



LAO PEOPLE'S DEMOCRATIC REPUBLIC
Peace Independence Democracy Unity Prosperity

Report on the Round Table Implementation Meeting

Vientiane, 24 November 2008

**Ministry of Planning and Investment
Department of International Cooperation**

Table of Contents

I.	Summary of key RTIM discussion	
II.	Background.....	
III.	Proceedings.....	
	1. Opening Ceremony.....	6
	2. Presentations and discussions.....	8
	2.1. Session on NSEDP & MDGs, Sectoral Situation and the Way Forward.....	8
	Presentations.....	8
	Discussion.....	8
	2.2. Session on Sectoral progress and perspectives.....	13
	Presentations.....	13
	Discussions.....	13
	2.3. Session on Public Financial Management & Disaster Risk Management.....	16
	Presentations.....	16
	Discussions.....	16
	2.4. Session on VDCAP Implementation Progress and Sector Working Groups' Achievements.....	19
	Presentations.....	19
	Discussions.....	19
	2.5. Session on Natural Resources Based Growth and Lao Business Forum.....	22
	Presentations.....	22
	Discussions.....	22
	3. Closing Ceremony.....	24
IV.	Summary of post-RTIM meeting with Prime Minister.....	25
Annex 1:	Agenda of the RTIM 2008.....	27
Annex 2:	Welcome Remarks by H.E. Mr. Soulivong DARAVONG Minister of Planning and Investment....	
Annex 3:	Remarks by H.E. Mr. Ajay Chhibber, UN assistant Secretary General, UNDP Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific.....	
Annex 4:	Opening Statement by H.E. Mr. Bouasone Bouphavanh, Prime Minister of the Lao PDR.....	
Annex 5:	Presentation on Mid Term Review of the 6 th Five year Plan (National Socio-Economic Development Plan 2006-2010) by H.E. Mr. Soulivong DARAVONG, Minister of Planning and Investment....	
Annex 6:	Millennium Development Goals Progress Report by H.E. Mr. Phongsavath Boupha, Vice-Minister of Foreign Affairs.....	
Annex 7:	Presentation on Trade Development and Integrated Framework in Lao PDR by H.E. Mrs. Khemmany Pholsena, Vice-Minister of Industry and Commerce.....	
Annex 8:	Presentation on Nutrition and Food Security by H.E. Mr. Bounthavy SISOUPHANTHONG, Vice-Minister of Planning and Investment.....	
Annex 9:	Presentation on UXO/Mine Action Sector by Mr. Somnuk VORASARN, Deputy Director General of the National Regulatory Authority (NRA).....	
Annex 10:	Presentation on Macroeconomic Situation, Budget Outturn and Fiscal Reforms by H.E. Mr. Somdy DUANGDY, Minister of Finance.....	
Annex 11:	Presentation on Disaster Risk Management Lesson Learnt from the August flood by Mr. Prasith DETHPHOMMATHETH, Director General of Social Welfare Dpt, National Disaster Management Office.....	
Annex 12:	Presentation on Sector Working Group Mechanism and Vientiane Declaration Country Action Plan Implementation Progress by Mr. Somchith INTHAMITH, Director General of Department of International Cooperation, Ministry of Planning and Investment.....	
Annex 13:	Presentation on Natural Resource Based Growth and Lao Business Forum by H.E. Mr. Bounthavy SISOUPHANTHONG, Vice-Minister of Planning and Investment.....	
Annex 14:	Concluding Remark by H.E. Mr. Ajay Chhibber, UN assistant Secretary General, UNDP Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific.....	
Annex 15:	Closing Remark by H.E. Mr. Soulivong DARAVONG Minister of Planning and Investment.....	
APPENDIX 1:	Invitation Letter to the RTIM 2008.....	
APPENDIX 2:	Group Photo Session.....	
APPENDIX 3:	List of Participants.....	

I. Summary of the key RTIM discussion

Overall Socio Economic Development

Participants congratulated the Government of Lao PDR (GoL) for the impressive macro-economic performance over the past year including economic growth near 8%, maintenance of single digit inflation increase in government revenue, a declining budget deficit and growing official foreign exchange reserves.

Participants applauded the significant progress towards many of the socio-economic goals in the NSEDP, including a number of the country's millennium development goals. Especially notable, poverty had declined to under 30%, infant and child mortality rates have declined further, enrolment in primary education has improved steadily; and access to safe drinking water has been further expanded.

There was clear recognition and support that the MDGs be placed firmly at the centre of the formulation of the next NSEDP 2011-15 and development partners praised the government for the strong commitment for to economic and legal reforms which have contributed to the steady and strong economic growth. While GDP growth has been robust, this has not necessarily been matched by corresponding increases in rural investments and investments in agriculture and manufacturing that create jobs, generate income and reduce inequalities as illustrated in the NSEDP mid-term review and the 2008 MDG Report.

There were also calls for more participatory development process involving CSO and the government was advised to expedite the approval of the Decree on associations.

In addition, constraints relating to timely and quality data on key economic and financial variables was seen as a major impediment to sound policy making by a number of DPs, particularly as it relates to government revenues, ODA and social indicators. This was seen as especially important during the current global financial and economic crisis.

Investment in the Social Sectors

Development partners were keen to stress that investments in the social sector must continue, urging the protection of budgetary allocations for basic social services and social safety nets to make sure that progress in poverty reduction are not taken backwards. A particular emphasis has been put on the need for further investment in the education sector – especially as it relates to the need for greater human capital investment to underpin progress in NSEDP and MDGs.

Foreign Direct Investment

Development partners highlighted constraints in doing business in Laos. They pointed out that Laos ranked low in global surveys on the ease of doing business and that improvement on this, along with anti-corruption measures, would increase the level of FDI in Laos and also keep Laos competitive. Attention was drawn to the importance of a pro-business climate, particularly with increasingly global reluctance to invest due to domestic constraints and investors preferring quick, efficient and transparent investment procedures.

There was also discussion on the need for greater transparency in FDI management, quality investment that creates sustainable jobs, preserves the environment, contributes to poverty reduction and fosters economic activity diversification by increasing interventions in agriculture and manufacturing. Participants highlighted as well the important role of and need to strengthen domestic private sector and the need for more effective implementation of rules and regulations.

MDGs, Child Malnutrition, Maternal Mortality,

All development partners thanked and commended the Government for supporting some initial follow-up to the call at last year's RTIM for stronger concerted efforts aimed at redressing the alarmingly high malnutrition rates among rural children. The advancement of a national nutrition policy and launching earlier this year of the REACH initiative in partnership with the government, UN and other development partners provides an effective framework and process for addressing this critical challenge and a cross-sector approach is needed to ensure sustainable progress.

Nevertheless, grave concern was expressed throughout the day about the still alarmingly high child malnutrition rates as well as the high maternal mortality rates. Much greater support and urgent action will be needed.

Over the past year the government has articulated a well thought out cross-sector approach to addressing this serious challenge, but dedicated and effective implementation and staying the course will be essential.

Development partners stand ready to provide whatever financial and technical support possible to ensure a sustainable solution and strong government leadership will be crucial to effectively addressing the serious child malnutrition challenge in the years ahead. DPs invited the GoL to accelerate the approval of the national nutrition policy.

Minimizing impact of Global Financial and economic Crisis

There has been a great concern about the potential impact on Lao PDR of the unfolding global financial crisis and the need for the country to be prepared in advance so that the impressive gains in poverty reduction, and progress towards the MDGs are secured and built upon in the coming years. The RTIM has been highlighted as a good opportunity to take stock of the crisis' implications. Concern was expressed about the crisis' impact on exchange rates and export revenues, and a possible subsequent decline in investment in the social sector. Concern was also raised about possible effects on the main pillars which are currently supporting economic growth in Laos such as tourism, the mining sector and agricultural commodities. The GoL must secure domestic revenues and not be reliant on the volatile resource sector if it wishes to combat the difficult global climate. There was also the discussion of the need for a fiscal stimulus package in order to combat some of the crisis' effects.

Concerns were also expressed by some development partners about the longer-term implications to financial stability of the unusually high growth rates of credit from the banking system and the related quality of loans being made.

Pursuing effective and sound public financial management was seen as crucial to maintain macroeconomic stability especially during this period of global crisis and uncertainties.

The GoL was invited to take into account these concerns and advice within the formulation of the 7th NSEDP.

VDCAP Implementation Progress and Sector Working Groups' achievement

Most development partners and government agencies have acknowledged the importance of the outcome of the High Level Forum on Aid Effective which was organized in Accra (Ghana) – early September 2008. The Accra Agenda for Action (AAA) presents some import new challenges which need to be taken into account during the review and implementation of the sector plans for the Vientiane Declaration. In particular, the need to work on the increased involvement of non-state actor such as NGOs and community based organisation in the drive for the increased effectiveness of aid. It is recommended that the VDCAP secretariat which is monitoring and facilitating the Vientiane Declaration implementation should discuss theses issues as soon as possible.

Natural Resources, Maximizing Benefits through Increased Transparency

Participants applauded government progress in drafting a new mining law aimed at improving governance in the mining sector, and further reviewing the value added of the more than 150 mining concessions issued.

At the same time, the dialogue throughout the day also pointed to the urgent need for much greater progress in improving governance in mining as well as land allocation, land titling and forestry, balancing concessions with requirement of food production and security.

Based on best practices, many participants felt that greater transparency in the natural resource sectors would help better ensure that Lao PDR maximizes revenues and other benefits from natural resources and avoids the kind of resource curse that has plagued so many other resource rich developing countries.

In this context, it's important to seek out quality foreign mining companies and responsible corporate citizens that provide decent labor conditions, transfer valuable knowledge and skills to Lao people, and safeguard the country's environmental treasure chest.

To better ensure that Lao PDR enjoys a resource blessing, a top priority should be transforming natural resource wealth into human resource wealth in order to sustain the development process to increasingly higher levels well after the natural resources are depleted and/or commodity prices collapse further. This in turn highlights the need to invest resource revenues in education, vocational skills and better health to strengthen the competitiveness of the labor force. This would also better enable needed diversification beyond the resource base to sustain development with stability.

The country's longer term goal of industrialization and graduating from LDC status by 2020 needs to be based on much more than rapid growth in extraction type industries if the achievement of this

important national goal is to be sustained over the longer term once resources are depleted or commodity prices collapse further. An ad-hoc high level forum to advance dialogue on NRM and to report to the next RTIM was proposed. The need for comprehensive multi-sectoral disaster management plan was also raised.

II. Background

The annual Round Table Implementation Meeting (RTIM) was held in Vientiane, capital of the Lao PDR, on 24 November 2008 to review progress and achievements, since the previous Round Table Implementation Meeting, in the implementation of the National Socio-Economic Development Plan 2006-2010, Fiscal Policy and National Budget, Millennium Development Goals and main Sectoral Strategies, Vientiane Declaration on Aid Effectiveness and other various topics. (*refer to annex 1*)

The Round Table Process is the coordination framework decided by the Government of the Lao PDR (GoL) and its Development Partners/DPs (donors) to strengthen the policy dialogue, consolidate the partnership, enhance the government ownership and ensure harmonized and effective official development assistance in line with the national strategies, priorities and programmes.

The Round Table Process (RTP) comprises –at the overall level- two main forums, namely the Round Table Meeting (RTM) and the Round Table Implementation Meeting (RTIM) (called, in previous years, Round Table Information Meeting).

The RTM is organized every three years and focus mainly on the overall and sectoral policies and challenges as well as the financial and technical assistance support required for the programmes and policies' implementation. The funding pledges are made at the RTM.

The RTIM is organized on a yearly basis and focus on the implementation monitoring issues by taking stock on recent progress and achievements, sharing advice and opinions and preparing the ground for future actions. It complements and translates into concrete actions the funding pledges and policy recommendations of the main Round Table Meeting.

At the sectoral level, the RTP includes eight Sector Working Groups chaired by one or two concerned ministries and co-chaired by one or two DPs.

The RTM, RTIM and SWG are nationally-driven and result-oriented mechanisms, bringing together the country representatives, development partners, and other stakeholders, to discuss and agree on the national development priorities, programmes and funding requirements. The objectives of these coordination mechanisms are to: (i) ensure the country ownership of the development process, (ii) prioritize actions and programmes, (iii) serve as a catalyst for mobilization of funds to meet the development objectives of the country, (iv) foster policy dialogue and partnership building, and (v) reach realistic agreements between government and development partners.

The participants at the RTM and RTIM include the Government (chair), UNDP (co-chair), representatives of Government Agencies and Development Partners, NGOs and Civil Society.

III. Proceedings of the Round Table Implementation

The meeting was opened by H.E Bouasone Bouphavanh, Prime Minister of the Lao PDR and was chaired by H.E Mr. Soulivong Daravong, Minister of the Ministry for Planning and Investment, and co-chaired by H.E. Mr. Ajay Chhibber, UN Assistant Secretary-General, UNDP Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific.

More than 202 participants have attended the meeting, including Ministers, Vice Ministers, high ranked government officials, Representatives of Mass organizations, Ambassadors, Heads of Missions, high level representatives of the development partners, INGOs (the list of participants is provided in Appendix 03).

Prior to the meeting, the GoL has prepared several documents including a main background document and sectoral papers and presentations which were the result of an extensive preparatory process including pre-consultations on various sectors and themes involving concerned government ministries and agencies as well as Development Partners.

1. Opening Ceremony

H.E. Mr. Soulivong DARAVONG made a welcome remark by extending a warm and cordial welcome to all participants. He gave an overview of the Round Table Implementation Meeting which is a key high level forum for constructive dialogue between the Government of Lao PDR and Development Partners to review progress made in implementing key policies, strategies and programme, discuss the challenges ahead and exchange views on future steps. In the run-up to this Round Table Implementation Meeting, as per last year, a series of in-depth pre-consultations covering the various RTIM topics have been held in order to deepen the dialogue and build common understanding of the issues. Within the context of the ongoing dialogue between the Government and Development Partners, several discussions have also taken place during recent months within the framework of the Sector Working Groups. The SWGs represent important forums, not only for information sharing, but most importantly for coordination of sectoral activities, policies and resources in order to ensure appropriate implementation of policies, programmes and projects. (refer to annex 2)

H.E. Mr. Ajay Chhibber, UN Assistant Secretary General, UNDP Regional Director for Asia and the Pacific delivered a speech in which he stated that the meeting is taking place amid serious global concern on the economic and financial crisis. Following five years of robust global growth, surging trade flows and abundant global finance, the world appears to be entering a period of much more choppy waters, at least for a while. While Asia is not the epicenter of this crisis, it could nevertheless be adversely affected by the financial tsunami that has been triggered. This could well have potentially significant implications for developing countries like Lao PDR, and the achievement of their national development goals including the MDGs. In the context of the current NSEDP, the single most important breakthrough that we are collectively trying to achieve under government leadership is the further substantial improvement in the well-being of all Lao people. He highlighted the progress which has been significant in recent years such as human development, governance, public finance, banking and SOE reform and trade reform. Moreover, he mentioned that within the context of effective implementation of NSEDP, government and the development community should also focus much more on the next set of breakthrough areas where socio-economic returns are likely to be highest for sustaining and building upon recent progress. One of the most important breakthrough ideas in the current NSEDP is to promote the private sector as the

engine of growth, employment and poverty reduction. He also stated that Government leadership will also be needed to create further space for more open and informed debate on challenging development issues which is often the first step to developing lasting solutions. (refer to annex 3)

H.E. Mr. Bouasone Bouphavanh, Prime Minister of the Lao PDR delivered his opening statement and highlighted achievements made by the GOL in various domains. The Prime Minister stated that the fiscal years 2007-2008 has shown sign of continuing progress and promising perspectives. He highlighted in particular the following issues:

- The maintenance of stability and the creation of a sound environment for national development and livelihood of the people.
- The promotion for fair participation of all economic sectors in fostering economic growth based on the alignment of resources utilization in a more appropriate manner.
- The improvement of the State administration system.
- The promotion of foreign policy of peace, friendship and cooperation while broadening external cooperative relations through improving mechanisms and regulations for the integration of the national economy with the region and the world at large.
- the achievements made in the national development of the Lao PDR for 2007-2008 are partly attributed to the Official Development Assistance (ODA) and support from friendly nations, international organizations, UN specialized agencies and NGOs.

Apart from that the Prime Minister committed that the Lao Government will do its utmost to keep the momentum and pursue efforts especially in:

- Maintaining solid stability and establishing sound environment for development.
- Implementing the policy on promoting economic and private entities of all sizes in fostering production and services.
- Developing localities in a focused manner and accelerate rural development,
- Developing socio-cultural sector in parallel with the economy through increased public investment and policy implementation.
- Improving state management system from central to local level

The Prime Minister stated that the Government would be pleased to listen to and take note of different views into careful consideration in order to improve and open a new chapter for more fruitful development.

(refer to annex 4)

2. Presentation and discussion

2.1 NSEDP & MDGs, Sectoral Situation and the Way Forward

Presentations

- **NSEDP Mid Term Review: Outcomes and Next Steps**
 - H.E. Mr. Soulivong Daravong, Minister of Planning and Investment

- **MDGs' Implementation: Current Status and Challenges Ahead**
 - H.E. Mr. Phongsavath Boupha, Vice-Minister of Foreign Affairs

Discussion

UNCT (FAO), Mr. Serge Verniau, Representative

The United Nations Country Team (UNCT) expressed concern about the global financial crisis and its impact on exchange rates and export revenues. UNCT stressed that the financial crisis may evolve into a social crisis for many countries around the world. Despite this, it is not yet clear what effect the crisis will have on Laos, but all predictions are pessimistic and any impact will affect multiple plans. UNCT stressed that the upshot of the crisis may be declining investment in the social sector, which may damage progress made so far and cause the poorest to suffer the most. As such, UNCT urged the GoL to protect budgetary allocations for basic social services and social safety nets. UNCT is extending its support to prepare for this eventuality.

IMF, Mr. Ben Bingham, Resident Representative

The IMF stressed the timely nature of the meeting given the developments in the global economy and thanked the GoL for the opportunity to discuss the outlook for the Lao economy at such a difficult time. The IMF highlighted that the external environment is the most difficult in over a decade, with global growth expected to slow to 2.5% in 2009, almost 3% lower than in 2007. Advanced economies' growth is set to contract for the first time in the post war period. Growth in emerging market economies is set to be more robust but will also slow. In relation to Lao PDR, the main pillars supporting economic growth in Laos are likely to be affected, such as export demand, tourism, the mining sector and agricultural commodities. Unfortunately, rising funding costs as a result of the crisis may affect foreign investment. Along with this, there is the issue of a material impact on remittances from advanced economies and migrant labour.

The IMF stressed that domestic demand along with economic activity more generally will slow. On a positive note, inflation pressures are due to moderate next year, with headline inflation declining further to around 5% with easing fuel and food commodity prices. However, Lao's growth is set to moderate to 5.75% in 2009 from 7% in 2008 due to weaker exports, investment flows and domestic demand. As such, the IMF emphasised that its immediate priority is to help steer Laos through the economic downturn and ensure macroeconomic and financial stability. In order to safeguard economic progress made so far, the IMF urged the importance of establishing contingency measures, as economic policy may need to respond to fast events.

The IMF highlighted the lack of timely data on key economic and financial variables as a major impediment to sound policy making, especially in light of the economic climate now being much less benign. On this note, the IMF stated that the budgetary framework for 2008/9 may need to be reassessed in light of the predictions of lower revenues. Expenditure in this climate must include

support for vulnerable groups. The budgetary implications of the SEA Games next year remain unclear. In this light, the IMF accentuated that increased donor support may be necessary, as the scope for domestic financing remains constrained.

On monetary policy, the IMF expressed concern that efforts to rein in credit expansion, which is now at over 65%, could put pressure on Lao's external position, especially with deposit mobilisation decelerating. Bonds to finance infrastructure development by the Bank of Laos may need revision, as they may affect sound monetary policy through complication. The IMF emphasised the importance of a broader structural reform agenda, especially the need to improve the business and investment climate, stressing the importance of investor interest and confidence for Lao's long-term development.

