but not least, the revised decree 75 sets out a clear division of labour on ODA and other flows. It is currently being consulted within Government and it will be opened up to all partners once clear division of labour is confirmed. It is important to align ODA decree with the Vientiane Declaration and to link ODA decree with associated decrees. The existing decrees provide the framework for ongoing collaboration until they have been revised. A national workshop on ODA management will be convened before the finalization of the decree in the second half of 2017.

Ladies and Gentlemen,

Now, I would like to highlight second cluster of follow up and implementation actions are those to be addressed over the course 8th NSEDP (after 2018) and beyond.

- 1. Moving from Vientiane Declaration I (aid effectiveness) to Vientiane Declaration II (partnership for effective development cooperation), we need to **make use of all financing flows in a holistic way**. Meeting financing needs for sustainable development requires optimizing the contribution from all flows, including public, private, domestic and international. Therefore, it is necessary that Lao PDR develops an integrated financing framework including a financing strategy linked to results that illustrates how different forms of finance can be used more effectively.
- 2. At the same time, VD II requires us to match financing flow with appropriate needs and uses. Long-term sustainable development investments should be financed with long term funds. Medium-Term Expenditure Frameworks and a more predictable and accountable national budget will help ensure better management and consolidation of resources. And we need to put greater efforts to link planning and budgeting to Medium-Term Expenditure Frameworks. Regular Public Expenditure and Financial Accountability (PEFA) Assessments could be conducted to measure progress in this area.
- 3. **South-South cooperation** constitutes an important form of knowledge exchange, complementing remittances and other flows.
 - It is important that the cooperation builds on national ownership and clearer needs and requirements.
 - National sovereignty needs to be respected where partnerships build on trust

- and no interference.
- At the same time, there is a need to improve understanding on the nature and modalities of south-south cooperation partners and their significant participation in development cooperation management through a clear coordination and reporting mechanism.
- This includes reflecting ASEAN and regional dimension in national and subnational policy dialogue.
- 4. Adopting Programme-Based Approaches (PBAs) and Sector Wide Approaches (SWAp) to support the implementation of the NSEDPs including SDGs requires greater efforts from the Government and providers of development cooperation. To help materialize this, there is a call to identify lessons learnt and share experience from relevant sectors who have been currently applying PBAs/SWAps in their activities.
- 5. Ensure broader and deeper engagement of the private sector in development process. To do so, there is a need to improve ease of doing business and promote quality investments (domestic and foreign) in line with WTO and ASEAN commitments. Also, there is a request to enhance engagement of private sector in policy development, ensuring involvement at an early stage, for policies to be better adjusted to better reflect national priorities and contributing to the sustainable development over the long run.
- 6. Developing national capacity to assess the quality of Public Private Partnerships will also help deepen engagement of private sector. Revitalization of the Lao Business Forum can be also done in this process including promoting quarterly meetings between the different national and international chambers of commerce to exchange views on how to strengthen the business environment.
- 7. To further advance private sector development, there is a call to decentralize partnerships between private sector and government to provincial level. ASEAN integration risks some areas being left behind. It will therefore be key to develop economic infrastructure and harness the private sector at the provincial level.
- 8. **Partnerships with Civil Society** Further engage civil society in the development process because of their unique capacity to engage community members in a meaningful manner, enabling citizens to voice their needs, engage in policy formulation and be part of the development conversation and action.
 - o The Istanbul Principles for CSO Development Effectiveness should be promoted in the Lao context.
 - o For some forms of international support the Government channels may be more suitable, while for other forms, civil society may be more suitable. Evidence for such decisions would be useful, for instance an evaluation on how Government implementation compares to INGO/NPA implementation.
 - o Enhance capacities of NPAs through mentoring, coaching, accompaniment, training and awareness raising from partners such as the Government, INGOs and other partners.
 - o Revitalize and allocate appropriate resources to Village Development Committees.
 - O Continue quarterly meetings between the INGO Network and MoFA, to enhance communication and mutual understanding. Introduce a similar regular exchange between Non-Profit Associations and MoHA, which could contribute to streamlining and accelerating their registration, enabling them to participate in the formulation, consultation and implementation of development policies and programmes, for instance in the Sector Working Groups and other elements of the Round Table process.

Ladies and Gentlemen

While the follow up actions that I just highlighted capture a summary of outcomes from both pre-consultation and the panel discussion, a report of 2016 RTIM will highlight detailed follow up actions. This will help guide our work in 2017 and beyond for great partnership for effective development cooperation.

I will end my remarks here and wish all of you good health, prosperity, and successful in your work.

Thank you very much.