



**Lao People's Democratic Republic**  
*Peace, Independence, Democracy, Unity, Prosperity*

**A Summary Report  
Of  
The Round Table Process Retreat  
2 March 2017, Lao Plaza Hotel**

Prepared by  
Department of International Cooperation  
Ministry of Planning and Investment

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## I. Introduction and proceedings

The Round Table Process (RTP) Retreat took place on 2 March 2017 at Lao Plaza Hotel, Vientiane. This year RTP Retreat brought the participation of representatives from Line Ministries and Development Partners (DPs) representing all 10 Sector Working Groups (SWGs), INGOs and None Profit Associations (NPAs), colleagues from Ministry of Finance (MOF), Ministry of Foreign Affairs (MOFA), Bank of Lao PDR, Lao Women's Union and Lao National Committee for Advancement of Women (Lao NCAW).

With the success of the 2016 Round Table Implementation Meeting (RTIM) organised on 27<sup>th</sup> November 2016 in Vientiane Province, this Retreat focuses on 1) a follow up of the 2016 RTIM key discussion points which are those relating to the 12<sup>th</sup> High Level Round Table Meeting (HL RTM) key policy recommendations, and 2) recommendations to frame the agenda of the 2017 Round Table Implementation Meeting (RTIM).

In particular, the Retreat was designed in a way to allow the Government of Lao PDR and its Development Partners and other stakeholders to consult on how the implementation of RTIM/RTM key discussion points can best support the implementation and monitoring of the 8<sup>th</sup> National Socio-Economic Development Plan (NSEDP 2016-2020).

With the highlighted objectives, the Retreat was divided into two main sessions

1. Technical forum (4 group discussions in accordance to four categories of the RTIM/RTM key discussion points) to discuss a follow up of the RTIM/RTM key discussion points and the 2017 RTIM preparation
2. Briefing of the outcomes of technical forum (group discussions)

*(Please refer to Annex 1 of this report for a concept note and an agenda for more detailed information).*

The RTP retreat was chaired by His Excellency Dr. Kikeo Chanthaboury, Vice Minister of Planning and Investment and co-chaired by Ms. Kaarina Immonen, UN Resident Coordinator and UNDP Resident Representative.

At the opening, the chair highlighted the importance of a reflection on the past experience of the RTP implementation and the following up on the recommendation arising from the RTIM/RTM. These will help inform discussions on expectations and key milestones leading up to the 2017 RTIM. His Excellency stated that what was discussed during the Retreat will then be reported back to the National Steering Committee on the Round Table Process (the RTP NSC). The meeting of the RTP NSC is expected to take place as soon as possible to review and provide further guidance on the preparation of the 2017 RTIM.

Ms. Immonen, the co-chair also thanked all participants for their attendance and flexibility despite several competing priorities. Ms. Immonen re-emphasized the Retreat should come up with clearer actions on how to follow up on recommendations raised at RTIM/RTM and to agree on how to proceed for the 2017 RTIM. In particular, the Sector Working Groups are the main vehicle to drive discussions, coordination, and monitoring of these important priorities to support Lao PDR for the achievement of the 8<sup>th</sup> NSEDP enabling the graduation from the Least Development Countries's status by 2020s and generating early progress of the Sustainable Development Goals. The co-chair also stressed the importance of the implementation of the Vientiane Declaration on Partnership for Effectiveness Development Cooperation. This is an important framework to guide the development in Lao PDR for the next 10 years.

## II. Presentation by Department of International Cooperation/Ministry of Planning and Investment

### 2.1 Key lessons learnt from the organisation and preparation of the recent Round Table Meeting/Round Table Implementation Meeting including key recommendations from the 2016 RTP review

- Panel discussions and pre-consultations strengthen substance; interactive dialog with Government contributes to a better understanding on priority issues
- Selection of a few priority topics for RTIM ensures focused discussions
- Field visits and organisation of RTIMs in the provinces help bring discussions closer to real issues and challenges on the ground.
- Making the Round Table Process more inclusive increases its relevance
- Sector Working Group TORs, work plans and reports: the more results-oriented, the better.

### 2.2 RTM/RTIM follow up matrix and the instruction of the Prime Minister's Office for the implementation of the 2016 RTIM recommendations

- To ensure continuity, the Round Table Follow-up matrix links key discussion points and recommendations of the 2016 RTIM to the 2015 HL RTM discussion points as per the updated matrix shared today.
- There are four parameters of the follow up of the RTIM/RTM key discussion points
  - Making the follow-up matrix more results-oriented;
  - Focusing on key actions;
  - Identifying clear responsibilities; and
  - Linking to the M&E framework of the 8<sup>th</sup> NSEDP.
- The Prime Minister Office issued an instruction (No.149) for the implementation of the RTIM/RTIM key discussion points on 27 January 2017. Key information of the instruction is summarised as follow:

Government Agencies	Key action areas
<b>1. Ministry of Planning and Investment in consultation with Ministry of Foreign Affairs, line ministries, provinces and other related agencies</b>	<ul style="list-style-type: none"> <li>• SDG integration and implementation within the 8<sup>th</sup> NSEDP framework for actual results</li> <li>• Ensure greater participation of all stakeholders for all measures to ensure stable, sustainable, and quality growth and in accordance to green growth (all for poverty reduction)</li> <li>• Strengthen the national statistical capacity and system and improve the quality and disaggregation of data for 8<sup>th</sup> NSEDP monitoring and reporting including SDGs</li> <li>• Ensure the implementation and reporting on the RTM/RTIM follow up actions in close collaboration with all line ministries, provinces and other related agencies.</li> <li>• Ensure effective development cooperation (ODA and other development resources) through “one door service” approach with clearer division of labour and enhanced M&amp;E capacity.</li> </ul>

<b>2. Ministry of Finance</b>	<ul style="list-style-type: none"> <li>• Enhance revenue generation base, ensure effective monetary and fiscal management and ensure effective domestic resource mobilization (domestic and foreign investment)</li> <li>• Strengthen the linkage between financing and results, and accelerate progress - an Integrated National Financing Framework</li> <li>• Enhance effective operationalization of MTEF</li> <li>• Create measures to address domestic shocks and ensure sufficient buffer in the economic, human and environmental areas - Making Lao PDR more resilient is a common agenda for us all.</li> </ul>
<b>3. Ministry of Industry and Commerce and Ministry of Planning and Investment</b>	<ul style="list-style-type: none"> <li>• Ensure greater and high quality domestic and foreign direct investment and create effective enabling environment for private sector development</li> <li>• Enhance M&amp;E and the implementation of public private partnership through greater partnerships and involvement of all stakeholders</li> </ul>
<b>4. Ministry of Health, Ministry of Agriculture and Forestry, and Ministry of Education and Sport</b>	<ul style="list-style-type: none"> <li>• Accelerate the implementation of the national strategies and actions and efforts need to be continued to build our understanding of key behaviours and practices that influence stunting and other forms of malnutrition and develop social and behaviour change communication messages, campaigns and support interpersonal communication skills of front line workers.</li> </ul>
<b>5. Ministry of Health</b>	<ul style="list-style-type: none"> <li>• Put greater efforts to strengthen capacity for sub-national level coordination for inter-sectoral implementation and integrate nutrition in provincial and district planning using all available resources</li> <li>• Pay greater attention to budget allocation and human resource to address all related matters (food security, stunting, mother and child mortality, access to clean drinking water, ect...) on food and nutrition security</li> </ul>
<b>6. Ministry of Natural Resource and Environment</b>	<ul style="list-style-type: none"> <li>• Ensure an appropriate approach to suit Lao local circumstances on green growth and identify key requirements include building resilience across all sectors and reducing the impact of disasters, facilitating multi-stakeholder, cross-sectoral engagement and defined coordination mechanism, and finally maximizing efficiencies and access to financing.</li> </ul>
<b>7. Ministry of Agriculture and Forestry</b>	<ul style="list-style-type: none"> <li>• Ensure that the agriculture and forestry sector in Lao PDR has commenced the clean agriculture initiative, which can potentially support the implementation approach in the country.</li> </ul>

<b>8. Ministry of Home Affairs in consultation with National Assembly and other related agencies</b>	<ul style="list-style-type: none"> <li>• Make important administrative and legislative progress towards Lao PDR becoming a rule of law state and measures to enhance greater transparency for sustainable development growth</li> <li>• Delivery of basic services in remote rural areas through various approaches ‘local delivery mechanisms’, and others and ensure possible measures to help sharpen implementation for impact where needs are greatest.</li> </ul>
<b>9. Ministry of Foreign Affairs in consultation with Ministry of Home Affairs and other related agencies</b>	<ul style="list-style-type: none"> <li>• Enhance enabling environment for the work of INGOs and NPAs under a programme based approach and ensure greater M&amp;E for greater development results</li> </ul>

### 2.3 Initial proposed priorities and focus of 2017 RTIM

#### Overall Objective of the 2017 RTIM

To promote coherence and multi-stakeholder partnerships for implementation of the 8<sup>th</sup> NSEDP: monitoring progress achieved in 2017 and setting priorities for 2018.