SIDA, Mr. Owe Andersson, Head of Mission

SIDA stated its main focus in Laos is on higher education and research. It expressed concern that the National University of Laos is becoming increasingly fragmented, with research sold by invitations to participate in short-term development projects or research driven by researchers from developed countries. Such fragmentation will delay the production of a stable institution. SIDA, in line with the VD objectives on alignment and harmonisation, emphasised a need for expanded and continued support to the research agenda owned by the National University of Laos and to assist the university in implementing its own strategic plans for higher education and research. SIDA supports research cooperation with the University of Laos, taking a pragmatic approach and will continue this support until 2011. Unfortunately, Sweden will phase out development cooperation by 2011, and hopes that other donors will make funds available for this area of the education sector.

Japan, H.E. Mr. Masaaki Miyashita, Ambassador

Japan congratulated the GoL UNDP and other DPs for successfully organising the RTIM 2008, after a large number of SWG meetings and three RTIM pre-consultations. Japan expressed its high appreciation of the extensive support and progress made by the GoL in macroeconomic and poverty reduction improvement. Last year, Japan stated that targets in the sixth NSEDP e.g. the achievement of 7.5-8% annual GDP growth and 800 USD of per capital GDP by 2010 seemed too challenging. However, annual GDP growth has been averaging 8% since 2005-6 and per capita GDP has increased from 534 USD in 2005-6 to 810 USD in 2007-8. This exceeds the targets considered too challenging.

Having said that, Laos must still continue its efforts to implement reforms in public finance and investment related areas. Japan stressed the critical importance of improving private sector development in both domestic and FDI. Japan urged the GoL to improve the penal framework, streamline procedures and provide incentives to invite more investment, especially in job creation sectors such as manufacturing.

Japan was pleased with the significant progress on some MDG targets and appreciated the collaborative effort by the GoL and DPs to implement this. However, challenges still remain and Japan established the need for continued collaboration in the social sector. For example, outstanding progress was made with MDG 2 on education, particularly with regard to enrolment which increased from 58% in 1991 to 89% in 2007-8. However, there is only a slow improvement in the poor rate of retention and the achievements in this area vary among provinces, urban and rural areas and among ethnic groups. As such, Japan announced that it has been providing technical

cooperation towards projects in three southern Lao provinces that feature predominantly minority groups since 2007, in a grant aid scheme to foster community empowerment. This involves the construction of primary schools and the provision of access roads to them. Japan reiterated its continued support for health and other sectors.

France, H.E. Mr. François Sénémaud, Ambassador (Representative of EU and EC, French Presidency of EU)

France thanked the GoL for the organisation of the RTIM, and praised it as an opportunity to assess mutual cooperation and focus on the progress made and the challenges still ahead. Key among this is to look at the progress and shortcomings of the SWG process and to look for ways and means to improve aid effectiveness. The RTIM also provides an opportunity to take stock of the financial crisis' implications for SE Asia. France welcomed the enlargement of the SWG groups, and noted the Workshop on Governance, was led by the Ministry of Justice, which set out to improve the rule of law etc.

France also welcomed the Lao government's signing of the convention for the protection against forced disappearances and its organising of a regional conference on cluster munitions last October in conjunction with UNDP, Norway and the EU. In line with this, the GoL's decision to join the Oslo agreement on UXO in December was considered a step in the right direction.

On sectoral issues, sector specific reforms (accompanied by macroeconomic and fiscal reform policies, initiated by the PRSO programme) were highlighted as showing their first results. The EU will fully support the government to achieve further reforms. However, consistent determination and political will are going to be required to complete objectives in a reasonable timeframe. France drew attention to the PM's mandate for the administration of NGOs, which will greatly improve efforts to coordinate aid and efforts more broadly.

France emphasised the EU's contribution in Laos, supporting roughly 100 ongoing programmes and providing ¼ of all ODA, mostly in grants to the value of \$265m. Half of this is targeted at improvements in social infrastructure and services, the other half at economic development and the strengthening of production sectors. France also highlighted Germany and the EC's swift and significant response to the flooding in October 2008, with \$1.45m sent in emergency funds to help reconstruction.

France praised the SWG mechanism, claiming it would be able to present the views of development partners and stressed the achievements of the Agriculture and Rural Development, Trade and Education SWGs which have transformed their dialogue into key ideas.

France is committed to carrying on donor efforts on harmonisation among EU partners as an integral part of the VDCAP process and next year will seek intensified work on a new EU roadmap for increased aid effectiveness in Laos.

ADB, Mr. Gil-Hong Kim, Country Director

The ADB stated that it wished to echo the views of the IMF in that it was still unclear as to what effect the global financial crisis would have, but that the fear was that it would be more serious than expected. Hoped GoL and development partners could work together to minimise the risk Laos faces. The GoL might, like other countries, formulate a coordinating committee to look after this

emergent situation. The ADB stressed the importance of the seventh five year development plan, as Laos will face a crossroads as to whether development can be sustainable or not. ADB would like to make sure that Lao's development should be sustainable in terms of economic, environment and social sectors. The ADB welcomed the drive to make the next plan more participatory, seeing it as especially important as Laos must make sure it has the right plan to move forward and the ADB will cooperate fully.

Australia, H.E. *Dr. Michele Forster*, *Ambassador*

Australia thanked the GoL and UNDP for organising the RTIM 2008, and was very pleased to hear from the GoL on its progress in implementing the NSEDP over the last year. Australia praised the government for its strong commitment to economic reform which was felt to have contributed to the strong economic growth. While GDP growth has been robust, the figures given in NSEDP mid-term review this is not necessarily being matched by corresponding increases in investments in service delivery. Australia laid emphasis on the fact that the education budget as a percentage of GDP and total GoL budget has decreased since 2006/7. Australia made clear that the social sectors should not be forgotten in the present uncertain economic climate and that greater effort was needed in human capital investment to underpin progress in NSEDP and MGGs. Certainly essential for emerging from LDC status in 2020. Australia welcomed the GoL's ongoing commitment to improving education outcomes for all. International development experience would indicate the crucial role that the education sector has in ensuring equitable and sustainable development. On the positive side, Australia underlined the Education SWG as the key vehicle for increasingly frank and open dialogue and the primary mechanism for furthering policy formulation and strategic planning goals in the education sector. However, Australia stated the view that Laos had a long way to go to achieve the MDG targets in this sector. Australia urged the GoL and donors to get behind the education sector development framework and align programmes around the priorities identified, while supporting joint implementation.

World Bank, *Mr. Patchamuthu Illangovan*, *Country Manager*

Wished to thank the MPI and UNDP for organising the RTIM 2008. Congratulated the GoL for the achievements thus far on the implementation of the sixth five year plan, and highlighted the last two and a half years where the economy has expanded significantly and the economic growth rate has been around 7.5%. Exports have continued to rise on favourable commodity prices and an increase in FDI has taken place as the climate continues to get better. Poverty levels dropped to below 30% and social outcomes continue to show improvement albeit slowly, and meaningful efforts have been taken to strengthen service delivery.

The WB stressed the importance of social projects and service delivery despite the economic turmoil. The WB was concerned about the declining foreign investments in Lao due to global private sector credit constraints and exchange rate pressure, and urged the GoL to promote foreign investment and the private sector. To combat the external economic climate, the government must secure domestic revenues and not be reliant on the volatile resource sector. The WB stated that a fiscal stimulation package would be needed in order to combat the economic crisis' impact on Laos. On top of this, a joint approach is needed to manage natural resources and ensure sustainable development. The WB urged the GoL to align capital and bring a greater proportion of ODA into the budget, and established a commitment to introduce conditional cash transfers when needed.

India, H.E. Mr Suresh K. Goel, Ambassador

India highlighted the role that human resources capacity development must play in Lao's continuing development. India paid tribute to the Lao government in its opening of the country's economy which has allowed it to become an important member of ASEAN. The Lao President's visit to India reinforced a commitment to partnership with Laos on a range of issues. India affirmed its support in terms of capacity building in the form of training and scholarships for university education, disaster management and reconstruction, and in the health sector. India also stated that its private sector will be encouraged to further engage with Laos in the future.

United States of America, H.E. Mr. Peter Haymold, Ambassador

The US made clear that US-Lao bilateral relations have strengthened over the years and that the US was pleased with Lao's progress on the NSEDP. However, the US urged the GoL to continue to open the Lao economy to FDI, as previous growth was heavily dependent on high export prices and a strong global economy. The US also iterated that Laos ranks low in global surveys on the ease of doing business in the country and that improvement on this, along with anti-corruption measures, would increase the level of FDI in Laos – with the overall aim of keeping Laos competitive.

Singapore, H.E. Mr. Benjamin Jeyaraj William, Ambassador

Singapore stated that the Business forum in 2008 had contributed to improved relations between the two business sectors. However, Singapore emphasised that in light of the global financial crisis increasing reluctance to invest due to domestic financial constraints, the GoL must ensure a good business investment environment for Laos. Investors would like quick, efficient and transparent investment procedures - for example in SME - and the GoL should do all it can to ensure this pro-business climate is achieved. Singapore pointed out that any delays increase the cost of doing business and put off potential investors.

In its other areas of involvement, Singapore iterated that the Education Sector and the development of human resource capacity were its top development priorities. However, Singapore stressed that raising the level of education will require more resources but that more efficient help for NGO involvement could facilitate this to some extent.

South Korea, H.E. Mr. Park Jae-Hyun, Ambassador

South Korea expressed its desire to see the Round Table Process evident all year round to facilitate dialogue between the various donors. South Korea also expressed its appreciation that the poverty programme was improving, but felt it needed a greater breakdown of analysis, for example by date, gender, district etc.

2.2 Sectoral progress and perspectives

Presentations

- **Trade and Private Development**
 - H.E. Ms. Khemmany Pholsena, Vice-Minister of Industry and Commerce

- **Nutrition and Food Security**
 - H.E. Dr. Bounthavy Sisouphanthong, Vice-Minister of Planning and Investment

- **National UXO Programme**
 - Mr. Somnuk Vorasarn, Deputy Director General of the National Regulatory Authority (NRA)

Discussions

Australia, Mr. Michael Hassett, First Secretary (AUSAID)

AUSAID urged the GoL to facilitate a business enabling environment in Laos, particularly with the challenges coming from the external environment financially, and with trade and export competition. AUSAID highlighted the positive impact that SWGs were having, as they provide a mechanism for sharing information. However, AUSAID stressed the need for the GoL to increase its leadership in this area.

France, H.E. Mr. François Sénémaud, Ambassador

France was pleased to report that growth has been strong in the agricultural sector, with productive work being carried out by the Agriculture SWG. There has been strong appreciation in agricultural products, with value added and farmers' income generation increasing. France reported that levels of poverty are still unequal depending on the region, particularly the upland areas. In light of this, France urged sustainable natural resources management, with the main aim of striking a balance between agriculture and mining etc. France praised the RTM and SWG joint approaches as facilitation mechanisms for inter-sectoral coordination.

Switzerland, H.E. Dr. Rodolphe S.Imhoof, Ambassador

Switzerland congratulated the government on its macroeconomic, poverty reduction and MDG related improvements. Progress on socio-economic factors was encouraging, with positive and sustained trends. Switzerland highlighted the fact that poverty has been constantly declining over the last two years. However, concern was expressed that the global financial crisis will impact efforts and that measures must be taken to ensure that achievements made so far are kept. Switzerland also iterated its desire to see quality of growth pursued in Laos, with a sharing of the exploitation of resources in a sustainable manner. In line with this, they set out their view that the development of SMEs are the best guarantee of job creation and sustainable growth.

On this topic, Switzerland also raised its concern that recent analysis of nutrition indicated that this is an area that needs future dialogue, as economic growth has not made a significant impact on this area. Switzerland urged a market orientated approach to the problem, as the use of agricultural land has so far been distorted and the land issue itself is related to food security. Nutrition friendly land management was seen as key to solving this problem.

Switzerland welcomed Lao's intention to sign the Oslo Convention on cluster munitions on Dec 3rd 2008. However, they iterated the need for international standards on clearance, the translation of leadership to ownership and increased government finances to NRA.

Japan, H.E. Mr. Masaaki Miyashita, Ambassador

Japan welcomed the intention to establish a Lao stock market in 2010, feeling that this will go a long way towards improving the investment climate. Japan also highlighted what it saw as clear improvements in UXO clearance and in human resources. Japan laid out its commitment to use grant assistance at the grass roots level, especially with regard to Japanese NGOs

Germany, H.E. Dr. Peter Wienand, Ambassador

Germany stated its view that the EU must improve the donation of ODA worldwide. However, it urged the GoL to increase market liberalisation, an issue it raised at last year's RTIM as well. Germany also raised the issue of licensing, pointing to the example of two Northern provinces in which licenses for the Soya blend mix were not followed. Along with this, Germany stated its view that the gap between rural and urban must be bridged, with farmers having the opportunity to sell at market prices. Germany also raised the concern that contract farming could backfire in the long term as it is difficult for local farmers to be aware of the consequences of becoming involved, due to a lack of information and unscrupulous practices – a situation which may hit the most vulnerable. Land titling was raised as a continuing issue, especially concentrating on the urban and lowland areas and was seen as much needed to settle land conflicts. In line with this, Germany established its view that land resources are a core issue to ensuring livelihoods, along with a vibrant private sector. As such, Germany highlighted the GoL's increasing recognition of the importance of SME and it being the best suited to resist market downturn and adapt easily. Germany will support SME training and also support the GoL on UXO clearance.

Ireland, H.E. Ms. Maeve Collins, Ambassador

Ireland was happy to support a long-term contribution to UXO, and highlighted the Regional Conference on Cluster Munitions that was held in October 2008 as a positive step in the effort.

Norway, H.E. Mr. Kjell Storlokken, Ambassador

Norway drew attention to the regional conference on UXO held in October 2008 and to the signing ceremony on cluster munitions in Oslo on the 3rd December.

UNCT (FAO), Mr. Serge Verniau, Representative

The UNCT highlighted the nutrition MDG link, and pointed to last year's consensus that the 7th NSEDP plan should have nutrition as central. In line with this, the UNCT drew a critical link between nutrition, food security, the agricultural sector and land management. They urged the GoL not to put food security at risk with unfettered rural development. Laws and regulations should balance economic benefits with social benefits – pointing out the experiences of other countries with this problem. The UNCT urged exclusive breast feeding up to six months and urgent sanitation intervention. The UNCT strongly stressed that there be a move from business as usual to firm commitment and action. Cooperation and significant investment for management and technical capacity were seen as crucial to success along with the need for a cross sectoral plan of action.

ADB, Mr. Gil-Hong Kim (Country Director)

The ADB expressed concern that the trade and private sector may be affected by the economic crisis and that protectionism may result. The ADB hoped that the GoL would ensure free trade and coordination with other countries at the policy level. The ADB also emphasised the importance of human resources development, as this was felt to present vast difficulties and needs a more comprehensive response, with universities seen as the keys to dealing with this issue.

Sustainable development was seen as an important goal that should be vigorously pursued. ADB expressed the desire to see more quality investment in this respect, particularly with respect to mining and hydropower which were felt to need implementation in a more planned and prioritised way. On this issue, land use planning improvement was seen as urgently needed, as farmers and investors are both suffering, with decisions needing to be taken on which land will be used for agriculture, preservation, the private sector etc.

On a final note, the ADB highlighted the need to build local authority capacity, as implementation is not being pursued at the local level.

UNCT

The UNCT stated its view that there must be enhanced coordination on trade and promotion of a trade policy which improves quality of life as there is the risk of further marginalising the poor. Trade and economic growth were said to be two sides of the same coin, and those LDCs that benefits from improvements in these areas should work together and speak with one voice. The UN will provide assistance to this end and wish to ensure that development is inclusive and pro poor.

INGO, Ms. Isabelle Decout, – Liaison Officer (SNV)

The mid-term view of the NSEDP was shown to raise the issue of who benefits from the economic growth. Participation of the populace was seen as vital in this area, as the environmental challenge posed by economic growth was shown to need greater consultation and participation. For example, in upland forested areas where the community depends on the forests for its food security, they find their livelihood under threat. Network indicated that despite the land concessions moratorium in May 2007, the land concessions issue still continues and undermines food security.

UNCT – UNORC Mr. Leik Boonwaat, Representative

The UNCT said that the active involvement of Laos on the issue of UXO sends a powerful message. Ongoing programmes are working well, but needed further improvement. The UNCT emphasised the importance of the drug control master plan, claiming it will help to achieve cross cutting goals.

2.3 Public Financial Management & Disaster Risk Management

Presentations

- **Progress and challenges in fiscal reforms, revenue and expenditure**
 - H.E. Mr. Somdy Douangdy, Minister of Finance

- **Disaster risk management: lessons learned from the August floods**
 - National Committee for Disaster Management

Discussions

European Commission, Mr. Henry Pranker, Chargé d'affaires

On behalf the key donors (Australia, Switzerland, Sweden & the World Bank) the EC congratulated the government of Lao PDR for the strong commitment in strengthening the PFM system. This is a key area of government reform where under the MoF leadership the implementation of the PFMS is showing very real concrete results. The development partners are very encouraged by the significant steps taken in the last year by MoF to improve the PFM system and to enforce the revised Budget Law, including for example:

- Strengthening the central treasury
- Centralising tax and customs functions
- Inter-ministerial work to implement the revised budget chart of accounts and new budget classifications.
- Continued fiscal discipline, increased revenue collection and efforts to contain inflation below double digits have also helped macroeconomic stability and containing the level of external debt

The EC strongly supports the continuation of such efforts particularly given the current difficult international economic context where fiscal management will require strong attention to broaden revenue mobilisation and to ensure priority expenditure in the social sectors of health, education, infrastructure and agriculture. The EC sees challenges ahead, including:

- Consolidation of the reforms and prioritisation and continuous capacity building
- Sound macroeconomic and debt management frameworks are urgent in the current context
- Stronger inter ministerial coordination beneficial for improved budget palling and execution
- Increase consistency between recurrent and investment expenditure is also urged.

EC expressed its support for efforts to foster central and provincial government dialogue which are crucial for the implementation for the implementation of the new Budget Law, coordinated and harmonised development partner support through the PFM Strengthening Programme is crucial for its success. A trust fund supported by the EC and managed by the World Bank will become operation next month.

Government leadership in coordinating all development partners involved in the PFM sector will also of course be very welcome. Strengthening PFM systems will require several years but the EC believes it is key pillar to poverty reduction through better social service delivery and an enabling environment for strong economic growth. Enhanced PFM systems will also facilitate donors to

increasingly channelling resources through government systems. The EC looks forward to further cooperation and regular dialogue in PFM strengthening.

Asian Development Bank, Mr. Gil-Hong Kim, Country Director

The ADB would like to echo the importance of the link between planning and the budget, in particular between MPI and MoF. ADB asserted that the MTEF and MTFP become very critical so that we can know how much is allocated to certain sectors and what results are expected to enhance implementation, monitoring and planning. The MTEF is a challenging task but is critical for the next 5 year plan, particularly for the critical sectors, as is a meaningful results framework.

The ADB emphasized the need for at least minimal standard auditing and accounting capacity and frameworks to be in place to support the planned introduction of a stock exchange and VAT.

The ADB is happy to advance their commitment to support the expected budget deficit but calls on the government (or executing agencies) to work hard to accelerate project implementation to ensure already committed funds are released.

Switzerland, H.E. Mr. Rodolphe S. Imhoof, Ambassador

In the Ambassador's opinion, the discussion so far has shown that sustainable development has to prioritize an integrated approach to disaster management especially to best protect the most vulnerable. Switzerland proposes that it is essential that the structure of such a system be built up from the local and village level under the guidance of the central government. At this level people can and must take the responsibility for contingency planning within the context of the national disaster management framework.

Switzerland thinks this is a very important part of its development cooperation and in the future more and more attention will be paid by Switzerland to these issues which help to alleviate the consequences of disaster and grant sustainable growth to the most vulnerable people.

Japan, H.E. Mr. Masaaki Miyashita, Ambassador

Japan congratulated the government on reducing the budget deficit as a result of successive Government reform of financial management through the PFM Strengthening Programme. Such as implementation of the new budget law, simplifying methods and capacity building in relation to revenue collection, expenditure management and audit, and reforms in the banking sector.

Therefore Japan would like to encourage Lao Government to make continuous effort to ensure sound fiscal management. Japan has been providing non-project grant assistance for structural adjustment in the form of budget support and implementing technical assistance (PCAP I & II) to promote coordination between MoF and MPI. Japan will soon initiate a new technical assistance programme to improve the capacity of officials in charge of treasury management and account. In conjunction with other development partners, Japan has also been involved in the PRSO programme.

Japan called on the Government to ensure the allocation of the necessary budgetary resources for donor assisted projects and programmes to be run properly during their implementation phase and after completion.

Making good use of Japan's experience dealing with disasters, Japan would like to continue to provide assistance in the area of disaster risk management in Lao PDR. In order to mitigate the damage of natural disasters in Laos, Japan has been providing assistance to provide a disaster preparedness monitoring system.

In relation to climate change, Japan has received a proposal from the Government (Establishment of metrological and hydrological warning centre to establish disaster warning systems) and it is being seriously considered. In May 2008 Lao PDR and Japan made a joint announcement on enhanced cooperation on environmental and climate change issues.

India, H.E. Mr. Suresh K. Goel, Ambassador

India suggestions that with regard to harmonization between the planning and budgetary processes that the link between the two should be apparent and reflected in the by links between the NSEDP VII and the national budget.

UN Country Team, Ms. Karin Manente, WFP Country Director

The UN stated it stands ready to ready to provide strong and immediate support for disaster management and has already mobilized resource for this purpose.

In light of climate change it is predicted that the frequency and intensity of extreme weather events including droughts and flood will increase. Such events have significant implications for the rural poor who have limited coping mechanisms and are extremely vulnerable to external shocks. In this respect, climate change will affect progress towards achieving the MDGs. The floods in August 2008 demonstrated the rapid response capability of the Government and the solidarity of Lao communities in the emergency response. However good preparedness mechanisms need to developed to mitigate the effects of future natural disasters, this would include improvements in:

- Development of comprehensive multi-sectoral national disaster management plan
- Development of an early warning system
- Strengthening of information management at the national and local level
- Building capacity of institutions dealing with disaster management

In this context, the UN encourages the government to institutionally place the national disaster management office within the office of the Prime Minister.

2.4 VDCAP Implementation Progress and Sector Working Groups' Achievements

Presentations

- **VDCAP Implementation Progress and Sector Working Groups' Achievements**
 - **Mr. Somchith Inthamith (Director General DIC/MPI)**

Discussions

European Commission, Mr. Henry Pranker, Chargé d'affaires

The EU statement issued by the French Ambassador in the morning session emphasised the importance the European Union places of aid effectiveness agenda. The EC would like make further specific points, EU played a major role prior to and in the HLF-3, and the AAA presents some import new challenges which need to be taken into account during the review and implementation of the sector plans for the Vientiane Declaration. In particular, the need to work on the increased involvement of non-state actors such as NGOs and community based organisation in the drive for the increased effectiveness of aid. The EU statement reminded us of the importance of the pending Prime Ministerial Decree on NGOs and this also be a key to facilitate the AAA in Lao PDR. The AAA also highlights the need for parliaments and national assembles to be fully associated with the aid effectiveness agenda.

The EU has been pushing for some time for work to take place on the effective division of labour among development partners and the EC is pleased that the AAA emphasises the importance of this issue. The EC thinks that this should be take up this challenge seriously so that donors concentrate on a limited number of sectors in which the have particular strengths and at the same time ensure that all sectors are covered. EU donors will focus on this in the EU road map for aid effectiveness that we have been working on. Given the increased challenge that the AAA represents, it is suggested that the working group monitoring the Vientiane Declaration implementation plan should discuss these issues as soon as possible. If necessary the working group should be strengthened in order to consider some of the new elements of the AAA.

World Bank, Mr. Patchamuthu Illangovan, Country Manager

The World Bank welcomes the progress implementing the VD since its signing 2 years ago. And also appreciate Mr Somchith sharing with us his own assessment of how the principles of the VD are current working and obvious gives us happiness as well as telling us what we need to do as a group going ahead.

There has also been harmonisation and alignment around some sectors. The morning presentations on trade showed how development partners could take forward a government programme which is the integrated framework for trade. Similarly the PFM programme also shows this is no longer an exception and could become the norm. The World Bank is also please to hear from Australia that the education sector is moving toward a sector development programme.

The World Bank fully appreciates and understands that the various development partners face constrains how best to align their support and harmonise their procedures with that of the country

systems. Based on the World Bank's experiences in Lao, the Bank feels that budget support is now possible. Something which the Minister of Finance explained and a number of development partners also apparently supporting. The World Bank has come to realise that projects could be implemented without PIUs, that is through mainstream unit of existing ministries and organisations. In some areas it is possible to use national systems, particular procurement systems for national shopping etc. The World Bank looks forward to continuing its work around costed programmes both in the area of PFM and Trade. This was essentially the foundation on which the market owner trust funds were created. So essentially we see the time is right to take the commitments we made under the VD two years ago to the next step.

Finally the World Bank remains committed to supporting the government realisation of the Vientiane Declaration going forward.

UN Country Team, Ms. Mieko Yabuta, UNFPA representative

Then UN would like to congratulate the government for its commitment to and leadership of the aid coordination and effectiveness agenda. A lot of progress has been made in many sector working groups this year and it is encouraging to see that all SWG are now operational and some such as Education and UXO are already developing sector wide strategies we will provide solid foundations for the SWAp that we would like to promote. Of course there is still a long way to go to develop at all levels of the government the kind of expertise required for effective aid coordination and management. In this regard the UN stands ready to develop a comprehensive CDF for aid coordination that will link the civil service strengthening framework.

Likewise a lot of work it still required on the development partners side as was shown by the recent OECD DAC survey. The VD is about providing aid differently and reviewing the way we deliver more and better development results. All development partners need to be more self critical for this to happen and to systematically ask how can we make the life of our counterparts easier. The UN would also like to reiterate the importance of the recently adopted AAA which addresses new and important areas such as South South cooperation, the urgent need to make aid more predictable, the role of non-DAC donors and the role of civil society. Here to the UN system stands ready to step up its support to help the government and its development partners meet the new commitments. The UN fully support in this regard the government recommendations in the RTIM background document. Finally UN would like to stress that progress implementing much of the VDCAP is contingent upon progress the sectoral level. It is therefore critical to reinforce the linkages between the SWG mechanism and the round table process. Indeed much of today's presentations and discussion today are based on the ground work at the sectoral level.

Switzerland, H.E. Mr. Rodolphe S. Imhoof, Ambassador

As stated earlier, in the last year there has been good progress indeed in strengthening the SWG mechanism. It can be seen that following the new impetus give to the SWGs last year significant progress has been made to ensure a more results oriented approach and clear ToRs, work plans and clear reporting mechanisms to the RTM have become a reality. It can also be seen that for the first time this year there links between the SWG under the RTIM process are adding clear value in terms of continuous and open dialogue between the government and its partners.

To push aid effectiveness Mr Chairman, Switzerland sees from the VDCAP review that the potential is actually high and Switzerland suggests that measures additional to those adopted to

strengthen the SWGs be adopted. In this regard Switzerland proposes the establishment of the VDCAP Secretariat similar to other working groups and that its role should go beyond simple coordination. The Secretariat could be entrusted to propose ways to bring the harmonisation agenda forward. For instance, provide such a body is provide sufficient human and financial, the Secretariat could look at issues such as PBAs, simplification of procedures and use of country system and make concrete proposals to improve ways of doing business. Also in light of the recent AAA, Switzerland considers it important that a review of the VDCAP be undertaken to transform this agenda into a reality. In this regard Switzerland also proposes that additional emphasis be placed on the government and development partners on one side and CSOs on the other side. Switzerland sees that NGOs can provide valuable input for meeting the goals of the NSEDP and that represent real value in the formulation and execution of integrated programmes. In particular CSOs are best placed to meet the more remote areas and the poorest segments of the population which should be the primary goal. Switzerland urges the government to speed up the adoption of the degree facilitating the registration and operation of national non-profit associations in the country. The government can be assured that Switzerland is ready to contribute its part in strengthening civil society in Lao PDR.

Australia, Mr. Michael Hassett, First Secretary (AUSAID))

Australia reaffirms its commitment to the VD and we commend the government's progress implementing the VDCAP through the SWGs. Australia is pleased to act as co-chair of the Education SWG with UNICEF and the Trade and Private Sector with the ministry of Industry and Commerce. Australia encourages DP especially new partners to participate in the SWG to improve the effectiveness of our development programmes. I would like to support the comments of the co-chair earlier today for further coordination at these meetings. Australia has already today issued statements that have been jointly prepared by DP involved in the Education and Trade sectors and believe that this approach will facilitate stronger dialogue at these meetings. Australia would be pleased to receive and distribute feedback from the government on these statements. Finally, Australia would like to support the comments by previous speakers about the AAA and support them by asking the government to help us focus our programmes where they can.

2.5 Natural Resources Based Growth and Lao Business Forum

Presentations

- **Natural Resources based Growth and Lao Business Forum**
 - H.E. Bounthavy Sisouphanthong, Vice-Minister of Planning and Investment

Discussions

Australia, H.E. Dr Michele Forster, Ambassador

Effectively managing natural resource is a key challenge for Lao PDR and this has been a focus of the government in recent time. A discussion paper has been prepared by some development partners and has been circulated. This paper highlighted some key issues regarding natural resource management in Lao PDR. There are five key themes in the paper:

- The importance of high levels of accountability, transparency and good governance
- As projects are being developed and resources are generated it will be of the highest important to ensure that there is equitable distribution across all levels of society.
- Agriculture is and will be for the foreseeable future the priority sector for the livelihood of the majority of the Lao population
- It is vital that the environment and local people are protected and ultimately and ultimately benefit from the project's developments.
- The need to ensure that private sector partners are responsible and work together with the Government for the benefit of the country.

The purpose of this discussion paper is to advance research, analysis and dialogue among government agencies and development partners to develop a shared understanding of the challenges and opportunities especially within the context of the NSEDP VII. We propose that the government establish a suitable high-level mechanism involving all government agencies responsible for all aspects of natural resource management and relevant development partners to advance this dialogue. This would not be a permanent entity but solely a mechanism or task force that would aim to reach a shared understanding of the issues around natural resources and we can present its thoughts at the next RTM.

Germany, H.E. Dr. Peter Wienand, Ambassador

Germany supports the proposal of Australia and the Ambassador considers this issue of the utmost importance for the future of the country. Natural resources are a gift to Laos that needs to be used intelligently and responsibly. The sometimes very bad experiences of the West might help the Lao Government to avoid the many traps which lay on the way to sustainable exploitation bearing environmental hazards like climate change in mind. The Ambassador would very much welcome such a proposal together for the next year.

Korea, H.E. Mr. Park Jae-Hyun, Ambassador

Korea fully support the statement made by the Australian delegation relating to sustainable management of natural resource. This paper is just a starting point or building block for the most effective management of resources development which is the backbone of the NSEDP. The Ambassador also highlighted one point from the paper, natural resource management projects

should be based on a comprehensive land management plan, in order to give prior information to potential investors and to avoid overlapping with other (resource) projects. In this respect Korea is ready to cooperate closely with Lao PDR.

India, *H.E. Mr. Suresh K. Goel, Ambassador*

This discussion paper is a very important initiative and agrees that there should be a government driven mechanism for this issue. This is a cross sector issues that has wide implications; land allocation, forest resources, mining and other areas including the implication for the public investment programme and mining law.

World Bank, *Mr. Patchamuthu Illangovan, Country Manager*

The World Bank also supports the statement made by Australia and the subsequent sentiments by the ambassadors of Germany, Korea and India. This is an important and vital topic for the development of Lao PDR, it's the backbone of the country's 5 year plan. The World Bank very much agrees with the proposal for high level forum as proposed to bring together the different ministries and agencies that are responsible for the natural resources, one hand there is mining and on the other water resources and so many other resources involved. This kind of dialogue mechanism could really help to shape the NSEDP VII formulation.

France, *H.E. Mr. François Sénémaud, Ambassador*

France thanks Australia for the very timely paper and the topics in it are of the utmost importance and they deserve discussion. France is very open to further discussion on this topic.

Mekong River Commission, *Mr. Wolfgang Schiefer (Chief of IC&C)*

The MRC fully supports the previous speakers on this issue and would fully support such a government lead mechanism. The MRC holds a vast array of data and technical expertise that could support such a process.

The MRC is holding a climate change forum (27-28 Nov) in Bangkok which also relates to impacts of natural resource management issues.

3. Closing Ceremony

H.E. Mr. Ajay Chhibber, UN Assistant Secretary General, UNDP Regional Director for Asia and the Pacific made a statement in which he recapitulated the main issues and comments made by the participants (refer to Annex 14).

In the closing statement, H.E. Mr. Soulivong Daravong, Minister of Planning and Investment, (refer to annex 15) stated that during the day, we have had substantive and comprehensive exchanges of views on key topics covering the progress, outcomes and constraints of the implementation of the National Socio-Economic Development Plan, future direction, as well as the findings of 2008 MDG Report and progress towards the macroeconomic, social and aid effectiveness agendas. The outcomes of today's meeting will serve to encourage the Government to further pursue the implementation of the National Socio-Economic Development Plan and national efforts to achieve the MDGs. With regard to the preparation of the 7th National Socio-Economic Development Plan, the government will lead the process in full collaboration with all the national stakeholders. The development partners will contribute in the process and facilitate the implementation of the plan. With your constructive comments and valuable advice made at today's meeting regarding all the issues in the agenda, including the MDGs, the economy and social progress, as well as possible impact of the global financial and economic turmoil, the government will pursue its efforts to address the challenges and issues. He finally expressed the deep appreciation and gratitude of the government and the Lao people to our development partners for their valuable support accorded to the socio-economic development of the country. With special thanks to UNDP for their valuable support provided to the Government in preparing for this meeting and the co-chair, H.E. Mr. Ajay Chhibber, UN Assistant Secretary General, UNDP Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific. And wished good health, happiness, prosperity to all and declared this meeting closed.

IV. Summary of post-RTIM meeting with Prime Minister

On 29 Nov 2008, a delegation of Development Partners comprising UN, Australia, China, France, Japan, Republic of Korea, Vietnam, ADB, World Bank and a representative from INGOs has met with H.E. Bouasone Bouphavanh, Prime Minister of the Lao PDR in order to brief him on the discussion and outcomes of the RTIM.

Prime Minister

The Prime Minister thanked development partners for their advice, especially with regard to the global financial crisis. Particularly within the context of the financial crisis development partner support is highly appreciated. DPs support will help greatly with the advancement of the MDGs and NSEDP. DPs advice will be taken on board and will be incorporated into national strategies and policies.

Ms. Sonam Yangchen Rana, UN Resident Coordinator

On behalf of DPs the UN Resident Coordinator thanked the Prime Minister for the opportunity for the meeting. She also praised the government's quick response to the recent floods and efforts in the areas of the Cluster Munitions Treaty, MDGs, managing the economic crisis, nutrition and achievements in PFM. Comments from development partners are clustered around 5 main points:

1. Global Financial Crisis

A contingency plan for the implications of the global financial crisis is need. As is an assessment of its potential impacts on the budget, growth and most importantly the Lao people. There might also be a need to strengthen the social protection package. Consolidating progress on PFM and macro-economic stability will become even more important in the near future.

2. MDG implementation by focusing on Social Services

There should be a focus on addressing inequalities, improving maternal health, nutrition and speedy approval of the National Nutrition policy.

With regard to the seventh plan, while the plan will continue to concentrate on macro-economic stability and the private sector, the MDGs need to be at the centre of the plan.

3. Natural Resource Management

The government is commended for placing a moratorium on mining concessions and congratulated for the preparation for the Mining Law. Efforts are need on land allocation and forestry management, and it is requested that land titling is accelerated. Furthermore, that land concessions will not undermine efforts in food production and security. Overall the emphasis should be on ensuring the Lao benefits from its natural resources.

4. Facilitating the Private Sector

The Government is commended for placing the private sector at the centre of the development process. It was suggested that there should be more effective implementation of the laws, rules and procedures, greater transparency in FDI management as well as promoting the domestic private sector. This will expand the tax base for revenue collection and boost job creation.

5. Participatory Planning Approach

Development Partners as well as Civil Society plays an important role in the development process therefore the government is encouraged to expedite the implementation of the CSO decree.

H.E. Mr. Masaaki Miyashita, Ambassador of Japan

Japan appreciates efforts in macro-economic improvements. Japanese private investment in Lao will be further increased and Japan encourages quality investment and recognition of intellectual property.

H.E. Mr. Park Jae-Hyun, Ambassador of Republic of Korea

Korea sees a lot of progress in the 6th NSEDP however there is still lot of work remaining and Korea is ready to join other DPs to continue to support, especially for the MDGs.

With regard to the environment for the private sector, Korea sees a need for increased attention to improve information, creating a comprehensive list of projects, integrated land management and strengthening of investment procedures.

Mr. Henry Pranker, Chargé d’Affaires of EU

France (on behalf of the EU) was impressed by Government’s involvement in the development process and thanked MPI and UNDP for their efforts. Within the macro-economic sector, the EU is eager to engage in dialogue to avoid any impacts of the global financial crisis.

With regard to social development, the EU is open to further discussions on the use of budget revenue for social improvement in particular.

The EU is very engaged in the process of harmonization and coordination and currently has work underway in the area of division of DP labour and VDCAP and AAA implementation.

H.E. Dr. Michele Forster, Ambassador of Australia

Australia appreciates the efforts made to date but was concerned that there was not enough spending on education and there was also a need or increased spending in social sectors. Australia also encouraged the approval of the pending decree on civil society organizations.

Prime Minister

The Prime Minister thanked DPs for their comments and advice. He recognized that the key recommendations raised by the UN RC (on behalf of DP) are essential to ensuring progress. The key issues raised by Japan, Korea, France and Australia will also be given attention and incorporated in to the seventh five year plan.

The Prime Minister thanked the Ms. Sonam Yangchen Rana and the talented UNDP team and asked that his gratitude be conveyed to H.E. Mr Ajay Chibber. The Prime Minister commended the RTIM Chair and Co-Chair for a successful RTIM.

Appreciation was given by the Prime Minister to all DPs and international organizations who made very constructive recommendations and advice. The Prime Minister expressed his best wishes for the leaders and people of the DPs countries and organization and Lao will maintain its good relations with the IFIs and INGOs and governments.