- Possible Options for agenda items and priority themes – will be decided later (Special request to pay great attention on social and human development aspect as it is critical element of the LDC graduation)
- Format - To ensure interactive dialogue as much as possible) – same format of 2016 RTIM might be appropriate
- Location –To be organised in a province if possible as stated by the Prime Minister)
- Timing – Keeping the same time frame – November or to synchronize with the new Lao financial year.

#### 2017 RTIM Theme could be

1. Multi-stakeholder partnerships and coherence for implementation of the 8<sup>th</sup> NSEDP: monitoring progress achieved in 2017 and setting priorities for 2018.
2. Human development for the achievement of the 8<sup>th</sup> NSEDP including LDC graduation and SDG achievement
3. Greater partnership for achievement of the 8<sup>th</sup> NSEDP including SDGs and LDC graduation
4. Accelerating the implementation of the 8<sup>th</sup> NSEDP for LDC graduation and SDG achievement
5. More could be added

#### Key activities for 2017 RTIM preparation

Key activities	Time Frame
1. Preparation of the 2017 RTIM Road Map	January – March 2017
2. Dissemination of the Vientiane Declaration Country Action Plan – national and provincial level	Jan – May 2017

Key activities	Time Frame
3. Preparation of the Vientiane Declaration Country Action Plan monitoring framework and monitoring roll out	April – September 2017
4. Revision of Decree No.75 and development of national development cooperation strategy (including consultations with partners)	Jan – September 2017
5. Round Table Process Retreat	March 2017
6. SDG National Steering Committee meeting	April - July 2017 (as often as needed)
7. Meeting of National Steering Committee for the Round Table Process	April-May & Oct -Nov 2017(as often as needed)
8. Guideline and information sharing for the preparation of the 2017 RTIM to all Sector Working Groups Secretariats	June – August 2017 (as often as needed)
9. Meeting of Chairs and Co-Chairs of Sector Working Groups	Quarterly (as often as needed)
10. Sector Working Group meetings (technical and executive levels)	Throughout the year
11. Annual report of the implementation of 8th NSEDP (2016/2017) and formulation of the annual Plan (2017/2018)	Sep – Dec 2017
12. Meetings between the Round Table Process Secretariat and Sector Working Group Secretariats	Through-out the year
13. Foreign Aid Reports (semi-annual and annual)	Timing to be determined
14. 2017 RTIM invitation set out	At least two months before the actual RTIM
15. Sectoral progress reports by Sector Working Groups	September/October 2017
16. 2017 RTIM Background Document	At least a month before the actual RTIM
17. Meet the press	Quarterly
18. 2017 RTIM Pre-consultations	At least a month before the actual RTIM
19. 2017 RTIM and Debriefing with the Prime Minister	November 2017 or Jan/Feb 2018

### III. Outcomes of Group Discussions

#### 3.1 General comments

- The RTP has been seen as useful in bringing together Government and DPs on a regular basis, promoting connections, exchanging information, providing a platform for discussion, and enabling networking. While a process is important, RTP should pay greater attention to substance. The SWG is the appropriate venue

the have a substantive discussion of development policies and implementation. Therefore, it is necessary that the potential of SWGs is fully utilised.

- The RTP is an important instrument to engage the development partners, to ensure effective coordination and develop trust and mutual understanding. Therefore, it is important that support to the SDG based national planning, Round Table process and other related matters such as policy dialogue and research work are well coordinated within programme based approach. This will help minimise transaction costs and increase greater impact and results taking into consideration limited resources available.
- The alignment of supports to the NSEDP is already being ensured during the regular bilateral discussions that take place with all partners. Therefore, it is important that the RTP focuses on key strategic matters and areas needed for further accelerating the LDC graduation and the SDGs' achievement.
- As 2017 is the first calendar year of implementation of the 8<sup>th</sup> NSEDP, objectives, outcomes and themes of the 2017 RTIM could focus on the process of the implementation rather than the progress – challenges and bottlenecks. It is important to focus on how to deliver
- To think about what are the priorities and how to deliver that at the national and provincial levels - Select from key discussion points of the 2015 RTIM and 2016 RTIM to focus the discussion on and to follow-up and keeping in mind that in 2018, there will be a review of LDC graduation and Lao PDR will prepare a voluntary SDG report to be tabled at the UN General Assembly. Therefore, 2017 is an important year to prepare for these.
- Outcomes “Translation of the national development agenda into provincial and district action areas for accelerating and advancing the national outcomes through strengthening and enhanced development cooperation/inclusive partnership” A case study of a few provinces to share their lessons both good and bad – in translating the NSEDP into provincial plans
- Contribution of SWGs and Provincial authorities - what works well in terms of coordination (vertical and horizontal coordination) - How SWGs mechanism can better support implementation of NSEDP – outcomes, M&E – at provincial level - Provincial authorities - 8<sup>th</sup> NSEDP (SDGs already integrated in the plan) - SDGs localizations
- Leading up activities and pre-consultations - Leading up activities consultation take place at provincial level to disseminate and discuss the implementation of the national development agenda (8<sup>th</sup> NSEDP including SDGs, VDCAP, Decree 75, implementation of the RTM/RTIM key discussion points, etc). Pre-consultations - Consultation at SWGs DIC to lead the consultation with representatives of SWGs – Focused areas (3 to 4 topics) - Consultations line ministries, provinces, development partners including private sector, CSO and other stakeholders.
- Some key focused areas include:
  1. Production and analysis of macroeconomic data and information
  2. Rule of law
  3. SDG implementation and reporting
  4. Inclusive growth – participation of SMEs and micro SME
  5. Increase the role of private sector not limited to public private partnership
  6. Education, health or social sector development
  7. Human Asset Index
  8. Water resource management
  9. Climate change strategy, climate finance and assessing to climate fund
  10. Land management
  11. Plan for the implementation of the VDCAP 2016-2025

## 3.2 Specific comments from group discussions

### Group 1 – Macroeconomic Management and Inclusive and Sustainable Growth

#### Follow up actions of the RTM/RTIM

##### The 8<sup>th</sup> NSEDP

This point focuses on how to generally implement the NSEDP, and how this relates to the role of the private sector, society, development partners etc. The discussion point relates to both service delivery and doing business. The role of the government is to facilitate the environment for businesses to evolve and operate. It is suggested that this point should focus on the private sector.

Issues with government spending and bond insurance in Kip. Suggested to develop private sector financing through the local banks and securities rather than relying on foreign direct investment.

On point 1.6: discussion on changing the language on this point to a broader partnership by adjusting PPP into a more inclusive language. It was concluded that this section wants to focus on private sector development. Add on this point “Lead Agency and relevant SWG and supporting Development Partners” the Chamber of Commerce and MPI.

On point 1.7: Add on this point “Lead Agency and relevant SWG and supporting Development Partners” the Chamber of Commerce and MPI.