Annex 1:

Agenda of the RTIM 2008

- **National UXO Programme**
Mr. Somnuk Vorasarn
Deputy Director of the National Regulatory Authority for UXO/Mine
Action Program

11:40 - 12:30 **Discussion**

12:30 - 13:45 **Lunch**
Hosted by: H.E. Mr. Soulivong Daravong Minister of Planning and
Investment for all delegates at May Youan Restaurant

Public Financial Management (PFM)

13:45 - 14:05 **Progress and challenges in fiscal reforms, revenue and expenditure**
H.E. Mr. Somdy Douangdy
Minister of Finance

Emerging Issues

14:05 - 14:25 **Disaster risk management: lessons learned from the August floods**
Mr. Prasith Dethphommatheth
Director General of Social Welfare Department
National Disaster Management Office

14:25 - 15:10 **Discussion (on PFM and disaster management)**

15:10 - 15:25 **Coffee Break**

Vientiane Declaration Country Action Plan (VDCAP)

15:25 - 15:45 **VDCAP implementation progress and Sector Working Groups' Achievements**
Mr. Somchith Inthamith
Director General – Department of International Cooperation
Ministry of Planning and Investment

15:45 - 16:05 **Discussion**

The link with private sector

16:05 - 16:25 **Natural Resource Based Growth and Lao Business Forum**
H.E. Dr. Bounthavy Sisouphanthong
Vice-Minister of Planning and Investment

16:25 - 16:30 **Essay and Poster on Aid Effectiveness Award**

16:30 - 16:45 **Concluding remarks**
by H.E. Mr. Ajay Chhibber, UN Assistant Secretary-General, UNDP
Assistant Administrator and Director of the Regional Bureau for Asia and
the Pacific

16:45 - 16:50 **Closing speech**
by H.E. Mr. Soulivong Daravong
Minister of Planning and Investment

Annex 2:

Welcome Remarks by H.E. Mr. Soulivong Daravong,
Minister of Planning and investment

Welcome Remarks
By H.E Mr. Soulivong Daravong,
Minister of Planning and Investment at the 2008 Roundtable Implementation Meeting
Vientiane Capital, 24 November 2008

Excellency Mr. Bouasone Bouphavanh, Prime Minister of the Lao PDR

Excellency Mr. Ajay Chhibber, UN Assistant Secretary-General, UNDP Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific

Excellencies

Distinguished delegates

Ladies and Gentlemen

Good Morning

On behalf of the Ministry of Planning and Investment, I would like to extend a warm and cordial welcome to all of you to this year's Round Table Implementation Meeting (RTIM).

This is indeed a very important meeting as we are gathering today to review progress made in implementing key policies, strategies and programmes, discuss the challenges ahead and exchange views on future steps.

The Round Table Implementation Meeting is a key high level forum for constructive dialogue between the Government of Lao PDR and Development Partners. In the run-up to this Round Table Implementation Meeting, as per last year, a series of in-depth pre-consultations covering the various RTIM topics have been held in order to deepen the dialogue and build common understanding of the issues. Today, we will build on the outcomes of these consultations and pursue dialogue in a wider context.

Within the context of the ongoing dialogue between the Government and Development Partners, several discussions have also taken place during recent months within the framework of the Sector Working Groups. The SWGs represent important forums, not only for information sharing, but most importantly for coordination of sectoral activities, policies and resources in order to ensure appropriate implementation of policies, programmes and projects.

The background document you have already received was prepared by MPI/DIC in close collaboration with relevant ministries and with significant support from development partners. This document captures the key issues for this year's RTIM and provides a synthesis of progress, achievements, challenges and future actions, in order to facilitate the discussion. In addition, Government officials will also present overviews of issues within their respective areas of responsibility.

At this point, I would also like to thank the Ministries and the DPs that have been involved in the RTIM preparatory process including SWGs meetings and for their contributions to the preparation of the background document and other report and presentations.

Again, a warm welcome to all, and I wish everyone a most fruitful and successful Round Table Implementation Meeting (RTIM).

Thank you.

Annex 3:

Opening Remarks by H.E. Mr. Ajay Chhibber,
UN assistant Secretary General, UNDP Assistant Administrator
and Director of the Regional Bureau for Asia and the Pacific

Opening Remarks
By H.E.Mr. Ajay Chhibber UN Assistant Secretary General
UNDP Regional Director for Asia and the Pacific at the 2008 Roundtable Implementation
Meeting Vientiane Capital, 24 November 2008

Your Excellency Prime Minister Bouasone Bouphavanh,

Your Excellency Minister Soulivong Daravong,

Other Excellencies, Distinguished Participants,

On behalf of the international community, allow me to first thank Your Excellency Prime Minister Bouasone for honoring us with your participation this morning in the opening of this Round Table Implementation Meeting. This is my first time visiting your wonderful country, and I am also very grateful for the warmth and hospitality extended to me by your government and the people of Lao PDR.

I understand that at the November 2006 Round Table Meeting, Your Excellency rightly called the current National Socio-Economic Development Plan (NSEDP) 2006-10 a “*breakthrough*” plan. As we shall review today, there indeed have been many breakthroughs since the launching of this important plan, and we are hoping for many more in the coming year.

I would also like to thank and congratulate the Ministry of Planning and Investment for the organization of this meeting, and for the rich documentation prepared in collaboration with many other ministries and government agencies for this annual consultation.

Excellencies, Distinguished Participants,

We are meeting today during one of those possibly epic moments in the history of the global economic and financial system with the surprisingly rapid unfolding of a global financial crisis. Following five years of robust global growth, surging trade flows and abundant global finance, we appear to be entering a period of much more choppy waters, at least for a while. While Asia is not the epicenter of this crisis, it could nevertheless be adversely affected by the financial tsunami that has been triggered. This could well have potentially significant implications for developing countries like Lao PDR, and the achievement of their national development goals including the MDGs.

In the context of the current NSEDP, the single most important breakthrough that we are collectively trying to achieve under government leadership is the further substantial improvement in the well-being of all Lao people. And here, progress has been significant in recent years.

Poverty, according to official data, has declined further to an estimated 28% of the population in 2008 from 33.5% in 2002, and 46% in 1992. This puts the country firmly on track to achieve the country’s first millennium development goal well before 2015. In addition, access to safe drinking water has expanded significantly, infant and child mortality rates continue to decline, and enrollment and literacy rates at the primary age level have risen significantly also putting the related Lao MDG targets within reach by 2015.

This important progress in human development has been underpinned by a further consolidation of the country's macro-economic stability, and strengthening institutional development. GDP growth has averaged near 8% during 2007/08, while inflation has been maintained within single digits. Budget revenues have risen steadily further and the budget deficit narrowed to less than 2% of GDP. Trade and foreign investment flows have surged, foreign exchange reserves have grown to healthy levels, and the kip exchange rate has strengthened.

In the especially important cross-cutting area of governance, the role of the national assembly in the national development debate has developed further including in challenging areas like corruption and legal enforcement. Moreover, the State Audit Office is now reporting to the National Assembly thereby strengthening the Assembly's oversight role. A number of new important laws have been passed and public administrative reform has advanced at the central and provincial levels.

Public finance systems are being further strengthened with the deepening implementation of the budget law including the gradual centralization of fiscal revenues, a new chart of accounts, and the development of a fiscal transfer system aimed at improving efficiency and equity.

Banking and SOE reform have also progressed albeit at a more moderate pace with a further reduction in non-performing loans and more market based tariffs closer to cost recovery levels for water, electricity and airline services. Trade reform has also progressed with deeper integration into AFTA and pursuit of WTO accession. Moreover, Lao PDR continues to collaborate closely within the Great Mekong Sub-region (GMS) group of countries, including in the coordination and development of efficient economic infrastructure for the sub-region..

Also extremely important, the quality of available information and data is gradually improving and the development dialogue has gradually become more open and participatory. In this context, we thank and applaud the government for inviting development partners to offer perspectives and suggestions during the recent mid-term review of NSEDP building further upon consultations with development partners in the drafting of the NSEDP three and a half years ago. Discussions within government have also been initiated on an effective role and legal framework for civil society in the fight against poverty at the local level.

Excellencies, Distinguished Participants,

These are but a few of the many notable recent achievements. Clearly there has been remarkable progress in many areas, but there is also great scope and need to achieve so much more. Poverty and near poverty remain high and widespread, especially among ethnic groups in the more remote rural areas, so we also applaud government plans to exceed the MDG target for poverty reduction. In addition, alarmingly high rates of maternal mortality and child malnutrition call for further urgent support and action.

Looking forward, the challenge will be how to sustain and build upon progress given the much less favorable global context. On the surface at least, Lao PDR would appear to be relatively better positioned to weather through the global financial crisis.

Nevertheless, GDP growth will likely slow to some degree due to declining exports, more cautious FDI and tighter finance generally, including some likely reduction in budget revenues.

In this case, it would be very important to protect budget allocations for basic social services in order to safeguard and build upon the valuable gains in recent years towards achieving poverty reduction and the other MDGs. Similarly, strengthening social safety nets and rapid response systems will also be essential to assisting the most vulnerable groups when needed. New and better targeted social assistance mechanisms such as conditional cash transfer schemes could also be explored.

The possibility of some immediate decline in government budget revenues and the potential for tighter ODA availability at the global level highlights the need to intensify efforts on aid effectiveness and further prioritize development investments. Here Lao PDR is well placed to accelerate implementation of its already formulated Vientiane Declaration on Aid Effectiveness and related Country Action Plan.

We also call upon all development partners to help ensure that ODA allocations for Lao PDR are not only maintained, but increased in line with the country's development needs.

Excellencies, Distinguished Participants,

Within the context of effective implementation of NSEDP, government and the development community should also focus much more on the next set of breakthrough areas where socio-economic returns are likely to be highest for sustaining and building upon recent progress.

One of the most important breakthrough ideas in the current NSEDP is to promote the private sector as the engine of growth, employment and poverty reduction. So far much of the progress here has been in the promotion of the foreign private sector, especially in the natural resource sectors. This can be valuable in that it has the potential to generate substantial government revenues for investing in broader based socio-economic development.

Effective investment of such revenues in education, vocational skills, human resource development and productive infrastructure especially in rural areas where most Lao people still live and work will be critical to ensuring that Lao PDR enjoys a resource blessing, keeps rising inequality in check and avoids the kind of resource curse that has plagued and even destabilized so many other developing countries.

We know from international experience that in resource rich developing countries where human resource capacity is weak, a first priority should be transforming natural resource wealth into human resource wealth in order to sustain the development process to increasingly higher levels well after the natural resources are depleted and/or commodity prices collapse further.

In this context, its also important to seek out quality foreign investment that generates sustainable employment, transfers valuable knowledge and skills, and safeguards the country's environmental treasure chest.

Perhaps even more important is the development of the country's indigenous domestic private sector needed to generate the jobs, incomes, poverty reduction, and broader tax base needed to finance the delivery of effective social services in a sustainable manner. More effective implementation of the Enterprise Law, application of the recently developed negative list of

business areas, the recent creation of a central registry, more effective contract enforcement, objective dispute resolution mechanisms, and reduced transactions costs more generally would all contribute.

This would also promote much needed diversification towards those more labor intensive sectors that tend to create sustainable jobs and livelihoods in higher value added agriculture, manufacturing, and tourism, and also help diversify risks in volatile global markets.

Further improvements in governance including in important areas like land concessions, mining and forestry also offer great scope for laying the foundation of the next high growth period. Laos is rapidly losing forest cover and needs to take urgent action to reverse this trend.

Further strengthening the public finance system and ensuring reliable auditing capacities, as well as the further development of an efficient and equitable transfer system to finance the delivery of basic social services for all Lao people will be critical to ensuring equity and further consolidating national social well-being. More focused anti-corruption strategies are also vital.

In addition, a further expansion of the highly successful UXO clearance programme supported by government and a wide range of development partners would not only save more lives and reduce injuries, but also free up more land for agriculture and thereby better ensure food security.

The heavy flooding this past summer also highlighted the need to further strengthen the country's disaster management response capacity.

Government leadership will also be needed to create further space for more open and informed debate on challenging development issues which is often the first step to developing lasting solutions. This in turn also highlights the critical importance of ensuring reliable and timely data and information especially in times of crisis to help inform the development debate and guide the leadership in timely decision making.

Excellencies, Distinguished Participants,

Clearly a great deal has been achieved, and we whole-heartedly congratulate Your Excellency Prime Minister Bouasone, the Government of Lao PDR and its development partners. At the same time, there are some major emerging challenges and opportunities facing the country over the coming year.

An ideal outcome for this Round Table Implementation Meeting would include a renewed strong commitment from all development partners to support the further effective implementation of the NSEDP under Government leadership and the achievement of the country's development goals including the MDGs. In addition, we should further develop under government leadership a common understanding of the main priorities and concrete next steps ahead, and how we can best close the remaining distance to the MDGs

All of this would help Lao PDR break through to the country's millennium development goals, graduate from developing country status by 2020 and contribute to an even happier and more prosperous Lao people.

I wish everyone a most fruitful dialogue and a most successful outcome for this Round Table Implementation Meeting.

Thank you.

Annex 4:

Opening Statement by H.E. Mr. Bouasone Bouphavanh, Prime
Minister of the Lao PDR

**Opening Statement by
H.E. Mr. Bouasone Bouphavanh, Prime Minister of the Lao PDR
at the 2008 Roundtable Implementation Meeting
Vientiane Capital, 24 November 2008**

- Distinguished Lao and Foreign Guests,
- Ladies and Gentlemen,

At the outset, I would like, on behalf of the Government of the Lao PDR, to welcome and thank all distinguished guests and representatives of development partners for accepting our invitation and participating in the 2008 Roundtable Implementation Meeting today.

I would also like to take this opportunity to commend UNDP for its longstanding active support rendered to the RTM process, and especially to the present Roundtable Meeting. I wish to particularly extend my warm welcome to H.E. Mr Ajay Chhibber, UN Assistant Secretary General, UNDP Assistant Administrator and Director of UNDP Regional Bureau for Asia and the Pacific for sparing his precious time to visit the Lao PDR and co-chair this meeting.

While the Lao PDR remains true to the promotion of a reliable development partnership and reaffirms its strong commitment towards achieving the Millennium Development Goals (MDGs), I firmly believe that the 2008 RTM would serve as an important platform for the constructive exchange of views on wide ranging issues that would likely benefit the development in the Lao PDR. It is also my hope that the present RTM would be crowned with a brilliant success as in the past.

- Excellencies,
- Ladies and Gentlemen,

According to the agenda of the meeting, there are a number of representatives from the Lao Government who will make presentation on different topics related to the Roundtable Process in the Lao PDR including the mid-term review on the Sixth Five-year National Socio-Economic Development Plan that would help you gain a better understanding about the general overview of the national development in the Lao PDR.

I note that the implementation of the Sixth Five-year National Socio-Economic Development Plan during the first two years was carried out in a healthy environment with expected results. But for the fiscal years of 2007-2008 that just ended last September, we have witnessed mixed results from our drive to attain macro-economic and social development targets. For instance, the economic growth rate or GDP growth rate was only 7.9 % (from originally planned 8 %); the average annual inflation rate was 8 % (target was 6 %). This shortcoming comes from the inability of the agriculture sector considering as a key sector to achieve its own target growth due to climate change and a series of flood and torrent destroying agricultural production areas as well as to the surge in oil prices, speculation on imported foodstuff and commodities prices that greatly affect the national economic foundation.

Nevertheless, past economic growth in the fiscal years 2007-2008 has shown sign of continuity and some promising perspectives. I understand that there are some reasons behind this momentum namely:

- The maintenance of stability and the creation of a sound environment for national development and livelihood of the people.

- The promotion for fair participation of all economic sectors in fostering economic growth based on the alignment of resources utilization in a more appropriate manner; Importance has been attached to rural development, family income generation for addressing people's poverty, capacity building for human resource development through greater public investment and promotion of the society's involvement in education, health and the preservation of the traditional fine culture of the Lao nation.
- The improvement of the State administration system along the direction of developing greater law accountability and good governance, promoting citizens' rights for self-mastery and their participation in all spectrum of life while expanding one stop public service system and delegating more power and responsibilities to local administration authorities. Improvement has also been made to existing laws with the enactment of new laws.
- Our Government has consistently embraced a foreign policy of peace, friendship and cooperation while broadening its external cooperative relations through improving its mechanisms and regulations for the integration of the national economy with the region and the world at large. For instance, we have swiftly revamped laws and regulations including necessary conditions for the country's admission into the WTO. The Lao PDR has vigorously taken part in the program implementation of the 3rd GMS Summit that aims to increase integration and competitiveness capacity in the sub-region; we are currently making the arrangements for hosting the Cambodia-Laos-Vietnam Summit on the triangle development that will be held very soon. Last September, the Lao PDR became a Party to three UN International Conventions and is preparing to participate in the international conference in Oslo in this coming December for the signing of the International Convention on Cluster Munitions.
- Those are some reasons behind the key results gained. I wish to further emphasize that the achievements made in the national development of the Lao PDR for 2007-2008 are partly attributed to the Official Development Assistance (ODA) and support from friendly nations, international organizations, UN specialized agencies and NGOs. Therefore, I would like to take this opportunity to convey through you the Lao Government's and people's gratitude to the Government and people of friendly countries, development partners institutions for their friendship, support and assistance accorded to our national development efforts.

- Excellencies, Ladies and Gentlemen,

The Lao Government and people are well aware that there are two key factors that would help us reach the MDGs especially in addressing people's poverty and freeing the country from underdevelopment. The decisive factor is to harness and enhance domestic overall strength, and elevate the Lao people's sense of ownership and greater stamina in their nation-building efforts. This also includes the efficient alignment of resources utilization for development in close association with fair and wide distribution of income and wealth. The second factor which we consider as an indispensable complimentary factor is the support and assistance from friendly countries and international organizations as our development partners.

As you may be aware, while advancing towards 2008-2009, the Lao PDR like many countries is facing daunting challenges emanating from the impact caused by the global economic turmoil and the world economy in recession. At the same time, we are obliged to keep up our efforts to address the adverse consequences from the flooding and torrent that occurred during the past rainy season inflicting heavy casualties to public socio-economic infrastructure and people's properties.

Those challenges and difficulties have taken a toll on our capacity to reach the MDGs and have also affected the objectives set at the macro-level for achieving the socio-economic development plan in 2008-2009. Against this backdrop, our Government will adopt policies and measures to cope with those challenges and address the difficulties with a sense of high responsibility. Furthermore, we are willing to listen to your views, in particular on your best practices and recommendations that would help the Lao PDR develop the nation in a stable environment and sustained manner.

It is my understanding that reliable development partnership must be reflected in engaging the partners in dialogue, frank and candid exchange of views on issues of common interest for finding collectively a solution. Therefore, I call upon all of you to discuss and share views on some key issues such as: rural development, income generation and poverty reduction of the people, how to maintain sustained growth under present circumstances along with macro-economic stability; how to address the problems on income distribution and development gap, education and health development issues, human resources capacity-building, good governance, and how to ensure a transparent and efficient State administration system; the issue on the promotion of the private sector's role and their participation in the national development and integration process...

Moreover, may I request the meeting to further discuss and exchange views on the implementation of the Vientiane Declaration Country Action Plan (VDCAP), continued assistance in program-based approach and financial support to the state budget by which the Government has to ensure that the fund would be spent according to guidelines and priority development goals; the upgrading of capacity for institutions and personnel including the improvement of harmonized coordination based on the five principles mentioned in the Vientiane Declaration on aid effectiveness and in line with Accra Action Plan.

- Excellencies,
- Ladies and Gentlemen,

The Lao Government and people have clearly determined their common tasks for the coming years namely the development towards the realization of MDGs and lifting the country from least developed status by 2020. In doing so, we will do our utmost to translate the implementation of policies and some important activities into reality namely:

- We will strive to maintain solid stability and establish sound environment for development.
- We will implement the policy on promoting economic and private entities of all sizes in fostering production and services according to the market mechanism regulated by the State in order to ensure a sustained growth rate of no less than 7.5 % per year focusing on development of potential and competitive sectors namely hydro-power and renewable energy, mining industry, agriculture-forestry, transit service and eco-tourism with a view to turning the development into the direction of quality and sustainability.
- We will develop localities in a focused manner and accelerate rural development, address people's poverty through permanent job provision and family income generation; efficient and sustainable management of resources utilization.

- We will develop socio-cultural sector in parallel with the economy through increased public investment and policy implementation on promoting all stakeholders in the society to participate in the development of the national education and health system so as to provide more opportunities and increase educational quality; to ensure that the public will have access to better healthcare services and nutrition; At the same time, we will pay attention to skills upgrading training for the people along with job creation.
- We will improve State management system from central to local level along the line of having greater transparency including convenient and fast delivery services to the public; We will resolutely address narcotic drug problem and social negative phenomena; promote social justice, solidarity and mutual help within the community.

All these constitute only some parts of our Government's policies and tasks that we have systematically outlined in the Sixth national socio-economic development plan. Some Ministers and relevant officials will make detailed presentation before this roundtable meeting. I earnestly hope that the delegates from participating countries and development partner agencies having vast experience in the subject will make useful comments and recommendations to this end. We would be pleased to listen to and take note of different views into careful consideration in order to improve and open a new chapter for more fruitful development.

As Chairperson of the Steering Committee on the roundtable process, I regret that I would not be able to attend the whole proceeding of the meeting due to some important engagements.

May I therefore delegate Minister Soulivong Daravong to co-chair this meeting together with H.E.Mr Ajay Chhibber. I have a firm conviction that these two eminent persons will conduct the meeting together with all of you towards a successful conclusion as in the past.

On this auspicious occasion, may I now officially open the meeting.

thank you

Annex 5:

Presentation on Mid Term Review of the 6th Five years Plan
(National Socio-Economic Development Plan 2006-2010) by
H.E. Mr. Soulivong Daravong, Minister of Planning and
Investment



Round Table Implementation Meeting

Mid Term Review of the 6th Five Year Plan
(National Socio Economic Development Plan 2006-2010)

24th November, 2008
Lao Plaza Hotel

Presented by H.E Soulivong Daravong
Minister of Planning and Investment



Outline of the Presentation



1. Mid-Term achievements of the 6th Five Year Plan
2. Challenges of the implementation
3. Focus areas for the remaining years of the 6th Plan
4. Priorities for the next Five Year Plan (NSEDP VII)

Objectives of the Mid Term Review



- Assess whether the plan implementation is on track to meet the targets
- Identify challenges that affect progress
- Improve implementation at the mid way stage to ensure that the 6th plan targets are met by 2010; and
- Draw lessons for the NSEDP VII (2011-2015)

1. ACHIEVEMENTS

Macro-Economics



- Lao PDR has achieved rapid growth over the past years with an average annual GDP growth rate of around 8% against the target of 7.5 - 8%.
- The average GDP per capita has already exceeded the plan target of USD 700-750.
- The economy has continued to industrialize and modernize – The declining share of agriculture in the GDP has been matched with an increasing share of industry and service sectors.
- Since October 2005, inflation has remained within single digits.
- Foreign currency holdings increased to equivalent to 5.9 months of imports (2007) – This is expected to increase further with high prices for some commodities and agriculture exports, tourism receipts and FDI inflows.

Macro-Economics – cont'd



Fiscal Balance

- Government of Lao's fiscal position continued to strengthen and revenue targets were achieved for a second consecutive year
- The new State Budget Law has centralized revenue collection even though expenditure remain decentralized
- Revenue mobilization increased and the overall budget deficit will be contained below 3.5% of the GDP.

External Aid

- PIP provides a consistent framework within which aid agencies can concentrate and coordinate their efforts
- ODA in the form of grants and concessional loans, is important for both the overall public expenditure and PIP
- ODA has been at an annual average of USD 430 million during the first three years of the 6th Plan; However, ODA is decreasing as % of the GDP.

Macro-Economics (cont'd)



Export-Import Balance

- Exports have increased continuously since 2005-06 and we have achieved nearly 80% of the 6th Plan target by the first six months of 2007-08
- Mining Sector accounts for more than half of the total value of annual exports – export growth is also driven by agricultural commodities (coffee and maize) and garments
- Total imports in the past years has been more than 60% of the Plan target and is largely driven by investment imports for large resource projects (such as mining and hydropower), agriculture (plantation), processing industries, trade and services

Sectoral and other key achievements



Private sector

- Many steps have been taken to improve the overall investment climate
- The Strategy for SME Development and framework until 2010 was developed and launched - PM's Decree 157/2008 endorsed the implementation of this strategy.

Labour sector

- The regulatory framework for the sector has been improved
- Infrastructure of skills training centers have been upgraded.
- Availability and quality of training across the country is being improved.

Sectoral and other key achievements



- Village Development Funds are used actively and efficiently for building infrastructure and poverty eradication through plantation, animal-raising, handicrafts, trading and other income generating activities.
- Nayobay Bank provides small credit to poor people since 2007
- Steady increase in rice production is helping improve food security
- The road network improved steadily and is much better and extensive than it was in the previous plan period – 134 of the district centers are connected to the provincial capitals with all weather roads

Sectoral and other key achievements



Poverty has dropped to less than 25% and we have achieved the 6th Plan target

Progress on primary enrolment rate and access to clean water indicators are well on-track

Malnutrition among children under-five is reducing but slowly (still high at around 40%)

Infant and child mortality rates have declined satisfactorily and the Plan targets will be met

Maternal mortality has also declined but slowly

2 CHALLENGES

Key challenges: Resources



- Current levels of expenditure on priority sectors may make it difficult to meet the 6th plan targets or the MDGs
- We will need to balance capital and recurrent expenditure – at present more resources go for capital expenditure
- While the overall ODA amount is constant, sometimes fluctuation in donor spending makes it difficult to plan and implement projects
- We need to better link the plan with the budgetary process.
- Development of sector strategies, prioritisation or costing will make it easier to implement the plan.



Key challenges: Implementation

- **Low human resource capacity** and low availability of skilled manpower
- **Monitoring of the 6th Plan** has been a challenge and major efforts needed for improvement.
- **The Poverty Line** needs to be revised in order to integrate the current situation into consideration.
- There might be a need to **re-assess the classification of poorest districts**



3. FOCUS AREAS FOR NEXT 2.5 YEARS



Focus areas for the remaining years of the 6th Five Year Plan

1. Maintain a GDP growth around 7.5-8% and maintain inflation under 10%.
2. Maintain budget deficit within present limit.
3. Implement the State Budget Law.
4. Develop stronger inter-sectoral links between agricultural and industry sectors to ensure encourage employment growth.
5. Implement Order No. 31/PM on sustainable forest management by encouraging rural areas to enhance their understanding of sustainable livelihoods.
6. Review the effectiveness and focus on improving the implementation of the 11 national programme and 111 priority projects.
7. Strengthen and speed up the implementation of the major investment projects
8. Implement the Country Action Plan of the Vientiane Declaration.
9. Mobilize resources for implementation of national strategy for SME development and strengthen the regulatory environment.



Focus areas for the remaining years of the 6th Five Year Plan - cont'd

10. Continue to improve the legal framework related to the granting of land concessions, surveying rights, and export of mineral products to ensure the highest benefits.
11. Encourage and promote private sector to participate more in human resource development.
12. Improve and upgrade the quality of health care treatment and services at large hospitals at centre and provinces.
13. Target resources for rural development and eradicating poverty by taking the building of villages and development Kumban as central task
14. Provide funds for Kumban; effectively implement the policies and projects especially Village development fund (VDF), Nayobay Bank, Poverty Eradication Fund and others.
15. Set up a comprehensive M&E framework which would also be an excellent resource for developing baseline indicators for the 7th Plan.



4. PRIORITIES AND APPROACH FOR NSEDP VII



Approach for the formulation of the National Socio Economic Development Plan VII

- The 7th Plan (2011-15) is an opportunity to systematically and fully anchor MDGs in the national planning process to achieve main targets and goals.
- We will need to integrate critical MDG related programmes into the plan to ensure that MDG objectives coincide with the NSEDP objectives
- We will continue focus on achieving rapid economic growth but with a strong emphasis on certain key sectors such as education, agriculture, employment and labour, and Health
- The main focus will also be strengthening capacity for implementation, service delivery and monitoring



Priority Focus Areas for the 7th Plan



Together with the continued focus on the key areas and key sectors as specified in the 6th plan, we will also need to increase allocation of resources and strengthen implementation to ensure that we meet the MDGs targets and goals by

1. Reducing Inequality and equity development
2. Reducing Child Malnutrition by implementing strategies for Child Protection
3. Improving Access and quality of education primary completion rates
4. Improving Maternal Health



Key principles for preparation of the 7th Plan



1. Participatory process
2. Extensive consultations at the national and sub-national levels
3. Use of Sector Working Groups (SWGs)
4. Use of analytical and research studies to inform the sector plans



Kop Chai Lai Lai
Thank You



Annex 6:

**Presentation Millennium Development Goals Progress Report by
H.E. Mr. Phongsavath Boupha, Vice-Minister of Foreign Affairs**



Round Table Implementation Meeting

Millennium Development Goals Progress Report

24th November, 2008
Lao Plaza Hotel

By H.E Phongsavath Boupha
Vice-Minister of Foreign Affairs



Introduction



- The Millennium Development Goals were agreed for all UN member states in 2000.
- The 2008 MDG Progress report for the Lao PDR comes at the halfway point to the 2015 deadline for achievement of the Goals.

Report Contents



On each of the Eight Millennium Development Goals in the Lao PDR the report provides:

- The latest available information and data.
- The most relevant analysis.
- Insight into trends and root causes of progress and challenges.
- Rigorously studied and reviewed recommendations for action.



Purpose



The MDG Progress Report is designed to:

- Highlight key areas for action for policy-makers and development practitioners
- Serve as a policy tool for Government planning at National, Provincial and District levels.
 - The 7th National Socio-Economic Development Plan.
 - Localized annual plans



Progress Highlights



Overall, it appears on track

Challenges remain such as

- Reduction of malnutrition
- Reduction of Maternal Mortality Rates
- Gender equality in education
- Increasing disparity between the rich and the poor, urban and rural areas, uplands and lowlands,



MDG 1: Eradicate Extreme Poverty and Hunger



- Poverty declined from 46% in 1992 to lower than 30% in 2008
- Based on this, it is on track to attain the MDG target of halving poverty by 2015
- Since the first MDG Report, Laos has been sustaining its robust economic growth, with real GDP growth of 7% and above.
- Economic growth not an end in itself.
- Concern of malnutrition





MDG 1:
Eradicate Extreme Poverty and Hunger



Meeting the target:

- Need to diversify economy
- strengthening the agricultural and manufacturing sectors
- Need inter-sectoral policies to address both malnutrition and poverty in a comprehensive way.



MDG 2:
Achieve Universal Primary Education



- Education is among the better performing sectors
- Net primary enrolment increase from 58% in 1991 to 84 % in 2005
- However, progress in retention of students at the primary level is slow
- It also varies among provinces, rural and urban and between ethnic groups



MDG 2:
Achieve Universal Primary Education



Meeting the target:

- Allocate adequate resources on infrastructure across provinces
- Improve the quality of education and curriculum
- Develop a pool of trained teachers
- Special efforts should be made to extend the benefits of education to people without adequate access to basic education



MDG 3:
Promote Gender Equality and Empower Women



- Mixed picture
- Among the highest proportions of women parliamentarians in the Region. (6% in 1990 - 25% in 2006)
- Slow progress on gender equality in levels of education
- Girls have significantly lower enrolment levels than boys
- This gap is bigger in upper secondary and tertiary levels of education



MDG 3:
Promote Gender Equality and Empower Women



Meeting the target:

- Requires committed leadership and political will at all levels.
- Allocate resources necessary to achieve gender equality and women's empowerment.
- Strengthen the role of Lao NCAW



MDG 4:
Reduce Child Mortality



It appears that the Lao PDR is well on track for meeting the target on child mortality reduction.

- Between 1995 and 2005, U5 dropped from 170 to 98 per 1,000 live births, and the infant mortality rate from 104 to 70.
- However, rates vary between provinces and between rural and urban
- Concern about inconsistency of immunization levels:
 - Constant at around 69%
 - Only with campaign in 2007, reached 95%
- Concern about child malnutrition



MDG 4:
Reduce Child Mortality



Meeting the target:

- Ensuring universal access to quality health care
- Increase skilled birth attendants
- Combating malnutrition
- Increasing and sustaining immunisation coverage



MDG 5:
Improve Maternal Health



- Barely on track.
- MMR fell from 650 per 100,000 births in 1995 to 405 in 2005
- One of the highest rate in the region.
- Low coverage of skilled birth attendants (25% only, target: 50% for 2015)
- Need serious investments for Laos to achieve this target



MDG 5:
Improve Maternal Health



Meeting the target:

- Family planning
- Increase presence of skilled birth attendants at deliveries
- Increase access to emergency obstetric and neonatal care
- Improvement in the population's health status should be at a central priority of the NSEDP



MDG 6:
Combat HIV/AIDS and other Diseases



- Targets for the prevention of HIV/AIDS as well as malaria and other diseases are likely to be met by 2015.
- HIV prevalence in the general population in Laos remains low, but varies considerably between risk groups and locations (0.1%)
- Lack of data causes difficulty to track HIV accurately
- Cross border mobility cause of concern for HIV prevalence
- Death rates from malaria fell from 9 per 100,000 in 1990 to 0.4 in 2006.
- Considerable progress on TB
- However, remote and inaccessible areas are still most at risk for communicable diseases.



MDG 6:
Combat HIV/AIDS and other Diseases



Meeting the target:

- Prevention of new HIV infections will remain the priority
- Blood transfusion services should ensure proper cross-matching
- Requires new drugs to fight resistant malarial parasites
- Funding sources for tuberculosis and malaria control require more diversification
- strengthen cross-border malaria control
- Community participation to ensure early detection



MDG 7:
Ensure Environmental Stability



- Impressive progress has been made in the availability of safe drinking water and the Lao PDR is on track to reach the target for 2015. (74% in 2007- 2015 target: 80%)
- Access to sanitation is improving, but more remote areas are more likely to have lower coverage.
- Prime Minister Decree in 2007 enacting clearer and stricter measures to control logging and wood business.
- Concern on hunting and illegal trade of wildlife.



**MDG 7:
Ensure Environmental Stability**



Meeting the target:

- The Government has enacted a wide array of legislation, regulations and action plans for environmental conservation and protection, including in other sectors such as health.
- The capacity of various institutions to implement and enforce environmental regulations, as well as environmental action plans, needs strengthening.
- Implementation and enforcement of concerned laws are essential for meeting the targets
- Need further donor support.



**MDG8:
Develop a Global Partnership for Development**



- First time G8 included in the Report.
- Locally developed indicators for the report.
 - Market access
 - Special needs of LDCs
 - Financial for Development and Aid Effectiveness
 - Debt servicing
 - Available new technology
- Official Development Assistance (ODA) plays an important role by funding both the Lao government's overall public expenditure and its Public Investment Programmes (PIP).
- Large gap between domestically generated resources and what is needed to implement the NSEDP (2006-10).
- Lao PDR needs continued commitment from its development partners to achieve the MDGs by 2015.



Conclusion



- The MDG progress report provides detailed information and analysis on all these issues.
- The report should be used as a launching point from which to identify and work towards the accomplishment of the most important remaining MDG targets.
- Using the report's analysis and recommendations the Lao PDR can take another step towards accomplishing the MDGs and exiting LDC status.



Thank You

Annex 7:

Presentation on Trade Development and Integrated Framework in
Lao PDR by H.E. Mrs. Khemmany Pholsena, Vice-Minister of
Industry and Commerce



Round Table Implementation Meeting

Trade Development and Integrated Framework in Lao PDR

24th November, 2008
 Lao Plaza Hotel

Presented by Mrs. Khemmani Pholsena
 Vice Minister
 Ministry of Industry and Commerce



Outline of the presentation

This presentation will be in 3 parts:

- I. Trade in NSEDP and Integrated Framework (IF) in Lao PDR
- II. Trade Development, key achievements and challenges
- III. Future Plan



Part I.

Trade in NSEDP and IF Process in Lao PDR



Trade in NSEDP and IF Process in Lao PDR

The National Social Economic Development Plan (NSEDP)

- The NSEDP is the main framework for national development in Lao PDR for the period (2006 - 2010), aims at leveraging trade as one of its many catalyst for growth.
- The NSEDP sees trade and exports as having a central role for stimulating growth through increasing competitiveness and utilizing comparative advantages to implement effectively international economic commitments in the framework of the ASEAN and other bilateral and multilateral commitments, including WTO.

The main pillars of the trade & export strategy for Lao PDR are:

- 1 The expansion and diversification and consolidation of markets
- 2 Increase market access and
- 3 Product diversification and quality improvements.



Implementation of the IF Process in Lao PDR

'The fundamental principle of the MOIC implementation strategy of IF is build on fostering government ownership, strengthening inter and intra ministry coordination and using home grown structure, solutions and capacity'

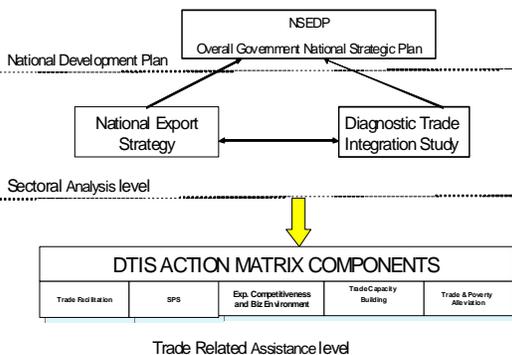


Snapshot of Lao path through the IF Process

- ▶ In 2004, the GOL join the IF initiative to push forward its trade agenda and boost the country's export competitiveness and growth.
- ▶ In 2006, the DTIS was validated at the National Validation Workshop, following extensive stakeholder consultations.
- ▶ 2007 applied for Window II funding –4 project approved and implementation underway
- ▶ 2007-2008 Mobilisation of Funding for Donors for implementing the AM i.e. TDF, bilateral, EIF, etc

Main Strategic and Analytical Trade Related Reports

Based on the overall trade strategy and the NSEDP, the MOIC has prepared a number of key documents which detail out the required policy reforms and accompanying TRA



Institutional Strengthening through the IF process

- The MOIC has used the IF process to strengthen and revamp the intergovernmental mechanism for Trade Related Assistance Delivery
- MOIC has established the National Integrated Framework Governance Structure (NIFGS) to support the implementation of the TRA
- NIFGS is a multi-agency entity consistent with WTO Integrated Framework (IF) and Vientiane Declaration on Aid Effectiveness, which will coordinate all TRA in Lao PDR
- The NIFGS is designed to support the MOIC fulfill its role as lead agency for coordinating Trade related policy and trade related project across government ministries and agencies
- This NIFGS is been designed to reduction of the transaction costs incurred with stand-alone projects and help promote stronger alignment, coordination and harmonization of TRA

Key achievements to date of IF process in Lao PDR

- MOIC has established a permanent National Integrated Framework Governance Structure (NIFGS) to support the implementation of the TRA, including IF
- IF Secretariat established under National Steering Committee for Economic Integration, the Secretariat is responsible for technical decisions and policy recommendations pertaining to the IF and broader TRA issues
- Four IF Task Forces have been set up to provide guidance to the NIU and GSEU on specific technical and policy direction
- Government Sub-Executing Unit (GSEU) is directly responsible for the technical implementation of the project and execution of the day-to-day activities
- The IF National Implementation Unit (NIU) has been established in September 2007, to assist the MOIC in coordinate the implementation and monitoring of TRA

Strengthening Gov/Donor Coordination: Trade & Private Sector Subgroup (TPSSG)

In addition to the NIFGS, the MOIC in October 2008 set up a TPSSG under the SWG for Macro Economic and Private Sector Development

- The TPSSG will provide an opportunity for dialogue and collaborative arrangement
- Enhancing Ownership of the development process
- Support joint government and DP dialogue on aid effectiveness
- Making governance of development cooperation programs and projects more transparent through the set up jointly agreed institutional/management arrangements for the sector or thematic program.
- Promoting the implementation of the principles of Vientiane declaration on Aid Effectiveness in Lao PDR in order to support the NSEDP objective of promoting growth and poverty reduction, through stronger, international integration, trade and private sector development



Part II Trade Development Agenda, key achievements and challenges

Trade Development Agenda, key achievements and challenges

Numbers of regulations, decrees and laws have been enacted over the last 3 years:

- Adoption of Laws such as Law on value added tax, budget law and labor law, the Enterprise Law
- Finance: a Commercial Bank law was passed in December 2006
- Forthcoming laws and regulations, aiming to be compatible with the WTO e.g. national treatment and non-discrimination among its members including on: import and export procedure, pricing, investment, foreign exchange, veterinary regulations, value added tax, standards, and intellectual property

SME and Private Sector - Ongoing Development



- Improvement of Business Enabling Environment – reduction in procedures for establishment of companies
- Enhancing Competitiveness – improvement in export market
- Improved Access to Finance – increasing financial instruments
- Creating Favorable Conditions for Establishment of Business Organizations
- Enhancing Entrepreneurial Attitudes and Characteristics within the Society
- Capacity Building – Increasing training for SMEs and businesses

Reform and progress achieved in the area of trade and investment



Numbers of regulations, decrees and laws have been enacted over the last 3 years:

- Trade policy: a revised shorter list of export-import goods subject to control or prohibition (October 2006), tariff cuts under the ASEAN Free Trade Area and work with ASEAN members on non-tariff barriers
- Lao PDR has joined the World Customs Organization, and adopted a decree to implement the new Customs Law.
- Regulations to improve trade facilitation and more streamlined import and export procedures
- Intellectual Property Law

Key challenges and constraints



Aid Absorption Capacity

- Directly correlated with the effectiveness of the development partners' aid delivery mechanism in place,
- Limited the technical and project management skills of government officials and the private sector, and
- Weak country's institutional capacity and infrastructure

Coordination and Harmonisation of Aid For Trade (AFT)

- Require a collaborative effort from the development partners,
- To ensuring that the GOL is able to effectively manage AFT and reap the maximum benefits from AFT,
- The readiness and willingness of DP to use NIFGS and adapt its process and structures is still quite low.