It was agreed that action points should be clearer.

##### Enabling inclusive and sustainability growth

It was observed that the 2015 points in this section are all written in the format as “action points”; however, this creates inconsistency with the 2016 points, as some are not written in an action-orientated manner.

It was discussed that there should be more information sharing on when there are sector working groups and minutes of meetings. It was therefore recommended to create an email distribution list for monthly updates, as well as a possible Whatsapp group as an effective platform to keep all members updated.

On Point 2.15 – proposed change of title from “Quality Growth” to “Quality Growth including focusing on diversification, added value, etc”. This makes it more action point oriented.

On Point 2:16: allocation of lead agencies: Trade and Private Sector Working Group and Macroeconomic Sector Working Group.

##### Enhancing Macro-Economic Management

The Lao Government is adjusting its fiscal year to calendar year. This will cause some difficulties with data from 2016, and hence impacting cross-comparison analysis. Due to difficulties with accuracy of data, it was recommended to combine existing data with the World Bank data, and to present Article 4 Publication from the IMF.

It was proposed that the Round Table meetings could provide a Q2 of 2017 with an update of economic indicators and figures for Laos. The Lao Co-Chair responded by saying that the MPI already publishes an Annual Plan, which includes useful data as well as the MPI working closely with the statistics sector to retrieve data to share with development partners.

There was a discussion on the need to have a session to present economic data on the Macroeconomics Working Group for the 2018 Roundtable. It was agreed by all members that a recommendation should be made on adding an agenda item on this point.

A point was raised to change the title of section 3.1 – reading “Strengthen capacity for macroeconomic, fiscal management *and public finance management*”.

Proposed next location for Roundtable Retreat: Pakse or Savannakhet.

Planned to host this event between January and February 2018 so as to align with the fiscal year. Suggested to organize RTIM towards the end of January so as to guarantee all economic data from 2017 will be ready for discussion.

### **Agriculture**

This discussion recognised that the agriculture sector contribution to economic growth accounts for a low general input, however the importance of developing this sector is agreed as an important step towards sustainable development.

Discussed a problem with language with the word “modernization” on the description of this section. Recommended to thus change this to “A significant and *improvement in agricultural productivity* is required...”

## **Group 2 – Social Sector and Human Development**

### **Follow up actions of the RTM/RTIM discussion points**

- Outcome statement (and action items) from National Nutrition Forum need to be integrated into RTIM follow-up matrix.
- Consolidate and reduce current number of Round Table Recommendations
  - consolidation coordinated by RTP secretariat with support from SWG and technical experts.
  - Turn statements into action items.
- Provide recommendations on % of budget required to be committed for health and education
  - financial resources are essential enabling factor – enhance domestic resource mobilization
  - establish and monitor budgetary targets (by year to 2020) by sector
  - Look at allocation per sector and expenditure per sector
- Increase efficiency of expenditure: balance civil service salaries with investments/operating costs
- Proposed additional priorities to be discussed by sector (in addition to RTIM recommendations)
  - Increased emphasis on road safety (over 100 deaths/month)
  - Window of opportunity: support to early childhood department and pre-school education
  - Increased emphasis on advance immunization
- Prioritize: add focus on imminent actions in advance

## **Recommendations for enhancing the Round Table Process**

- Move forward pre-consultations to allow them to better feed into the RTIM
- Follow-up mechanisms to ensure all groups report
- SWGs map Round Table actions and transform them into results-oriented Sector Working Group annual work plan: MPI guidance to SWGs and follow up!
- SWGs add (NSED) indicators into follow-up matrix to improve monitoring suitable priority areas, format, and timing and location for the 2017 Round Table Implementation Meeting?

## **2017 RTIM**

1. Priorities areas
  - Not Food Security again
  - Education? Health? Social Sector Development?
  - Convergence: Focus on Human Assets Index as cross-cutting theme
2. Format
  - More interactive discussion, well prepared by SWGs
  - Divide into groups for more focused discussion which feed into broader discussion
3. Timing
  - Late January / early February
4. Location
  - Luang Prabang
  - Vang Vieng
  - Champasak
  - High season – hotel pre-booking

## **Group 3 - Green Growth, Environmental Sustainability, Climate Change and Disaster Management**

### **Follow up actions of the RTM/RTIM discussion points**

- Water resources management needs to be implemented
- Access to climate funds – Laos is not yet able to tap on (i.e. VN climate credit for Private Sectors)
- Climate finance (ie. China-Lux cooperation)
- PAs – for tourism and livelihood and income generation
- Revising, rewording and strengthening the action areas as some of them were statements not actions – to be done jointly by Secretariats of Env and Agri SWG

### **Adjustments and actions are required to further strengthen the Round Table Process, including a better linkage between the round table meetings and the Sector Working Group mechanism.**

1. Coordination mechanism at the technical level needs to be strengthened to ensure timely inputs from SWGs to RTM (i.e. SWG and SSWG progress report). Can RTM Sec provide format of reporting?
2. RTM Sec (DIC) greater participation and provide guideline to each SWG to help guide the discussion at the sector level
3. Reporting with timeline and monitoring of agreed actions

## **2017 RTIM**

1. Priorities areas

- SDGs implementation (start early so that we are able to monitor the progress) - the unfinished business from MDGs (malnutrition, UXO etc..) and also GG etc..
- 2. Format
  - Same as last year
- 3. Timing
  - Jan/Feb
- 4. Location
  - South (conservation or ecotourism sites)

#### Group 4 – Cross-cutting Matters and Development Effectiveness

##### **Key follow up actions of the RTM/RTIM discussion points**

- Closely monitoring of the time for MOU approval for INGOs.
- Registration for process for the NPAs applications which are pending.

##### **Adjustments and actions are required to further strengthen the Round Table Process, including a better linkage between the round table meetings and the Sector Working Group mechanism.**

1. Streamline SWG/Sub sector/Technical, e.g gender and ensure all cross cutting-issues are included in all sector working groups

##### **How can the monitoring of progress of Sector Working Groups be strengthened?**

- Better to revisit the TOR of the Sector Working Group focusing on the participants from more relevant cross-cutting stakeholders.
- Sub-sector working group is still a good option to streamline the results to sector working group.
- All sector working groups needs to follow the instruction of the Prime Minister to provide the sector report on time.
- Chair and co-chaired is recommended rotated every three years could also CSO
- Linkage of SWG with pre consultation
- Monitoring mechanism should be in place including website, mapping, and so on

#### **2017 RTIM**

1. Priorities areas
  - Human Development
  - Rules of Law
  - Private Sector Development
  - Inclusive Growth (participation of as well as of SME and Micro SME)
  - Cross Cutting : Environment, Climate changes
  - Format
  - Panel discussion session, give more times to participants to share more views and their own of thinking.
  - Pre-consultation is still valid and provided a platform for the participants to gather and share their own views and update.
  - Panel discussion chaired by high ranking officials is effective way.
2. Timing
  - Early next year (Jan or Feb), right after the fiscal year of both Government and DPs. It is timing that all stakeholders to prepare their own report

- Pre-consultation is proposed to take place in mid-2017. How will the results of the existing sector working streamline to the pre-consultation meeting of the RTM.
- Location
- Propose somewhere else other than Vientiane province to provide opportunities for participants to see activities of the projects in the field.
- Savannakhet or Champasack are preferable location for the next RTM

## IV. Closing and follow up actions

Both Chair and Co-Chair of the Retreat highlighted key points as follow:

- All stakeholders are committed to ensure better linkage between the Round Table Process and Sector Work Group mechanism. We need to move toward greater partnership focusing on substantive dialogue for better results and outcomes.
- The Round Table Implementation Meeting in a province provides a good opportunity for having better coordination at a provincial level. This will also help ensure what discussed at the national level are realistically translated into implementation at local level. Therefore, for its preparation, it is important that we focus on a few agenda items which can lead to greater partnership and effective implementation at both sectoral and provincial levels. Key discussion points from 2015 RTM/RTIM could form a basis on how we could decide on agenda items at the later stage.
- Policy dialogue from central, sectoral and provincial levels is vital to support the realization of our 8<sup>th</sup> NSEDP including the SDGs and most importantly the graduation from the LDC status – in term of Gross National Income (GNI), Human Development Index (HDI) and Economic Vulnerability Index (EVI).
- The implementation of the Sustainable Development Goals (SDGs) at local level is important and requires greater partnerships which are more diverse and inclusive than ever before. The role of the private sector, south-south partners and of civil society will be vital alongside those of governments and development partners.
- There has also been a great focus on ensuring greater implementation of Vientiane Declaration Action Plan. Therefore, active participation from both national and international stakeholders are important not only for the formulation processes but also their implementation along the way.
- Key discussion points from today retreat will also be fed into the upcoming review of the Round Table Process. This is an important exercise as it will help us to reflect what we have learnt on our cooperation during the past years and propose key strategic recommendations for our future partnership. So, the Government is a looking forward to full cooperation and active participation of our partnership in this important exercise.
- For all comments, recommendations and suggestions made today, I have tasked the RTP Secretariat to come up with an executive report which will then be reported back to the National Steering Committee on the Round Table Process for their further guidance

# Concept note and agenda of the 2017 Round Table Process Retreat

2 March 2017; Lao Plaza Hotel, Vientiane

## I. Introduction

Development cooperation in Lao PDR is evolving toward greater and more diverse partnerships, which are essential for achieving the goals of the 8<sup>th</sup> National Socio-Economic Development Plan (NSEDPP) and the Sustainable Development Goals (SDGs). The range of stakeholders engaging in the Government-led policy dialogue and discussions (such as the Round Table Meetings and Sector Working Groups) has been expanding, covering not only the central government and traditional development partners but also National Assembly members, provincial authorities, south-south/regional partners, private sector and civil society. Lao PDR has identified, together with partners in development, 14 key action areas to enrich and enhance development effectiveness as stated in the Vientiane Declaration Country Action Plan (2016-2025).

The Round Table Process was reviewed in mid-2016 in the context of a number of important ongoing changes in the country. The review concludes that the Round Table Process is seen by stakeholders as useful in bringing together Government and development partners on a regular basis, promoting connections, exchanging information, providing a platform for discussion, and enabling networking. However, the process needs to evolve to remain relevant in a changing world, with a rapidly transforming Lao economy and society and a new international architecture, a shift from MDGs to SDGs, and a changing development financing landscape.<sup>1</sup>

Taking into consideration the review's findings and recommendations, the Government put greater efforts to ensure that the 2016 Round Table Implementation Meeting was organized and conducted in a different format and setting compared to previous years – moving away from a traditional setting towards more interactive panel and plenary discussions. As a result, the Round Table Implementation Meeting on 24-25 November 2016 was broadly perceived as a success by Government and its partners, inter alia due to the frank and open discussions, the continuity from last year's High-Level Round Table Meeting, the inclusive nature, the comprehensive preparations and the concrete outcomes. The Round Table Implementation Meeting was chaired by the Minister of Planning and Investment, the Governor of Vientiane Province and the UN Resident Coordinator, with around 300 participants, including Government at central and local level, National Assembly, international community, civil society and private sector.

The Round Table Implementation Meeting took stock of progress made towards the national priorities in 2016, and discussed the priorities for 2017, in particular around the areas of: 1) Green Growth, Climate Change and Disaster Preparedness; 2) Food and Nutrition Security; 3) Integrating and Implementing the 2030 Sustainable Development Agenda and Sustainable Development Goals; and 4) Partnership for Effective Development Cooperation – Adoption of the Vientiane Declaration - Country Action Plan (2016-2025). Outcome statements of panel discussions were delivered by Deputy Ministers around each of these four areas. The meeting was followed by a debrief of the UN Resident Coordinator and 14 key development partners with the Prime Minister, with a joint statement by partners to the Government, which was delivered by the UN Resident Coordinator. The results of the Round Table Implementation Meeting have been translated into an instruction of the Prime Minister to line ministries, provinces and agencies concerned.

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<sup>1</sup> Please refer to the Round Table Process review report for more detailed information.

## II. Objectives

The 2017 Round Table Process retreat is organised by the Department of International Cooperation of the Ministry of Planning and Investment to discuss and agree on the following:

- **Actions required to ensure the recommendations of the 2016 Round Table Implementation Meeting towards the national development priorities are followed up on,** in particular by the Sector Working Groups in light of the instruction of the Prime Minister's Office.
- **Adjustments and actions required to further strengthen the Round Table Process,** including a better linkage between the round table meetings and the Sector Working Group mechanism for the realization of the national priorities. In this context, the participants will also discuss progress on the implementation of key recommendations and suggestions of the 2016 review of the Round Table Process, and how the monitoring of progress of Sector Working Groups can be strengthened.
- **Principles for the concept and roadmap for the 2017 Round Table Implementation Meeting,** including priority areas, format, and timing and location, to ensure common understanding and mutual accountability across different stakeholders.

## Tentative Agenda

### 2017 Round Table Process Retreat

2 March 2017; Lao Plaza Hotel, Vientiane

- 8:15 – 8:30     **Registration**
- 8:30 – 8:40     **Official Opening and Remarks**  
By His Excellency Dr. Kikeo Chanthaboury  
Deputy Minister of Planning and Investment
- 8:40 – 8:50     **Remarks**  
By Ms. Kaarina Immonen  
UN Resident Coordinator/UNDP Resident Representative
- 8:50 – 9:10     **Presentation**  
1. Lessons learnt from the organisation and preparation of the recent Round Table Meeting/Round Table Implementation Meeting including key recommendations from the 2016 RTP review;  
2. RTM/RTIM follow up matrix and the instruction of the Prime Minister's Office for the implementation of the 2016 RTIM recommendations;  
3. Initial proposed priorities and focus of 2017 RTIM; and  
4. Set up of the Group Work.  
  
(Presenter - TBC)
- 9:10 – 10:15   **Parallel group discussions**
- Group 1 – Macroeconomic Management and Inclusive & Sustainable Growth
  - Group 2 – Social Sector and Human Development
  - Group 3 – Green Growth, Environmental Sustainability, Climate Change and Disaster Management
  - Group 4 – Cross-cutting Matters and Development Effectiveness
- Note:**
- Each group will nominate two moderators (representatives from the Government and Development Partners, including other stakeholders)
  - Group presenter and note takers need to be identified and agreed upon (presentation template will be provided during the retreat)
  - Each group will answer three questions:
    1. Which actions are required to ensure **follow up to the recommendations of the 2016 Round Table Implementation Meeting**, in particular by the Sector Working Groups? Please propose any adjustments to the Round Table Meeting follow-up matrix and its monitoring and reporting in light of the instruction from the Prime Minister's Office.
    2. Further to the progress achieved since the Round Table Process Review of mid-2016, which **adjustments and actions are required to further**

**strengthen the Round Table Process**, including a better linkage between the round table meetings and the Sector Working Group mechanism for the realization of the national priorities? How can the monitoring of progress of Sector Working Groups be strengthened?

3. Based on the presentation, which would be suitable **priority areas, format, and timing and location** for the 2017 Round Table Implementation Meeting?

10:15 – 10:30 **Coffee break**

10:30 – 11:00 **Report on key outcomes of group discussions (5 minutes for each group)**

- Group 1 – Macroeconomic Management and Inclusive & Sustainable Growth
- Group 2 – Social Sector and Human Development
- Group 3 – Green Growth, Environmental Sustainability, Climate Change and Disaster Management
- Group 4 – Cross-cutting Matters and Development Effectiveness

11:00 -12:15 **Plenary discussion**

12:15 – 12:20 **Remarks**

By Ms. Kaarina Immonen  
UN Resident Coordinator/UNDP Resident Representative

12:20 – 12:30 **Official wrap-up and closing remarks**

By His Excellency Dr. Kikeo Chanthaboury  
Deputy Minister of Planning and Investment

12:30 – 13:30 **Lunch**

## Explanatory Note 1 – Recommendations/suggestions from the 2016 RTP review

### Part I - Overall key focus areas that need further actions:

1. The period 2016-2020 marks the transition from Round Table Process to Effective Development Cooperation (please see table 1). Therefore, **the RTP needs more clarity on what it is about and an increased focus.**
2. The key to effective development coordination is to create **a setting where partners can exchange views and discuss issues with mutual trust and respect.** One of the core issues in building trust and respect is to provide a more open environment with a predictable time table.
3. The Vientiane Declaration II and the global Agenda 2030 put effective development partnerships at the heart of development effectiveness. To achieve the objective of effective development partnership, **the RTP needs to further evolve and change in terms of name, objective, substance and process.** The Vision is to develop the round table into a broader to review and discuss agreed upon development topics with strong Government ownership and leadership. This approach will treat all partners as equal participants in the development process, benefitting the national development agenda while implementing the global agenda of effective development partnerships. This will allow other partners in development (South-South partners, civil society and private sector) to play an increasingly relevant role in the coordination process.
4. **Partners would like to increase the relevance of the coordination process by making it more inclusive in practise.**
5. **Partners would like to see increased efficiency and effectiveness of the resources used in the RTP.** The Government and the DPs invest substantial resources (funds and time) in the RTP every year. Partners feel that a more predictable environment and better focus on outcomes would results in better use of those resources and a greater effectiveness of the process.

**Table 1 - From Round Table Process to Effective Development Cooperation (2001 – 2030)**

Stage	Period	Key Documents	Key Characteristics
1	2001-2005	5 <sup>th</sup> NSEDP	Partnership for Resource Mobilisation
2	2006-2010	6 <sup>th</sup> NSEDP & VD I	Partnership to Advocate for Important Issues
3	2011-2015	7 <sup>th</sup> NSEDP & VD I	Partnership for Knowledge Sharing
4	2016-2020	8 <sup>th</sup> NSEDP & VD II	From RTP to Effective Development Partnerships
5	2021-2025	9 <sup>th</sup> NSEDP & VD II	Effective Development Partnerships
6	2026-2030	10 <sup>th</sup> NSEDP	Achieving the 2030 Agenda

Source: MPI, DIC; the RTP Review Team

**Part II - The SWG is seen as venue for substantive discussion of development policies and implementation. Therefore, it is important to further strengthen the role of SWGs and linkage with the Round Table Meetings.**

1. **The Sector Working Groups are the solid foundation of the donor coordination mechanism.** Their potential needs to be unlocked. This involves introducing outcome based work plans, making the system less rigid and more predictable, updating the list of sector working groups, introducing thematic working groups, providing clear links to the LDF, improving communication and strengthen resourcing. These are discussed below.
2. **The terms of reference of the working groups need to be more focused on outcomes to be achieved.** It also needs to be made explicit, which national level outcome(s) a working group would contribute to. The outcomes of a working group could include issues papers on certain topics, (sub)sector or thematic strategies, joint understanding on how to address specific issues, or an options paper to be considered at higher levels. The outcome(s) expected of each working group will be guided by the LDF. The focus of SWG reporting will be on the specific outcomes achieved.
3. **Each working group will decide its own work plan, according to the outcome(s) expected.** The number of meetings and the levels of representation will be determined by the working group itself according to the needs as defined by the outcome(s). Some WGs may need to meet more often than others. The terms of reference of the working groups will be more generic, reflecting their mandate. The annual work plan will be about how the groups will implement their mandate to achieve the outcome(s). The role of DIC in coordinating the working groups will change and will become less time consuming and resource intensive as the working groups take more responsibility in a more flexible environment, minimising the role of DIC in “policing” fixed mandates. A more predictable time table will also substantially reduce the workload of DIC.
4. **In addition to sector working groups there will also be thematic working groups (TWG).** Collectively we will refer to them as Thematic and Sector Working Groups (TSWGs). The current arrangements do not allow for linkages between sectors, and thematic working groups are needed. The LDF will decide on the outcome(s) to be achieved by the TWG, and membership will be decided accordingly. Typically, two, three or more line ministries will be involved in the theme and inter-ministerial coordination will be greatly improved. The LDF will decide which ministry will take the lead in a particular TWG. Determination of outcomes, work plan and membership will be along the same lines as for the SWGs.
5. **The list of TSWGs will be updated and be more flexible.** Needs, capacities and resource constraints (see below) will be the determinants for deciding which TSWGs will be active. To ensure optimal use of scarce resources, only those groups which have the capacities and resources to deliver on outcomes will be active. Others may have the status of “non-active” until such time as capacities and resources are available. The same applies to sub-sector working groups, which are very useful to serve as a more specialised discussion platform.
6. **Six of the current SWGs<sup>2</sup> are functioning and can become more productive.** These six SWGs are currently well-resourced and have active leadership. The improvements outlined will make these groups productive and successful in contributing to improved development coordination. The **Infrastructure SWG** will become non-active for the moment until capacity and resource issues are resolved, and outcomes are defined. The **Natural Resources and Environment SWG** may be too large and cover too many topics. Some of its sub-sector working groups function better. This SWG will be reviewed with the aim to make it more focused, while some of its scope will be merged with the new thematic

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<sup>2</sup> Agriculture, Education, Health, Governance, Trade and UXOs.

working group on climate change (see below). The SWG on **Illicit Drugs** is to be absorbed into other SWGs. The issue of alternative livelihoods will be absorbed in the Agriculture SWG, where participation of the Lao Commission for Drug Control and Supervision will ensure good coordination with other agriculture activities and create synergies. The issue of chemical illicit drugs should be mainstreamed in the Education and Health SWGs, which will be of more interest to DPs and ensure better coordination.

7. **The subject of macroeconomic management and coordination is a higher level one that does not fit in any particular sector.** The recent decision by the Government to establish the National Macroeconomic Steering Committee (NMSC) and to move NERI out of MPI, make it independent and report to the NMSC provides a good opportunity to give the Macroeconomic Working Group (MWG) its rightful place. NERI will become the chair of the MWG. It will be responsible for studying and discussing macroeconomic issues which are of interest to both the Government and development partners, under guidance of the LDF. Membership can vary according to the topic at hand. Examples of macroeconomic topics which are a natural fit for the MWG include the role of Small and Medium Enterprises in economic growth and the impact on the labour markets of the ASEAN Economic Community.
8. **Two thematic working groups can initially be established: Climate Change; and Nutrition and Food Security.** Both topics are high on the international and national development agenda, and need strong inter-agency coordination. The Climate Change TWG could be headed by the Ministry of Natural Resources and Environment, with participation of other relevant line ministries; the Nutrition and Food Security TWG could be on a rotating basis, depending on the topics at hand, as guided by the LDF. Initially, it would be the Ministry of Health.
9. **Strong communication is a key to the success of development coordination.** Immediate improvements that can be made include for the Sector Working Groups to take ownership and regularly update their sections of the RTM website<sup>3</sup> (to become the LDF website in due course), and make available documents of interest to the LDF and the STWGs, but which are not suitable for presentation and discussion at meetings. It will be important to label these documents as “draft for consultation only” as they will not be formally finalised, but rather seen as a work in progress to keep everyone informed. These would include the outcomes of STWG deliberations, the documents to be considered at the LDF, technical sector and thematic information important for coordination purposes and information on progress with the implementation of the NSEDP.
10. **Time tables with meeting dates for the LDF and the TSWG meetings should be communicated to all at the beginning of the year.** This will create predictability and make communications and focus on outcomes easier. It will also allow for better participation. The time tables should not be changed except in very special circumstances. Ministers, vice-ministers and other senior officials are often busy and can be called by higher levels unexpectedly. In those case, the chairing of TSWG meetings needs to be delegated to others. If the groups are well structured, with a clear work plan and well-defined outcomes, this should not pose a problem. To make communications more effective, officials letters and invitations will need to be scanned and e-mailed to those concerned. More communications need to increasingly be by e-mail.