Key challenges and constraints (con'd)



Multilateral and Regional Trade Negotiations

- Lack the human resources and technical capabilities
- The reform process puts pressure on the already scare resources and there are costs of compliance to e.g. WTO rules and regulations.

Human resource capacity and Skill levels

- Labor shortages and the quality of skills level are two key impediments to Lao PDR's productivity capacity and competitiveness.

Key challenges and constraints (con'd)



Access to Finance and Technology

- Access to finance remains one of the main supply side constraints faced by the Lao private sector when trying to take advantage of market access and expand its export market share.
- Infusion of technology remains also quite low, which impedes the ability of firms to move into higher value added technology.



Part III Future Plan

The future plan in the area of trade is up and foremost to sustain and consolidate the institutional reengineering achieved to date and push forward on Lao PDR trade development agenda



Consolidation of the IF process and institutions set up



To implement IF Action Matrix including:

- Window II Projects (end by 2009) on WTO accession, Garment, ROO and NIU
- Trade Development Facility(2009-2014) on Trade Facilitation, Export Competitiveness, SPS, Capacity Building, and strengthening the NIU
- Enhanced IF (under preparation)



Focus on building the competitiveness of our productive sector



- Continue to support improved access to Finance and access to new technology
- Help build a Lao brand and reputation in export markets
- Continue to develop the business environment
- Focus on trade facilitation development
- Target projects and AFT funding to support our private sector move into higher value added production



Consolidate and implement our Trade Integration Agenda (Multilateral and Regional)



- Push forward on our WTO Accession Negotiations and prepare our domestic regulatory environment to conform to our upcoming commitments
- Meet our commitments in ASEAN
- Implement commitments under Bilateral Agreements



Thank You!



Annex 8:

**Presentation on Nutrition and Food Security by H.E. Mr.
Bounthavy SISOUPHANTHONG, Vice-Minister of Planning and
Investment**



Round Table Implementation Meeting

Nutrition and Food security

24th November, 2008
Lao Plaza Hotel

Presented by H.E Bounthavy Sisouphanthong
Vice-Minister of Planning and Investment



Nutrition is central to achievement of MDGs



MDG	Impact of malnutrition
1. Eradicate extreme poverty and hunger	<ul style="list-style-type: none"> direct losses in physical productivity impact on GDP through poor cognitive ability and loss of schooling increased health care costs
2. Achieve universal primary education	<ul style="list-style-type: none"> fewer children go to school, stay in school, and perform well
3. Promote gender equality and women's empowerment	<ul style="list-style-type: none"> barriers in gaining access to food, health, and care resources may result in malnutrition among women and their children undernourished girls more likely to drop out of school
4. Reduce child mortality	<ul style="list-style-type: none"> over half of child deaths in Lao PDR due to malnutrition¹
5. Improve maternal health	<ul style="list-style-type: none"> associated with most major risk factors for maternal mortality serious health problems for both mothers and their babies
6. Combat HIV/AIDS, malaria and other diseases	<ul style="list-style-type: none"> increase risk of HIV transmission, hasten onset of AIDS increases children's risk of death from malaria
7. Ensure environmental sustainability	<ul style="list-style-type: none"> undernourished population less likely to preserve biodiversity changes in income/food security affect use of wild animals and plants as food sources

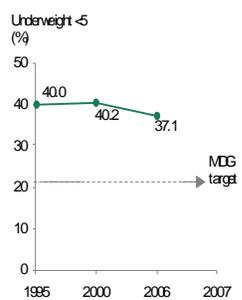
1. WHO PRIORITIES 2004, 2006.
Source: REAC Health Framework World Bank, 2008; "Repositioning Nutrition as Central to Development" FAO, 2005; "The State of Food Insecurity in the World 2007"



Malnutrition in Lao PDR needs to be addressed to attain country's development goals



Despite efforts, ratio of malnourished children has remained largely unchanged



Malnutrition has severe social and economic consequences

Near-term consequences of malnutrition

- Reduced physical growth
- Impaired mental and cognitive development
- Malnourished children get sick more often and take longer to recover

Longer-term consequences of malnutrition

- Lower achievement in school
- Increased health care costs
- Lower productivity, lower wages¹
- Higher infant and child mortality
- Perpetuates cycle of malnutrition—women who are malnourished are likely to give birth to malnourished babies

Total economic cost as % of GDP is quite high

- Studies in other countries estimate 2-11% of GDP

1. Corbett et al (2007) find that Guatemalan men who were exposed to malnutrition in the first 1000 days of life had 4% lower wages. Lancet February 2008; 2. 1. based on 2006 source: GDP: Malawi, R and Rwanda; A. "The Cost of Hunger: Social and Economic Impact of Child Undernutrition in Central America and the Dominican Republic" UNICEF/CIAC 2008 Source: FAO/WHO regional survey, 2005; MCSI II survey, 2005; MCSI II survey, 2006; Lancet series on maternal and child undernutrition, Jan 2008; World Bank, 2006; "Repositioning Nutrition as Central to Development"



National Nutrition Policy establishes comprehensive framework to address malnutrition



GOL is multiplying efforts to address malnutrition

- Policy has been developed and will soon be approved
- Policy supports achievement of MDGs and national socio-economic development goals to exit LDC status by 2020
- Aligned with other international agreements

Implementation of Policy will require multi-sector approach

- Currently 14 different government ministries and organizations named in Policy as responsible for implementation
- 17 different laws listed as relating to nutritional issues

Link implementation with other key strategies

- Sector strategies: education, food security, biodiversity, forestry, etc.
- Regional frameworks such as ASEAN-AIFS and SPA-FS



Future plans will build on existing sector activities



Health

- Micronutrient supplementation and fortification: salt iodization, Vitamin A, iron
- Young infant feeding education
- Food safety, hygiene, safe water promotion
- Environmental health water and sanitation

Education

- Implementation of "Schools of Quality" policy at primary school level
 - Health and hygiene education
 - Deworming
 - School feeding
- Community-based nutrition education through non-formal education

Agriculture & Natural Resource Management

- Preparation of food security policy
- Plan and ensure sustainable food production
- Ensure sustainable management of natural resources
- Reduction of environmental contamination and mitigating adverse effects on health and nutrition
- Promote and implement environmental regulations and laws for food security

Need to replicate successes and systematically scale-up activities



Key challenges



- Limited capacity on nutrition**
 - Across relevant ministries, and at all levels (central, provincial, district)
- Limited institutionalization of nutrition within the Government**
- Significant investments in socio-economic growth and infrastructure, but limited investments in nutrition programming and surveillance**
 - Only 3% of reported ODA commitments are related to nutrition¹
 - Limited infrastructure and resources to scale-up effective interventions
 - Need more focus on nutrition and food security in environmental impact assessments
- Other development policies and strategies are not sufficiently linked to nutrition and there is a low level of nutrition advocacy**
 - Enforcement of existing regulations and laws – eg, for sustainable natural resource management

1. 2006 figures, OECD/DAC REACH analysis

Annex 9:

**Presentation on UXO/Mine Action Sector by Mr. Somnuk
VORASARN, Deputy Director General of the National
Regulatory Authority (NRA)**



Round Table Implementation Meeting

UXO/Mine Action Sector
24th November, 2008
Lao Plaza Hotel

Presented by **Mr. Somnuk VORASARN**,
Deputy Director of the National Regulatory Authority (NRA)



Presentation Outlines



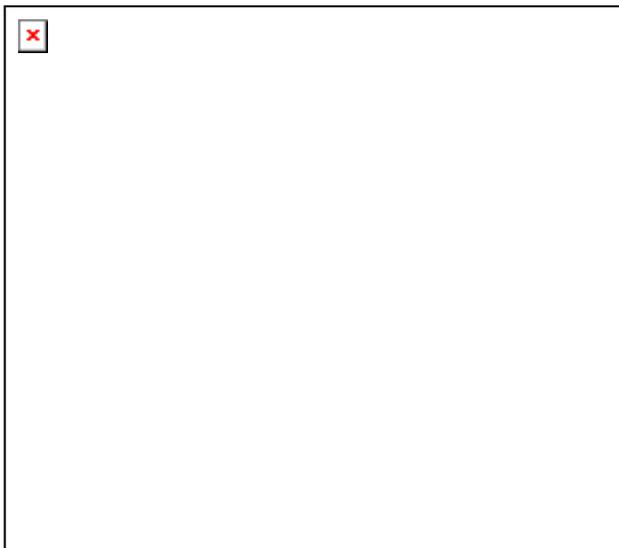
- ❖ War legacy of Lao PDR;
- ❖ Progress of 3 sub sectors (VA, MRE and Clearance);
- ❖ Convention on Cluster Munitions;
- ❖ Review of the Sector NSP;
- ❖ Challenges & Opportunities.



Lao PDR UXO affected Country

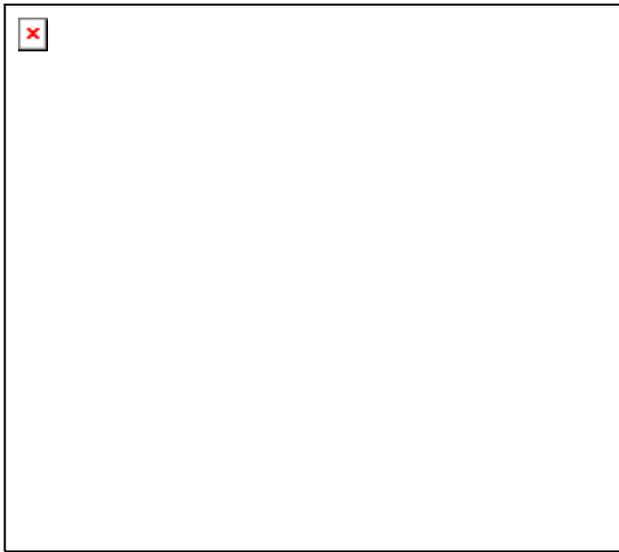


- Lao PDR as being the most bombed country in the world per capita.
- 1964-73, over 3 million tons of bombs, with more than 270 million bombies, 30% failed to explode.
- Yearly about 300 people continue to be killed, maimed or injured by these bombs.



Victim Assistance

- **Nation wide survey** almost completed and confirming around **300 new victims** each year.
- **Ongoing analysis** and setting up mechanisms for nation wide accident, and victim reporting and referral systems. VA Strategic plan will be formulating.
- **Need to strengthen** the policy initiatives on emergency and medical treatment, physical rehabilitation, socio- economic inclusion and right advocacy for the **Survivors**.



UXO Reported Casualties from 1999 to 2008 (30 Sept 2008)



Cause of Accidents:

- Scrap Metal
- Playing
- Making a fire
- Working in the rice field
- Digging
- Cutting

Casualties: Jan - May 03

1. Injuries: 45 Injuries
 - o 31 Children/3 males
 - o 14 Adults/11 males
2. Deaths: 19 Victims
 - o 10 Children/9 males
 - o 9 Adults/9 males



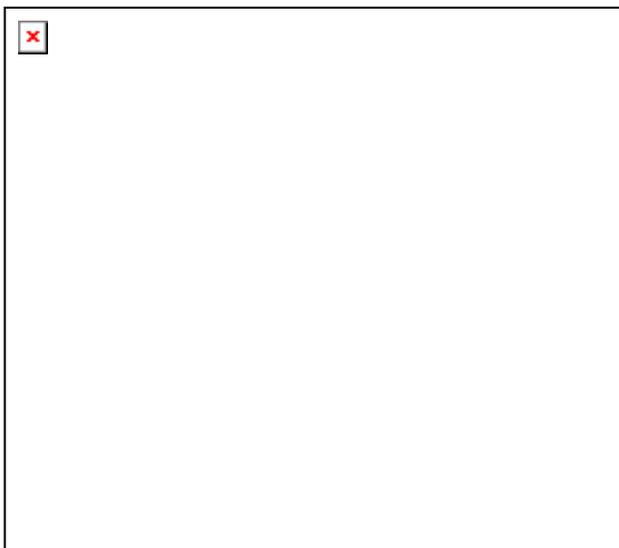
Scrap Metal Trade Risks



Scrap Metal trade becomes high risk when
UXO enter the trade

Risk Activities:

- Digging to investigate detector sounds
- Opening and dismantling UXO,
- Moving and Transporting scrap metal and UXO,
- Storing scrap metal and UXO in residential areas.



UXO/Mine Risk Education



- Five TWG Meetings with UXO/MRE stakeholders.
- Focus on high-risk groups (Dealers & collectors) thru materials and operator training in BCC.
- Support to UXO/MRE in School Curriculum.
- UXO/MRE for tourists, with LWU collaboration.



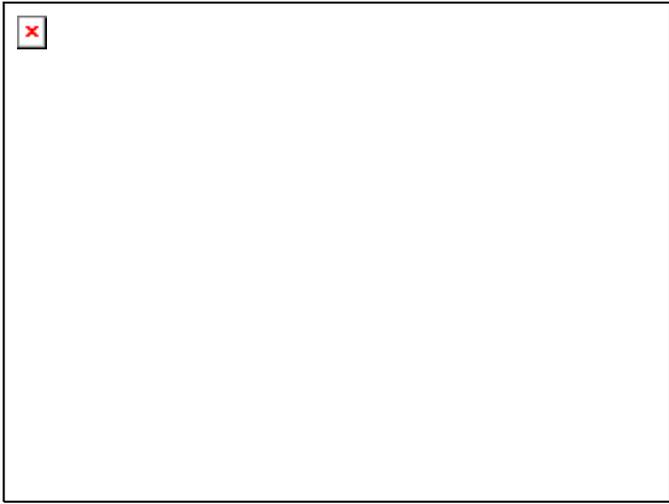
Current Legislation Regarding the Scrap Metal Trade



Provincial notices concerning UXO in the scrap metal trade in 9 provinces

What needs to be done

- Further study on scrap metal trade;
- National Legislation regarding UXO in the scrap metal trade;
- Awareness raising among local authorities;
- Improve UXO reporting and response.
- Initiate the safer collection and trade



Clearance Operations



UXO operators	Area Clearance (Ha)			UXO/Mine Destroyed and Removed				
	Agriculture	Other Devel.	Total	Bombs	Bombies	Mine	Other UXO	Total
UXO Lao	2,040	250	2,290	64	15,999	65	9,693	25,821
MAG	93	91	184	15	3,927	0	852	4,794
HIB	25	1,6	26,6	0	308	0	567	870
FSD	35,7	9	450	5	269	0	407	681
PCL	259	117	376	0	596	22	452	1,070
MILSEARCH-CH-PKP	0	142	142	0	249	0	510	759
BACTEC	0	798	798	28	712	1	487	1,228
Total:	2,453	1,409	3,862	112	22,055	88	12,968	35,223



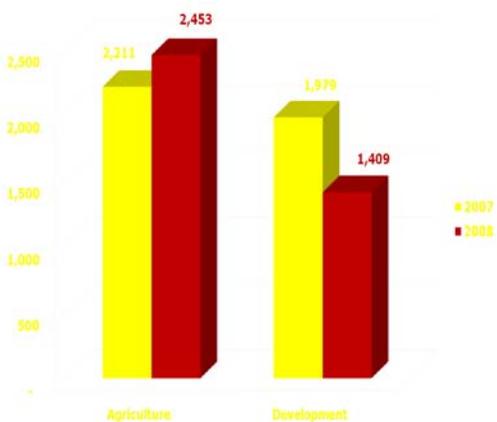
Roving Operation:



UXO operators	No Visit	Village Visit	Bombs	Bombies	Mine	Other UXO	Total Benef.
UXO Lao	1,024	1,049	218	12,346	83	18,015	30,662
MAG	76	175	8	686	0	216	910
HIB	13	20	26	295	0	221	542
FSD	66	97	36	575	0	463	1,074
PCL	128	53	1	391	0	129	521
MILSEARCH-BPKP	5	6	6	0	0	4	10
BACTEC	0	1	0	0	0	1	1
Total:	1,312	1,401	295	14,293	83	19,049	33,720



Area Clearance 2007 and 1 Jan to 30 Sept 2008



Clearance issues



- Recognizing the need to be responsive with more emergency roving team as 'risk' reduction process;
- Ensuring best targeting of area clearance resources in terms of "poverty" reduction, and release of land for development project;
- Within three UXO sub-sectors.



Cross cutting issues



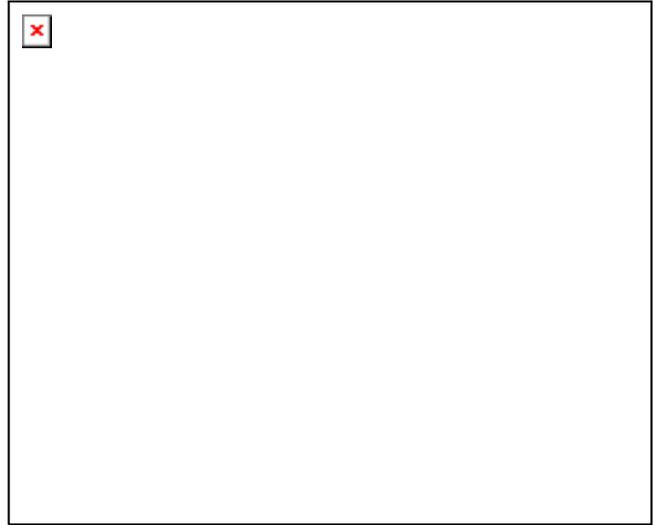
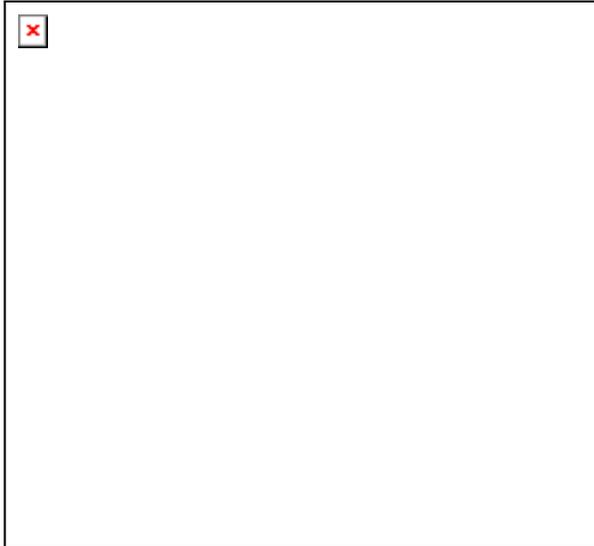
- Strategic Plan revision;
- Establishment and application of gender policy within the sector;
- Development of Sector wide progress and monitoring systems , with guidance of UNMAS both in Lao and English version.