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<sup>3</sup> The website currently has the relevant documents about the 2015 HLRTM available, but otherwise is not updated regularly. Its earlier function as a repository of all past documents needs to be revived.

11. **Strong development coordination is in the interest of the Government, and of Development Partners.** For the system, outlined in this chapter, to work, resources are needed to implement the change process and to ensure well-functioning TSWGs. The resources that DPs already contribute will be more efficiently and effectively used. Some STWGs may need additional resources. The LDF and the change process that will create it will need strong DP support to implement the changes over a number of years. A number of partners have indicated that they are willing to support such a change process provided that it has been clearly defined and has full Government commitment.

**Explanatory Note 2 - A summary of RTM/RTIM follow up matrix**  
(updated February 2017 to create a link between 2015 HL RTM and 2016 RTIM key discussion points)

2015 HL RTM – key discussion points (Please refer to Annex 1)	Direct Joint Platform for M&E (Government + Development Partners and other stakeholders)		2016 RTIM – key discussion points (Please refer to Annex 2)	Potential theme for 2017 RTIM
	SWG & related mechanisms	RTM/ RTIM		
<b>Focus Area I – Macroeconomic Management and Inclusive and Sustainable Growth</b>				
1. The 8 <sup>th</sup> NSEDP		√	<ul style="list-style-type: none"> <li>• Annual progress report presented</li> <li>• Discussion Point 5 highlights issues on risks and vulnerabilities</li> <li>• Discussion Point 12 calls for public private partnership</li> <li>• Discussion Point 15 stresses gender equality and women’s empowerment in all actions</li> </ul>	
2. Enabling inclusive and sustainability growth	Note <sup>4</sup>	√	<ul style="list-style-type: none"> <li>• Discussion Point 7 highlights the important of quality growth</li> <li>• Discussion Point 8 stresses the importance of investment and trade</li> </ul>	√

<sup>4</sup> Enabling inclusive and sustainability growth is linked to various sectors across development spectrum. Current actions identified in 2015 by all stakeholder are relevant to SWG: Trade and Private Sector, Education, Natural Resource and Environment, Macroeconomic, and infrastructure.

2015 HL RTM – key discussion points (Please refer to Annex 1)	Direct Joint Platform for M&E (Government + Development Partners and other stakeholders)		2016 RTIM – key discussion points (Please refer to Annex 2)	Potential theme for 2017 RTIM
3. Enhancing Macro-Economic Management	Macroeconomic Working Group		<ul style="list-style-type: none"> <li>• Discussion Point 6 stresses the importance of revenue generation</li> </ul>	
4. Agriculture	Agriculture and Rural Development SWG			
5. Increased Investment to Priority Sectors	Infrastructure; Education; Health; Trade and Private Sector; Agriculture and Rural Development			
<b>Focus Area II – Social Sector and Human Development</b>				
6. From MDGs to SDGs		√	<ul style="list-style-type: none"> <li>• One of the key four themes.</li> <li>• Discussion Point 1 identifies 8 key action areas for integrating and implementing the SDGs</li> </ul>	
7. Food and Nutrition Security		√	<ul style="list-style-type: none"> <li>• One of the key four themes</li> <li>• Discussion point 3 identifies 9 key action areas for food and nutrition security</li> </ul>	
8. Access to Quality Education and Health	Education SWG and Health SWG			
<b>Focus Area III – Green Growth, Environmental Sustainability,</b>				

2015 HL RTM – key discussion points (Please refer to Annex 1)	Direct Joint Platform for M&E (Government + Development Partners and other stakeholders)		2016 RTIM – key discussion points (Please refer to Annex 2)	Potential theme for 2017 RTIM
<b>Climate Change and Disaster Management</b>				
9. Environmental Sustainability	Natural Resource and Environment SWG		<ul style="list-style-type: none"> <li>• One of the key four themes.</li> <li>• Discussion Point 2 identifies 7 key action areas for green growth, climate change and disaster preparedness</li> </ul>	
<b>Focused Area IV – Cross Cutting Matters and Development Effectiveness</b>				
10. Vientiane Declaration on Partnership for Effective Development Cooperation		√	<ul style="list-style-type: none"> <li>• One of the key four themes</li> <li>• Discussion Point 4 identifies 9 key action areas for the VDCAP implementation</li> </ul>	
11. Good Governance	Governance SWG		<ul style="list-style-type: none"> <li>• Discussion Point 9 highlights rule of law state</li> <li>• Discussion Point 10 stresses Universal Periodic Review</li> <li>• Discussion Point 11 highlights services delivery at the local level</li> </ul>	
12. Space for Civil Society	Governance SWG		<ul style="list-style-type: none"> <li>• Discussion Point 13 calls for greater partnership with civil society</li> </ul>	
13. Illicit Drugs and Other Related Issues	Illicit Drug Control SWG			
14. The special case of UXO	UXO SWG		<ul style="list-style-type: none"> <li>• Discussion Point 14 reiterates the importance of addressing UXO problems</li> </ul>	

## Annex 1 - 2015 HL RTM Key Discussion Points

### **A. Macro-economic management and inclusive and sustainable growth**

#### **1. The 8<sup>th</sup> National Socio-Economic Development Plan**

Both national and international stakeholders expressed their strong support of the 8<sup>th</sup> National Socio-Economic Development Plan (NSEDP 2016 – 2020) and they stand ready to provide assistance during the course of its implementation. The 12<sup>th</sup> HL RTM participants also commended the Government for pursuing an integrated approach to inclusive and sustainable development that addresses the unfinished business of the Millennium Development Goals (MDGs) and the priorities to achieve graduation from Least Developed Country (LDC) status, and embarking on the new Sustainable Development Goal (SDG) targets. In particular, the NSEDP was formulated in a participatory manner. It is results and outcome focussed, and builds on the lessons and successes of the 7<sup>th</sup> NSEDP.

#### **2. Enabling inclusive and sustainable growth**

Sustained economic growth of over 7% per year in recent years has been impressive. However, concern was expressed that growth is currently too dependent on the natural resource and extractive sectors and that growth has not proportionally reduced poverty because it has not been inclusively shared. Improvements to the business environment and competitiveness and a better linkage between higher education and skills training and the labour market are needed—with the ASEAN Economic Community and World Trade Organisation providing a major impetus. Quality FDI needs to generate more jobs, in particular for young people, and be socially and environmentally responsible. Pursuit of ‘green growth’ is a real prospect for Lao PDR, linking natural resources to conservation as a source of growth in itself. A stronger partnership with the private sector is recommended. Investing in critical infrastructure remains a priority for the country to become land-linked. Maintenance of existing infrastructure also requires more attention.

#### **3. Enhancing Macro-Economic Management**

Continued efforts to promote macroeconomic stability are a precondition for inclusive growth and sustainable development progress. There is a significant exposure to external economic and financial shocks, risks and vulnerabilities. Efforts are needed to improve oversight of the financial sector, control public debt and enhance revenue generation. Prioritization within, and transparency of the national budget is also needed. A medium-term expenditure framework would provide greater clarity for Development Partners to align their assistance to achieve greater predictability, coordination and effectiveness.

#### **4. Agriculture**

A significant and phased modernization in the agriculture sector is required to enable the country to proceed on its development path of transformation. Improving agricultural productivity, better linking it to climate change resilience and ensuring land tenure security are among the top priorities. Sustainable management of water resources and the downstream potential of hydropower projects should be fully harnessed.

#### **5. Increased Investments to the Priority Sectors**

Lao PDR can also benefit from targeting expenditures to priority social sectors to impact both the unfinished MDGs and longer-term SDG targets. Public investments in health and education should accompany formal social protection mechanisms to build resilience. Enhancing productive capacities in rural areas through support for agricultural development

and rural infrastructure will have direct development impact at the local level. In this context, Development Partners and Government can increasingly pursue co-financing of investments into these core sectors. In parallel to accelerating infrastructure development, budgeting for, and carrying out periodic maintenance will contribute to longer-term resilience and sustainability.