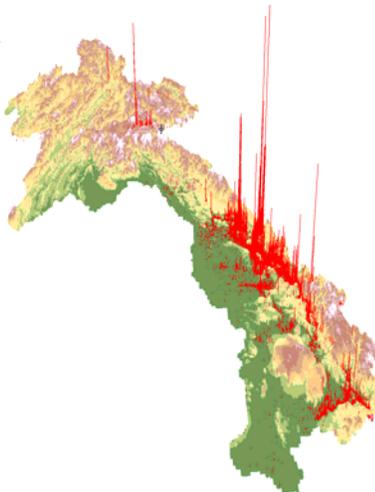
Database Management



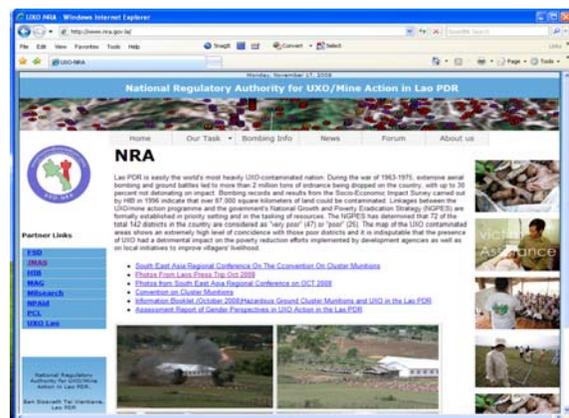
- IMSMA database containing over 30'000 Accidents and Victim records
- USAF Bombing database
- Report database for Monthly Reports
- Work plan database



SUBMUNITION	
SUBMUNITION	TOTAL
BLU-30B	0
BLU-16B	4698
BLU-17B	221,028
BLU-18B	9,897,600
BLU-24B	3,529,500
BLU-25B	173,103,705
BLU-31B	6,053,628
BLU-36B	263,410
BLU-39	5,918,818
BLU-39B	216,320
BLU-41B	2,837,166
BLU-42B	313,740
BLU-43B	3,417,000
BLU-45B	27,780
BLU-49B	101,320
BLU-54B	3,316,140
BLU-59B	25,426,140
BLU-61A/3	1,482,919
BLU-63B	5,803,200
BLU-71A	2,816
BLU-73A/3	285
BLU-77B	1,727,970
M126	4,781,791
M41	291,422
M50A3	62,100
M74	14,725
M74A1	123,519
M81/88	16,638
M83	47,424
M118	5,309,512
TOTAL	250,028,454



www.nra.gov.la
 (Our task_ Bombing info _ News_ Forum)





Convention on Cluster Munitions



- Kofi Annan stated that “recent events show that the **atrocious, inhumane effects of these weapons**, both at the time of their use and after conflict ends.”
- Ban Ki Moon, reiterated his call on the international community to address immediately the **horrendous humanitarian effects of Cluster Munitions (bombies)**
- CCM as a legal binding instrument to prohibit cluster munitions that cause **unacceptable harm** to civilians and have a range of negative development impacts?
- Regional **Cluster Munition Conference** in XKH on 20-23 Oct 2008



Convention on Cluster Munitions



Lao PDR signing on 3rd.December 2008 to Be a State party.

Obligations: (never to use, produce, stockpile..)

- Clearance and Demolition be completed ASAP, but not later than 10Y. Extension of 5Y may be renewed.
- Assessment of the need for CM Victims.

Opportunities:

International cooperation and Assistance. increased profile of Laos



Review of the Sector Strategic Plan



UXO Sector Evaluation in July 08:

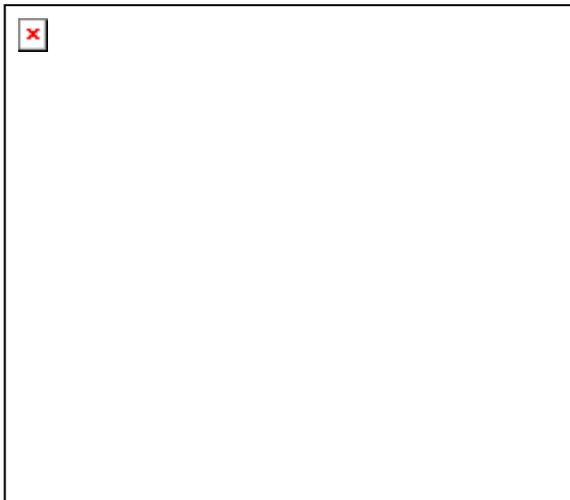
- UXO National Strategic Plan: “**The Safe path forward 2003-2013**”
- NRA, UXOLao, Government & UNDP
- NSEDP: Increase agriculture land, support DPt
- Taking into account CCM.
- Alignment with 5 years planning cycles, from 2011-2015-2020.



Challenges & Opportunities



- Better linkage with other sectors, where their plans are impacted by UXO;
- Coordinating an expansion of support to all areas, in a planned and prioritized process;
- Develop of policies and legislation to support the UXO/mine Action Sector;
- Establish a secure funding base;
- Opportunities and international awareness created by Oslo process.
- Government strive increasing contribution to sector



Annex 10:

**Presentation on Macroeconomic Situation, Budget Outturn and
Fiscal Reforms by H.E. Mr. Somdy DUANGDY, Minister of
Finance**

LAO PEOPLE'S DEMOCRATIC REPUBLIC MINISTRY OF FINANCE

Round Table Implementation Meeting (RTIM)

“MACROECONOMIC SITUATION, BUDGET OUTTURN AND FISCAL REFORMS”

H.E. Somdy DUANGDY, Minister of Finance

Vientiane, November 24th, 2008

LAO PEOPLE'S DEMOCRATIC REPUBLIC MINISTRY OF FINANCE

Presentation Outline

- I. Macroeconomic Performance
- II. Budget outturn for FY 2006-07 and outlook for 2007-08
- III. Progress and direction on Public Finance Management reforms

LAO PEOPLE'S DEMOCRATIC REPUBLIC MINISTRY OF FINANCE

I. Macroeconomic Performance

- GDP growth in FY 2007-08 projected 7.9%
- Exchange rate slightly appreciated against both US dollar and Thai Baht, about 11%
- Inflation rate was average about 8%
- Foreign exchange reserves has improved significantly, 5.9 months of imports in 2007 (official figure from BOL)
- Trade deficit declined to 0.56% of GDP

LAO PEOPLE'S DEMOCRATIC REPUBLIC MINISTRY OF FINANCE

II. The Budget outturn for FY 2007-08

Budget out turn for FY 2007-08 Domestic revenue over performed by 9.8%

- Tax revenue exceeded projections by 13.2%
- Non-tax revenue exceeded the target by 2.5%
- Grant is achieved the target

Overall performance compared to GDP:

- Total revenue equal 17.2% of GDP
- Domestic revenue equal 14.9% of GDP
- Deficit as percent of GDP 2 % of GDP

LAO PEOPLE'S DEMOCRATIC REPUBLIC MINISTRY OF FINANCE

II. The Budget outturn for FY 2007-08

Overall performance compared to GDP:

Total Expenditure	19.2% of GDP	
Recurrent expenditure	11.5% of GDP	
Capital expenditure	7.7 % of GDP	

Expenditure on priority sectors (excluding ODA funding):

	<u>% of total Ex</u>	<u>% of domestic Revenue</u>
Education	6.65%	9.80%
Health	1.88%	2.77%

LAO PEOPLE'S DEMOCRATIC REPUBLIC MINISTRY OF FINANCE

Policy Reforms in 2007-08

- Start the implementation of New budget law
- Adopted and train new budget nomenclature
- Draft the National Treasury law/decreed and develop framework for Treasury Single Account
- Completed the full centralization of custom, tax and treasury administration in five provinces

 **LAO PEOPLE'S DEMOCRATIC REPUBLIC**  **MINISTRY OF FINANCE**

FY 2008-09 Budget Targets

- Ensure fiscal consolidation and strive towards self-reliance
- Increase fiscal capacity and space by increasing revenue base and productive investments
- Foster growth, whilst maintaining macro-economic stability
- Facilitate further regional and international integration
- Conduct the policy and measure to mitigate the impact of global financial crisis

 **LAO PEOPLE'S DEMOCRATIC REPUBLIC**  **MINISTRY OF FINANCE**

Overall Fiscal Directives

- Total revenue is projected to be 16.5 percent of GDP, of which domestic revenue is 15% percent of GDP.
- Total expenditure is projected to be 19.8 percent of GDP, while current expenditure are 11% and capital expenditures are 6.6 percent of GDP. Overall budget deficit will be contained below 3.5 percent of GDP
- Expenditure on priority sectors (excluding ODA funding):

	<u>% of total Ex.</u>	<u>Percentage increase</u>
Education	8.46%	27%
Health	2.42%	29%

 **LAO PEOPLE'S DEMOCRATIC REPUBLIC**  **MINISTRY OF FINANCE**

Measures to Achieve FY07/08 Budget Targets

- Continue implementation of the FFMSP reform program
- Make sure that expenditure controls remain adequate and budgets discipline is consolidated
- Achieve progress in improving performance of state owned enterprises
- Strengthen the coordination between central and local to oversight the revenue collection

 **LAO PEOPLE'S DEMOCRATIC REPUBLIC**  **MINISTRY OF FINANCE**

Revenue Implementation Measures: 1. Taxes

- Ensure revenue administration improvements are continued and deepened, especially centralization of the administration
- Continue the centralization of custom and tax administration and ensure is fully implemented as plan
- Pilot the implementation of VAT from 1st January 2009
- Strengthen the supervision and monitoring system of the revenue collection at the provincial and district level, and the border check-point.

 **LAO PEOPLE'S DEMOCRATIC REPUBLIC**  **MINISTRY OF FINANCE**

Revenue Implementation Measures: 2. Customs Policy and Administration

- Fully implementation of tax and custom law and improve it enforcement, especial in the area of investment incentive and exception for the ODA project.
- Continue harmonize customs policy and administration for fostering international integration and trade facilitation
- Continue implementation Taxpayer Identification Number
- Continue implementation of the business survey at all level to ensure the revenue collection is adequate.

 **LAO PEOPLE'S DEMOCRATIC REPUBLIC**  **MINISTRY OF FINANCE**

Expenditure Implementation Measures (1)

- Implement the budget apportionment and adequate cash management to ensure the smooth budget execution.
- Closed monitor the budget execution to ensure the expenditure ceiling is strictly complied.
- Fully implement the new budget nomenclature and Chart of Account which will improve a reporting system consistent with International Public Sector Accounting Standards.



Expenditure Implementation Measures(2)

- Effective centralization of Treasury:
- Enhance the internal audit within the treasury system
- Strengthen an integrated financial management information system and moving to more computerized budget execution
- Enhance capacity of State Audit Organization improving timeliness, coverage, and quality of financial audits



III. The Public Financial Management Strengthening Program (PFMSP)

- Ensure the work-plan is consistent medium to long term umbrella program for comprehensive public finance management reforms
- Develop a revenue sharing framework, budget norms and grant system to ensure the fair and efficient budget allocation
- Develop the Medium Term Expenditure Framework for education and health sectors
- Strengthen the budget preparation and execution at provincial and district level



III. The Public Financial Management Strengthening Program (PFMSP)

- Support the centralization of custom, tax and treasury and the implementation of the VAT
- Continue strengthening the GFIS
- Comprehensive capacity building plan
- Increase disclosure of key regulations and laws governing public finance management
- Establishing Multi-Donor Trust Fund to support PEMSP implementation (WB, EC, SIDA, AusAID)



III. The Public Financial Management Strengthening Program (PFMSP)

- Draft the treasury decree and develop framework for Treasury Single Account
- Develop the Human Resource Development Strategy and Action Plan for public finance sector.
- Computerized the public debt management
- Develop the standard manual for ODA project financial management.



NT2 Revenue Arrangement

- **Priority sectors for NT2 revenue:**
 - Basic education
 - Basic health
 - Rural infrastructure and environment preservation
- **Progress of identification of eligible programs:**
 - Cross sector committee established
 - Preliminary data collection
 - Consultation



Thank You.

Round Table Implementation Meeting (RTIM)

Vientiane, November 24th, 2008



Annex 11:

Presentation on Disaster Risk Management Lesson Learnt from
the August flood by Mr. Prasith DETHPHOMMATHETH,
Director General of Social Welfare Dpt, National Disaster
Management Office



Round Table Implementation Meeting

Disaster Risk Management
 lesson learnt from the August flood

24 November 2008
 Lao Plaza Hotel

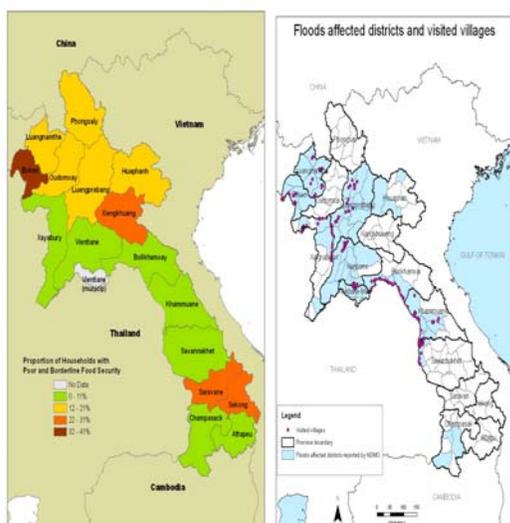
Mr. Prasith Dethphommatheth
 Director General of Social Welfare
 Department
 National Disaster Management Office



Flood situation report



- 13 provinces affected (77 Districts, 1,145 villages, 58,988 households)
- 204,199 people affected - 13 killed
- 77,285 ha of field affected
- 135 schools affected
- Infrastructure (schools, irrigations system, roads, bridges, footpath were badly affected
- 30 % of villages in affected districts needed clean water supply



Flood situation report



- Except Northern provinces, affected areas and populations are not the most food insecure in the country
- 20% of the affected population were in severe need for food relief (short term)
- Affected people will need support for livelihood recovery activities until next cropping season



Response Actions



Under the leadership of the Prime Minister, the government closely monitored, ordered and commanded in the possible flooded areas

- In early August, there was a ministerial meeting (including NDMC) to assign tasks and to coordinate the flood response
- Following the meeting the PM issued an order to all Ministries to prepare for and respond to the flood situation
- NDMO played a key role in coordinating and cooperating with the government agencies, FDMC and DDMC, UN agencies, Donors and INGOs in order to update flood situation reports
- NDMO in conjunction with Inter-agency Standing Committee conducted a rapid assessment in 8 provinces to evaluate the situation and provide recommendations for assistance



Legal Framework



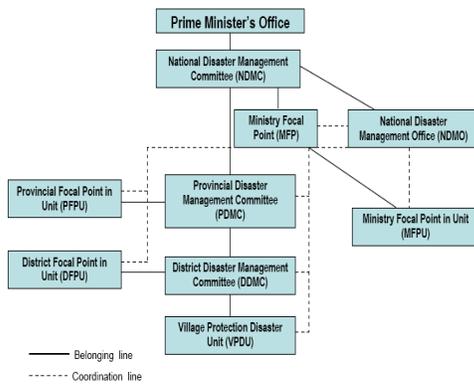
- National Disaster Management Committee
- Disaster National Disaster Management Office Provincial
- Disaster Management Committee District
- Disaster Management Committee Focal point at all levels
- Strategic Plan on Disaster Risk Management



National Disaster Management Framework



The DDMC Diagram



Challenges



- The structure of disaster management system is created from central to local and village level, but many of them are still ignorance of disaster management knowledge, particularly their roles and responsibilities are not clear.
- National Strategy Plan on Disaster Management has been endorsed since 2003, but Plan of Action has not developed yet.
- Current systems and initiatives on DRM need to be enhanced and strengthened.
- Building community disaster preparedness and response capacity are particularly important.
- Government and non-government alike work together with clear goals, roles and designated responsibilities.
- Partnerships and linkages with the international community should be pursued to ensure a rapid and substantive response in the event of a major disaster that overwhelms Lao PDR' capacity.
- Training is an important aspect of disaster preparedness; as such it should be carried out at every level in a coordinated, standardized and consolidated manner, utilizing the considerable experience and expertise readily available in-country.



Recommendations



Preparedness activities

- Develop a National Disaster Management Plan and adequate Contingency plans.
- Develop an Early Warning System and information management center.
- Strengthen coordination and resource mobilization mechanisms.
- Strengthen and enhance capacity of Disaster Management Organization, especially DMO at the local level (PDMC, DDMC).
- Develop an assessment tool and strengthen analysis capacity
- Conduct Public information and awareness activities
- Develop Standard Operation Procedures



Recommendations



Institutional arrangement

- Strengthen the NDMC and NDMO as the central coordination bodies
- Allocation of financial resources to implement preparedness activities
- Allocation sufficient human resources to enhance the NDMO capacity to coordinate Disaster Management
- Improve partnership and strengthen cooperation between all government actors at all levels and with the international community (especially the IASC in-country team)



Conclusion



- Disaster Management is essential. There is a need to strengthen National Disaster Management Strategies by:
 - Develop a comprehensive Disaster Management Strategy for Lao PDR
 - Build the capacity of institutions dealing with DM
- Building community disaster preparedness and response capacity are particularly important
- Partnership and cooperation with International Communities are very needed for disaster management in the country.



Thank You

Annex 12:

Presentation on Sector Working Group Mechanism and Vientiane Declaration Country Action Plan Implementation Progress by Mr. Somchith INTHAMITH, Director General of Department of International Cooperation, Ministry of Planning and Investment



Round Table Implementation Meeting

**Sector Working Group Mechanism and
Vientiane Declaration Country Action Plan
Implementation Progress**

24th November, 2008
Lao Plaza Hotel

Presented by Mr. Somchit Inthamrith
Director General
Department of International Cooperation
Ministry of Planning and Investment



Annex 13:

**Presentation on Natural Resource Based Growth and Lao Business
Forum by H.E. Mr. Bounthavy SISOUPHANTHONG, Vice-
Minister of Planning and Investment**

Annex 14:

Concluding Remark by H.E. Mr. Ajay Chhibber, UN assistant Secretary General, UNDP Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific

Concluding Remarks
By H.E. Mr. Ajay Chhibber UN Assistant Secretary General
UNDP Regional Director for Asia and the Pacific at the 2008 Roundtable Implementation
Meeting Vientiane Capital, 24 November 2008

Your Excellency Minister Soulivong Daravong,

Other Excellencies, Distinguished Participants,

Let me start by saying that this day long consultation has been truly enlightening, enriching and highly motivating. So I'd like to begin by thanking and congratulating all participants for their enriching contributions throughout the day.

I also found quite remarkable the convergence of views expressed by government and development partners on critical issues throughout the day. Clearly this reflects very strong partnerships developed over the past decade.

Given the limited time available for this closing session, it would be impossible to adequately summarize all of the rich ideas, observations and suggestions offered since we began this morning. I leave this for the full proceedings to be prepared following this meeting.

Instead, allow me to provide a brief overview of the day's dialogue, and offer a few perspectives on what I understood to be some of the most pressing priorities ahead and some of the related suggestions.

His Excellency Prime Minister Bouasone Bouphavanh opened with a succinct review of Lao PDR's many achievements since the last RTIM and outlined a number of the emerging challenges ahead. His Excellency The Prime Minister also invited participants to offer perspectives and suggestions based on best practices to help Lao PDR ensure sustainable development with stability.