## **B. Social sector and human development**

### **6. From Millennium Development Goals (MDGs) to Sustainable Development Goals (SDGs)**

All participants acknowledge the significant progress that Lao PDR has made in achieving the majority of the MDG targets—many ahead of schedule. Overall levels of poverty have been reduced from 46% to 23% in a generation. However, some MDG targets have not been reached—such as those for nutrition, school retention, infant and child mortality and deforestation. Geographic disparities persist and inequalities are now growing, especially between urban and rural areas. Poverty is most at risk of affecting disadvantaged people living in remote areas. Promoting gender equality requires further efforts at all levels. Addressing these challenges development partners will support the Government’s efforts to localise the SDGs fully to the Lao context, integrating targets and indicators into national planning and monitoring.

### **7. Food and Nutrition Security**

Stakeholders expressed appreciation for the Government’s ‘convergence approach’ for Food and Nutrition Security. Tackling malnutrition in particular the acceleration of the implementation of the ‘convergence approach’ through multi-stakeholders’ involvement will remain one of the foremost priorities of the Government, which is critical for human resource based economic growth.

### **8. Access to Quality Education and Health**

Participants acknowledged the centrality of health in contributing to graduation from LDC status, attaining the unmet MDG targets and pursuing the SDGs. While recognizing considerable gains, there are further critical targets ahead concerning infant, child and maternal mortality, and child malnutrition, especially stunting and underweight rates. Similarly, in the education sector, we noted MDG progress. However, dropout, repetition & survival rates and skills mismatch, as well as the quality of education remain a concern, as does the need to ensure a good supply of trained teachers across the entire country.

## **C. Green growth, environmental sustainability, climate change and disaster management**

### **9. Environmental Sustainability**

Four on-going priorities confront the environment sector: forest degradation; land reform, which is crucial for sustainable land management and investment; strengthening and enforcing protection of biodiversity and eco-systems; and climate change action, including enhanced preparedness for disasters. The government should be commended for taking actions early-on, learning from experiences in other countries. The social, environmental and economic price of ‘growing first and cleaning up later’ is too costly.

## **D. Cross cutting matters and development effectiveness**

### **10. The Vientiane Declaration on Partnership for Effective Development Cooperation (2016-2025)**

The Vientiane Partnership Declaration is a result of joint effort between the Government of Lao PDR and Development Partners to shift from aid effectiveness to effective development cooperation. All stakeholders are grateful to members of the Vientiane Declaration Secretariat who have contributed to the substance of the Declaration. As such, a high quality Declaration was unanimously approved and endorsed. It does not constitute a legally binding instrument, yet represents a shared aspiration and recognition between the Government and diverse partners on how development work is managed in the country for the next ten years for better and sustainable development results. Action is now required for rapidly putting the Declaration's principles into practice.

#### **11. Good Governance**

Government has adopted SDG 16 in recognition of a number of core principles that are essential for good governance to serve as a catalyst for development. Partnership, participation, transparency, accountability, improvement of public financial management and strong anti-corruption measures are prerequisites for inclusive, equitable and balanced nation-wide growth. Law enforcement, access to justice and people centred justice delivery remain as important challenges. Follow-up is needed to the Universal Periodic Review and development of an Action Plan to address key issues.

#### **12. Space for Civil Society**

In line with the Vientiane Declaration, the enabling environment for civil society (both foreign and domestic) should be improved, to help shape and implement sustainable development in Lao PDR under Government coordination and leadership. The registration process for civil society organisations should be streamlined.

#### **13. Illicit Drugs and Other related Issues**

All stakeholders remain concerned with the levels of cultivation, trafficking and use of illicit drugs in Lao PDR. This issue affects so many of the country's vulnerable youth and more attention should be given to promote a public health approach to the issue. Alongside the challenge of illicit drugs is that of illegal wildlife trafficking.

#### **14. The special case of UXO**

The introduction of the new evidence-based survey methodology has already yielded tangible results and will accelerate the efficiency of clearing contaminated areas linked to human settlements most at risk and development priorities.

## Annex 2 - 2016 RTIM Key Discussion Points

### Part I – Key themes of the 2016 RTIM

#### **1. Integrating and Implementing the 2030 Sustainable Development Agenda and Sustainable Development Goals (SDGs)**

- 1.1 The national Steering Committee for Sustainable Development Goals has recently been established based on an instruction by the Prime Minister. The Prime Minister will lead this Steering Committee, with Minister of Foreign Affairs and Minister of Planning and Investment as the vice-chairs. Its membership consists of Ministers and Vice-ministers and heads and deputy heads of ministry's equivalent agencies.
- 1.2 The National SDGs Secretariat will be established at the Ministry of Foreign Affairs, headed by the Director-General of the International Organizations Department. The Secretariat consists of the Department of International Organizations at the Ministry of Foreign Affairs, the Department of Planning at the Ministry of Planning and Investment, and the Lao Statistics Bureau.
- 1.3 Development partners, civil society and private sector will continue to actively participate in the consultations around the SDGs and play an integral role in supporting their achievement at the national and sub-national levels.
- 1.4 SDG focal points will be nominated by line ministries, Government agencies and provinces. In addition, each province will consider nominating SDG focal points at district- and village-level as appropriate.
- 1.5 To create an enabling environment for SDG monitoring and assessment, key actions will be taken to strengthen the national statistical system and improve the quality and disaggregation of data.
- 1.6 The Government and development partners with participation of civil society and private sector - will strengthen issue-based coalitions to focus their support on critical issues such as food and nutrition security, and on critical target groups such as adolescent girls, ensuring that no one is left behind. Focusing resources in this way will accelerate progress towards multiple SDGs at the same time and promote swift graduation from Least Developed Country status. The Sector Working Groups and other partnership fora are tasked to prioritize the relevant SDG targets in their 2017 work plans.
- 1.7 Priority focus will be put on enhancing domestic resource mobilization for SDG and NSEDP achievement. The development and adaptation of SDG financing strategies to the country context, will strengthen the linkage between financing and results, and accelerate progress. The SDG Steering Committee will consider the development of an Integrated National Financing Framework for Lao PDR. In addition, financing for SDGs and NSEDP will become a regular part of the Round Table dialogue.

- 1.8 The SDG Steering Committee will continue inclusive consultations on the implementation of the SDGs with participation of civil society, private sector and local citizens.

## **2. Green Growth, Climate Change and Disaster Preparedness**

- 2.1 The Green Growth Development Policy Operation has been recognized, with the support from the World Bank having MPI as a focal points coordinating with concerned ministries including MoNRE.
- 2.2 Green Growth can be taken achieved in different perspectives. Its definition can be varied according to each individual country's context. Lao PDR is encouraged to select an appropriate approach to suit its local circumstances.
- 2.3 The agriculture and forestry sector in Lao PDR has commenced the clean agriculture initiative, which can potentially support the implementation approach in the country.
- 2.4 Several sectors in Lao PDR have been affected by the Climate Change impacts. The affected sectors include public health, agriculture and forestry, public work and transport. In addition, the Lao people are also affected by slow onset disaster such as flood and drought.
- 2.5 Some key requirements include building resilience across all sectors and reducing the impact of disasters, facilitating multi-stakeholder, cross-sectoral engagement and defined coordination mechanism, and finally maximizing efficiencies and access to financing.
- 2.6 The Government has paid a special attention on implementing the Intended National Determined Contribution and the Paris Agreement, as well as REDD+ as they are contributing to the implementation of UNFCCC.
- 2.7 Public Private Partnership is strongly encouraged by our development partners and government sectors in order to realize the Green Growth and Climate Change Adaptation in Lao PDR.

## **3. Food and Nutrition Security**

- 3.1 Malnutrition is a development and social challenge. Investing in nutrition will play a key role in achieving targets of the five year duration of 8th National Social Economic Development Plan. Convergent approach is required for effective multisectoral coordination, incorporating the strategy into the action plan, programming, funds allocation, joint implementation, monitoring, evaluation and reporting.
- 3.2 As malnutrition is a cross cutting matter, it is important to put greater efforts to strengthen capacity for sub-national level coordination for inter-sectoral implementation of the priority actions from the National Nutrition Strategy and Plan of Action and integrate nutrition in provincial and district planning using all available resources (Government, Development Partners and Private Sector). There is a need for defining clear roles and responsibilities of all stakeholders from management down to task level. Provincial and district level authorities and

stakeholders need support to build their capacity to undertake this planning and coordination themselves.

- 3.3 There is a need for sub-national level planning that is informed by data on key target groups and priority issues. Surveillance and routine data systems need to be strengthened in order to inform policy decisions, planning, programming and reporting on targets for nutrition. There is a need to use data that is already being collected and be better analysed in order to identify where to implement multisectoral nutrition actions, who to target and when. This could possibly be done through a National Information Platform for Nutrition using existing data.
- 3.4 The use of data however must not be limited to policy decision making, it must also be used to provide immediate feedback to individuals, families, communities to promote behaviour change and be followed up immediately by sector specific actions (health, agriculture, education).
- 3.5 It was agreed that we must prioritize the first 1000 days in order to prevent the long term consequences of stunting. It was also acknowledged that in order to break the intergenerational cycle of undernutrition, we must also focus on adolescent girls, reproductive health including family planning and maternal nutrition.
- 3.6 Strong partnerships between government, development partners and private sector are considered essential to achieving NSEDP goals. There must be continued support for these partnerships to improve effectiveness of ODA and technical assistance provided. Explore private sector partnerships that are aligned with nutrition goals.
- 3.7 Limited funding was identified by all levels of government as a constraint to scaling up actions for nutrition and, given the current fiscal constraints, there was consensus during the panel discussion to use budget resources more efficiently; focus on delivering what is available in a timely and appropriate manner.
- 3.8 Build evidence for how best to apply the convergent approach. Learn from existing experiences of civil society who have shown good results of convergent programming.
- 3.9 Efforts need to be continued to build our understanding of key behaviours and practices that influence stunting and other forms of malnutrition and develop social and behaviour change communication messages, campaigns and support interpersonal communication skills of front line workers.

#### **4. Partnership for Effective Development Cooperation - Vientiane Declaration Country Action Plan**

- 4.1 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.
- 4.2 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.

- 4.3 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.
- 4.4 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.
- 4.5 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.
- 4.6 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 sub-national policy dialogue.
- 4.7 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/SWAp in their activities.
- 4.8 It is import to 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.
- 4.9 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.

## **Part II – Cross Cutting and Overall Comments**

### **5. Risks and Vulnerabilities**

The Government and development partners and other stakeholders shared common observation that Lao PDR is susceptible to domestic shocks and has a limited buffer in the economic, human and environmental areas. Making Lao PDR more resilient is a common agenda for us all, since addressing these vulnerabilities is central for LDC graduation.

### **6. Revenue Generation**

There was an acknowledgement across national and international stakeholders of the importance of the initiative of the Government of Lao PDR in strengthening domestic revenue generation as the core source of sustainable development financing. This is a clear priority area going forward, alongside that of the introduction of Medium Term Expenditure Frameworks, which would significantly assist development partners in the alignment of development cooperation.

### **7. Quality Growth**

Effort to achieve and maintain a higher quality of growth is of fundamental importance and interest to all stakeholders and to the success of the 8<sup>th</sup> NSEDP. Making growth sufficiently inclusive, and of impact to poverty reduction, is one of the greatest challenges. The 2030 agenda for sustainable development - for which Lao PDR has been a champion – includes the overall objective of ‘leaving no one behind’. Development partners reiterated their support for the Government to achieve higher quality growth, to enable that aspiration become a reality.

### **8. Investment and trade**

The private sector makes the majority of investment needed for the achievement of the goals of the NSEDP. Improvements to the investment climate and human resource development were agreed to be paramount in order to attract high quality investors contribute more to social and sustainable development. The ‘one-stop-shop’ concept to make investment processes more transparent and more efficient appeared as a good practical step in the right direction. Human Resource development and establishment of training mechanisms will also play a significant role to strengthen the competitiveness of Lao PDR within the region. Reinvigoration of the Lao Business Forum as a development partner could also have great value in securing a robust mechanism for dialogue, so that mutual development goals can be pursued.

### **9. Rule of Law State**

The Government of Lao PDR is making important administrative and legislative progress towards Lao PDR becoming a rule of law state by 2020, as a fundamental prerequisite for inclusive and sustainable development. This goal was appreciated by stakeholders to the RTIM. Government and development partners agreed on the importance of strong measures to tackle corruption in all its forms and for the rigorous enforcement of anti-corruption laws. This is essential for a number of reasons, not least for supporting an enabling environment for greater investments, as mentioned earlier. Partners touched briefly, but importantly, on the issue of illegal logging – in which steps taken recently by the Government, under Your leadership, Prime Minister, were commended. Development partners will continue to support the Government’s aim to raise forest cover, alongside

further steps needed on wildlife trafficking and land tenure security.

#### **10. Universal Periodic Review**

The Government continues to the pursuit of the Universal Periodic Review (UPR) recommendations. It was appreciated that the Government is working with line ministries to mainstream human rights into the 8<sup>th</sup> NSEDP, thereby reinforcing the natural link between human rights and development. A human rights-based approach underpins the principle of access for all to essential health, education, water and sanitation services, as well as access to information and participation in development activities. A strengthened partnership approach for following up on the UPR recommendations was suggested. Development partners also acknowledge the Government's intention to progress its agenda on human rights covenants and other international commitments.

#### **11. Service Delivery at the Local Level**

Delivery of basic services remains uneven and poverty remains a challenge, especially in remote rural areas. A number of approaches were raised at the RTIM, for example, 'local delivery mechanisms', 'decentralized budget allocations' and 'improved targeting' as possible measures to help sharpen implementation for impact where needs are greatest. All partners look forward to learning further lessons in 2017, as to which modalities in Lao PDR, prove to be best suited to local conditions. Development partners benefitted from the Government's perspectives on the Sam Sang (three builds) model.

#### **12. Public Private Partnership**

Greater public private partnership is strongly encouraged in order to realize the goals and objectives of the 8<sup>th</sup> NSEDP including SDGs and LDC graduation

#### **13. Partnership with Civil Society**

The 2016 RTIM participants recognized the role of civil society and their vital contribution to the NSEDP, LDC graduation and SDGs, and benefitted from an open exchange of perspectives. Greater clarity was sought and agreement was reached that further work in this area is needed to ensure coherence between the principles contained in the Vientiane Declaration and the two relevant Decrees under consideration by the Government. Equally, further consultations will help create a better enabling environment for the work of INGOs and NPAs under a programme based approach. The Development Partners welcomed the Government's consideration to encourage NPAs to attract resources and technical assistance from local and foreign organizations.

#### **14. A Problem of Unexposed Ordnance**

A problem of unexploded ordnance has been posting a unique and overwhelming challenge to rural development which have great impact on sustainable development, in particular, a significant impediment to development and poverty reduction. Reducing the impact of UXO is Lao PDR's own national Sustainable Development Goal 18. An integrated and coordinated approach is crucial for progress in this area contributing to many other SDGs. In particular, it is import to strengthen the overall multi-stakeholder partnership for accelerating efforts to address UXO problems through a sector-wide approach with periodic oversight meetings of key Government ministries, DPs, implementing partners and other related stakeholders.

#### **15. Gender Equality and Women's Empowerment**

Achieving gender equality and women's empowerment is critical to many NSEDP targets. The Government has likewise aimed to promote the contribution of women to the economy, society, and political system. Targets for women's empowerment and gender equality in the public and private sectors, and in particular for poverty reduction, will need

to be integrated into local accountability and transparency mechanisms, grounded in existing international and regional commitments.