Development partners have consistently expressed high appreciation for the impressive achievements of Lao PDR over the recent past as well as offered further strong support in the years ahead. Moreover, development partners responded with a wide range of suggestions and expressions of related assistance.

Throughout the day, many government presenters and development partners expressed great concern about the potential impact on Lao PDR of the unfolding global financial crisis and the need for the country to be prepared in advance so that the impressive gains in poverty reduction, and progress towards the MDGs are secured and built upon in the coming years.

Protecting budget allocations for social programs, ensuring strong emergency response capacity, better coordination mechanisms and exploring the use of conditional cash transfers should form part of those preparations.

The critical importance of collecting and making available reliable and timely data in a range of areas also becomes especially important during times of unfolding crisis in order to inform and guide the country's leadership in timely decision making.

Concerns were also expressed about the longer-term implications to financial stability of the unusually high growth of rates of credit from the banking system.

Participants applauded the progress towards many of the socio-economic goals in the NSEDP, including a good number of the country's millennium development goals.

At the same time, grave concern was expressed about the still alarmingly high rates of maternal mortality and child malnutrition where much greater support and urgent action were needed. The government has clearly articulated a well thought out cross-sector approach to addressing this serious challenge. This will require development partner support and technical expertise to accelerate progress in this important area and better ensure a sustainable solution,

There was clear recognition and support that the MDGs be placed firmly at the centre of the formulation of the next NSEDP 2011-15. Participants applauded the growing participatory approach pursued in recent years in the formulation and review of the current NSEDP, and supported the finalization and application of the decree for Civil Society Organizations and NGOs who could also contribute valuable insights and practical suggestions from the field, especially in rural areas.

The dialogue throughout the day also pointed to the urgent need to further improve governance in the areas of land, mining and forestry. A review of land management policy is needed to ensure efficient and equitable land use. Especially important will be further progress in accelerating land titling especially in rural areas, and ensure that the growth in contract farming and plantations are not inadvertently compromising the country's food security.

Many excellencies and distinguished participants voiced strong support for greater investments in effective social service delivery, especially education, vocational skills and human resource development needed to increase the country's competitiveness and to sustain development beyond the resource base.

In this context, the importance of the domestic private sector was highlighted, especially the need to cultivate entrepreneurship and further improve the investment environment for labour intensive SMEs. The Lao Business Forum has provided an extremely valuable forum for highlighting challenges and offering practical solutions to support domestic private sector development.

Greater transparency in the investment approval process would also serve to attract the kind of high quality foreign investment that generates sustainable employment, transfers valuable knowledge and skills, and safeguard's the country's environmental treasure chest.

Many development partners congratulated the government of Lao PDR for showing strong leadership at the regional and global level in signing the Oslo Convention on Cluster Munitions. The situation in Lao PDR remains gravely serious, and much greater support and action is urgently needed to eliminate the high number of deaths and permanent injuries incurred by UXO.

The relationship between climate change and disaster management was also raised, along with the need for strong and responsive institutional capacity to respond quickly and comprehensively to disasters in a coordinated manner across sectors when needed. There was a suggestion to place the NDMO within the Prime Minister's Office to facilitate coordination across sectors, as well as develop early warning systems and efficient communications systems

There is still a need for a much greater strengthening of the public finance system including the further development of an efficient and equitable transfer system to finance the delivery of basic

social services and arrest growing inequalities especially between rural and urban areas, and within rural areas the Uplands areas.

In addition, ensuring a rationale balance between recurrent and capital budget expenditures through a Medium Term Expenditure Framework (MTEF), as well as more effective coordination between MPI and Ministry of Finance would better facilitate a smooth transition between the MPI managed Public Investment Program to a financially sustainable set of operating projects.

The possibility of eventually tighter ODA availability at the global level due to the global financial crisis highlights the need to intensify efforts on aid effectiveness and further prioritize development investments. Here Lao PDR is well placed to accelerate implementation of its Vientiane Declaration on Aid Effectiveness and related Country Action Plan. The Sector Working Groups have an important role to play and need to meet more regularly throughout the year to both review and advance progress.

Trade reform was advancing with deeper integration into ASEAN/AFTA and planned accession to WTO accession, but closer coordination and collaboration among development partners under government leadership within the Integrated Framework was needed to accelerate progress. The important role of Lao PDR within the Great Mekong Sub-region (GMS) group of countries was highlighted, including in the coordination and development of efficient economic infrastructure for the sub-region.

Greater transparency in the natural resource sectors would help better ensure that Lao PDR avoids the kind of resource curse that has plagued so many other resource rich developing countries. To better ensure that Lao PDR enjoys a resource blessing, a top priority should be transforming natural resource wealth into human resource wealth in order to sustain the development process to increasingly higher levels well after the natural resources are depleted and/or commodity prices collapse further.

Excellencies, Distinguished Participants,

This is a very brief overview that attempts to capture at least some of the richness of today's dialogue.

A full proceedings of this Round Table Implementation Meeting will be drafted and distributed to all participants. So please provide the Secretariat with an electronic or hard copy of your official statement before departure.

I would like to first thank the Chair of this meeting His Excellency Soulivong Daravong for so effectively guiding this day long dialogue to such a successful conclusion.

Special thanks and congratulations are also owed to the Government of Lao PDR and especially Mr. Somchit and his great team at the Department for International Cooperation at the Ministry of Planning and Investment for organizing such an enriching and fruitful Round Table Implementation Meeting in terms of both the quality of the presentations and dialogue, and in terms of the strengthening of partnerships for the effective implementation of the National Socio-Economic Development Plan.

I also wish to thank the many other excellencies who provided enlightening presentations on the various subject of the agenda, as well as to development partners for their many helpful suggestions and offerings of support throughout the day.

Thank you all, and very best wishes in our collective effort under government leadership to follow-up on the many valuable proposals and suggestions offered throughout this remarkable day long consultation.

Annex 15:

**Closing Remark by H.E. Mr. Soulivong DARAVONG Minister of
Planning and Investment**

Closing Remark
By H.E. Mr. Soulivong Daravong, Minister of Planning and Investment
At the Round Table Implementation Meeting
Vientiane, 24th November 2008

Excellencies
Ladies and Gentlemen

As our meeting comes to a close, please allow me to first of all say that we were all pleased and honored by the presence of H.E. the Prime Minister. His Excellency delivered a policy statement that highlighted the major development issues and provided us, ministers and government officials, with guidance on how to pursue the development agenda.

During the day, we have had substantive and comprehensive exchanges of views on key topics covering the progress, outcomes and constraints of the implementation of the National Socio-Economic Development Plan, future direction, as well as the findings of 2008 MDG Report and progress towards the macroeconomic, social and aid effectiveness agendas.

Discussions have been in an open, frank and constructive manner enabling us to present our achievements, to identify shortcomings and to draw lessons to shape our future actions. Today has also served as an opportunity for all of us, both government institutions and development partners, to strengthen policy dialogue and to further coordinate our actions within a spirit of the Vientiane Declaration on Aid Effectiveness.

I would like to express my appreciation to all governmental agencies and staff for their significant contributions in the lead up to this Round Table Implementation Meeting.

I would like to equally express my thanks and gratitude to all development partners for their valuable contributions to discussions and support to the pre-consultation process. I believe that by working in unison we can effectively push forward the development process and put Lao PDR on the right path to achieve the MDGs.

The outcomes of today's meeting will serve to encourage the Government to further pursue the implementation of the National Socio-Economic Development Plan and national efforts to achieve the MDGs. Critically, today's discussion will also contribute to the preparations for the 7th NSEDP.

The success of this Round Table Implementation Meeting is, however, only a step in the on-going process. We still have important challenges ahead and these will require great efforts from both the Government and development partners, to achieve the national development goals and in particular to eradicate poverty and improve the well being of Lao people.

With your constructive comments and outcomes of today's meeting, as indicated in the MDG Report, there are a number of areas to be dealt with, namely the globally financial and economic turmoil, the issues of provision of education for all in the Lao PDR by 2015, adequate nutrition for the rural poor, health care for all, disaster prevention and management and others. To deal with these, there should be a close partnership and cooperation between the government agencies and

DPs. One possible Cooperation Programme should be specifically carried out in the form of Programme-Based Approach in Health Sector for instance. Most importantly, our development discussion agendas should be prioritized related to disaster prevention and management, Village Revolving Fund for the Poor or Village Banking that will provide the rural poor to credits for diversified income generation activities, aiming at gradually improving the living-conditions of the Lao multi-ethnic people in the Lao PDR.

In this regards, I am confident that Lao PDR will further engage assistance and support from donor countries, International Financial Institutions, Regional Organizations and International Non-Government Organizations. Lao PDR, for its part, is prepared to provide close cooperation with all development partners to ensure concrete results from our strategies and plans, and to maximize the effectiveness of Official Development Assistance.

I would like to conclude by reiterating the gratitude of the Lao People and Government to our development partners for their valuable support accorded to the socio-economic development of the country. I would like also to express special thanks to UNDP for their valuable support provided to us in preparing for this crucial meeting. With special thanks to the co-chair, H.E Mr. Ajay Chhibber, UN Assistant Secretary General, UNDP Assistant Administrator and Director of the Regional Bureau for Asia and the Pacific.

I wish you all good health, happiness, prosperity, an enjoyable stay in Laos and for those coming from abroad a safe return journey.

Thank you one again, and I now declare this meeting closed.

APPENDIX 1:

Invitation Letter to the RTIM 2008



LAO PEOPLE'S DEMOCRATIC REPUBLIC
Peace Independence Democracy Unity Prosperity

Ministry of Planning and Investment

No. 2247 /MPI.DIC
Vientiane Capital, 31 OCT 2008

Invitation
Round Table Implementation Meeting

Excellency,

On behalf of the Government of the Lao People's Democratic Republic, it is my great pleasure to invite you to participate at the Round Table Implementation Meeting (RTIM) on Monday 24th November 2008 in Vientiane at the Lao Plaza Hotel.

His Excellency Mr. Bouasone Bouphavanh, Prime Minister of the Lao PDR, will attend the meeting and make an opening statement. As you can see from the attached agenda, ministers and high-ranking Government officials will present and take part in discussions on issues pertaining to the key development challenges and priorities for Lao PDR.

These key issues have been identified by the Government based on consultations with all Development Partners. As you are aware, the relevant government agencies and the Sector Working Groups have been organizing a series of pre-consultations in the run-up to the RTIM. These pre-consultations aim to generate in-depth discussions on progress, challenges and future directions with regard to the respective sectors and themes.

Continuing the spirit of the constructive dialogue and partnership that has been consolidated over the past years within the Round Table framework, the RTIM will build on the outcomes of the pre-consultations with a view to agreement on future actions and support.

A background document synthesizing key development issues and providing indications for next steps is being prepared by the Government and will be circulated to you before the RTIM.

I would very much appreciate if your participation at the RTIM could be confirmed at your earliest convenience to the Secretariat: Mr. Sysomphorn Phetdaoheuang, Ms. Anouluck Meuangnalath, DIC/MIP, Tel: (856-20) 2229355, 2221991, Fax: (856-21) 263779, email: manixai2002@yahoo.com; anouluck856@yahoo.com.

I thank you for your continued support and cooperation and look forward to seeing you at the RTIM.

Please accept, Excellency, the assurances of my highest consideration.



Souhivong Daravong
Souhivong Daravong
Minister of Planning and Investment

Attachment: RTIM Agenda

APPENDIX 2:
Group Photo Session



Prime Minister, Minister, and Vice-Minister, Chair, Co-Chair



**Prime Minister, Ambassador, Chair, Co-Chair
and Head of International Organizations**

APPENDIX 3:

List of Participants

- a. Government Officials
- b. Development Partners

**List of Government Officials
 Round Table Implementation Meeting
 November 24, 2008, Lao Plaza Hotel, Vientiane Lao PDR**

National Assembly (NA)			
1.	Mr. Viengthavisone Thepachanh	Director General	Department of International
Prime Minister's Office (PMO)			
2.	H.E. Ms. Bounpheng MOUNPHOXAY	Minister to PMO	Public Administration and Civil Service Authority
3.	H.E. Mr. Onneua PHOMMACHANH	Minister to PMO	Vice-President, National Committee for Rural Development Poverty Reduction
4.	Ms. Bouakham Soulivanh		National Land Management Authority
5.	Mr. Khammoune VIPHONGSAY	Vice chair	Public Administration and Civil Service Authority
6.	Dr. Maligna SAYAVONG	Permanent Secretary	National Regulatory Action of Mines
7.	Mr. Kongkeo VONGPASEUTH	Acting Permanent Secretary	National Committee for Rural Development Poverty Reduction
8.	Ms. Monemany NHOYBOUAKONG	Acting Permanent Secretary	Water Resources and Environment Administration
9.	Mr. Khamphet Viraphondet	Deputy Permanent Secretary	The Office of Government Secretariat
10.	Dr. Viengsavanh DOUNGSAVANH	Director General	Water Resources and Environment Administration
11.	Mr. Nisith KEOPHANYA	Director General	Public Administration and Civil Service Authority
12.	Mr. Sounh Manivong	Director General	Lao National Tourism Administration
13.	Dr. Khangeune Savengsuksa	The Office of Government Secretariat	The Office of Government Secretariat
14.	Mr. Sathit Phetsingheuang	Head of Division	The Office of Government Secretariat
15.	Mr. Sisounthon Sithimolada	The Office of Government Secretariat	The Office of Government Secretariat
Ministry Planning and Investment (MPI)			
16.	H.E. Mr. Soulivong DARAVONG	Minister	Ministry of Planning and Investment
17.	H.E. Mr. Bounthavy SISOUPHANTHONG	Vice Minister	Ministry of Planning and Investment
18.	Dr. Kikeo CHANHTHABOULY	Permanent Secretary	Ministry of Planning and Investment
19.	Mr. Houmpheng SOURALAY	Director General	Department for Promotion and Management of Domestic and Foreign Investment

20.	Mr. Visay SAVANNA	Director General	Department of Monitoring and Evaluation
21.	Dr. Samaychanh BOUPHA	Director General	Department of Statistic
22.	Mr. Phonesouk KOUNSAMBATH	Permanent Secretary	Office for Lao-Vietnam Cooperation Commission
23.	Mr. Khamai VANHNACHANH	Permanent Secretary	Office for Lao-China Cooperation Commission
24.	Mr. Bouanguen	Deputy Permanent Secretary	Ministry of Planning and Investment
25.	Mr. Ouneheuane CHITTAPHONG	Acting Director General	Department of General Planning
26.	Dr. Leeber LEEBOUAPAO	Acting Director General	National Economic Research Institution
27.	Ms. Phonevanh OUTHAVONG	Deputy Director General	Department of General Planning
Ministry of Foreign Affairs (MOFA)			
28.	H.E. Mr. Phongsavath BOUPHA	Vice Minister	Ministry of Foreign Affairs
29.	Mr. Yaseng	Permanent Secretary	Ministry of Foreign Affairs
30.	Mr. Saleumxay KHOMMASITH	Director General	Department of International Organizations
31.	Mr. Oukham Sengkeomixay	Deputy Director General	Department of Press
32.	Mr. Othong Somvichith	Technical officer	Department of Economic Affairs
33.	Mr. Khen Khatthavongsa	Technical Officer	Department of International Organizations
34.	Mr. Khampern Thilakone	Technical Officer	Department of International Organizations
Ministry of Finance (MOF)			
35.	H.E. Mr. Somdy DOUANGDY	Minister	Ministry of Finance
36.	Ms. Thipphakone CHANTHAVONGSA	Director General	External Finance Department
37.	Dr. Bounleuan SINXAYVORAVONG	Deputy Director General	External Finance Department
Ministry of Agriculture & Forestry(MAF)			
38.	H.E. Mr. Sitaheng RAJPHON	Minister	Ministry of Agriculture and Forestry
39.	Dr. Phouangparisak PRAVONGVIENGKHAM	Director General	Department of Planning and Cooperation
40.	Mr. Inthadom Akkharath	Cooperation Division	Department of Planning and Cooperation
Ministry of Education (MOE)			
41.	H.E. Mr. Lytou Bouapao	Vice Minister	Ministry of Education

42.	Mr. Sengsomphone VIRAVOUTH	Acting Director General	Department of Planning and Cooperation
43.	Mr. Darasack LATHSAVONG	Director of Division	Department of Planning and Cooperation
Ministry of Health (MOH)			
44.	H.E. Dr. Ponmek DALALOY	Minister	Ministry of Health
45.	Dr. Khamphet MANIVONG	Acting Director General	Department of Planning and Finance
46.	Dr. Vongsanith MONGKOUNVILAY	Deputy Director General	Ministry of Health
47.	Dr. Somchith Aukkhavong	Deputy Director General	Department of Hygiene and Prevention
48.	Dr. Bounthom Phengdy	Director of Division	Department of Hygiene and Prevention
49.	Dr. Soulivanh PHOLSENA	Deputy Director of Division	Department of Planning and Finance
Ministry of Industry and Commerce (MOIC)			
50.	H.E. Dr. Nam VIYAKETH	Minister	Ministry of Industry and Commerce
51.	H.E. Ms. Khemmany PHOLSENA	Vice Minister	Ministry of Industry and Commerce
52.	Dr. Laohao Jherjing	Deputy Director General	Ministry of Industry and Commerce
53.	Mr. Phouving Phongsa		Ministry of Industry and Commerce
Ministry of Public Work and Transport			
54.	Mr. Bounkern Sumontha	Deputy Permanent Secretary	Ministry of Public Work and Transport
55.	Mr. Math SOUNMALA	Director General	Department of Planning and Cooperation
56.	Mr. Oulay PHADOUNGDETH	Deputy Director General	Department of Planning and Cooperation
Ministry of Energy and Mining (MEM)			
57.	Mr. Khamtanh Vongphansipaseuth		Ministry of Energy and Mining
58.	Mr. Soukanh PHONGSAVATH	Permanent Secretary	Cabinet Office
Ministry of Justice (MOJ)			
59.	H.E. Mr. Ket Kiattisak	Vice Minister	Ministry of Justice
60.	Mr. Nalonglith Norasing	Deputy Director General	National Legal and International Cooperation Research Institution
Ministry of Labor and Social Welfare (MLSW)			
61.	Ms. Baykham KHATTHIYA	Permanent Secretary	Cabinet Office

62.	Mr. Phasith DETHPHOMMATHEP	Director General	Department of Social Welfare
Ministry of Information and Culture (MIC)			
63.	Ms. Viengmani Desakhampou	Deputy Director General	Department of Planning and Financial
64.	Mr. Vanhthong PHOLCHANHHEUNG	Director General	Department of Public Information
Bank of Lao PDR (BOL)			
65.	H.E. Mr. Phoupheth KHAMPHOUNVONG	Governor	Bank of Lao PDR
66.	Ms. Phasy PHOMMAKONE	Director General	International Relations Department
Office of Supreme Public Prosecutor (OSPP)			
67.	H.E. Mr. Langsy Sibounheung	Vice President	Office of Supreme Public Prosecutor
People Supreme Court (PSC)			
68.	H.E. Mr. Khammy XAIYAVONG	President	Public Supreme Court
Lao National of Chamber of Commerce and Industry (LNCCI)			
69.	H.E. Mr. Kissana VONGSAY	President	Lao National of Chamber of Commerce and Industry
70.	Mr. Khunthavong DARAVONG	Secretarial	Lao National of Chamber of Commerce and Industry
Lao Front National Construction (LFNC)			
71.	H.E. Ms. Bouavon Onchanhom	Vice President	Lao Front National Construction
Lao Women Union (LWU)			
72.	H.E. Ms. Amphavanh Khamsengvilay	Vice President	Lao Women Union
73.	Ms. Bouachanh SYHANATH	Permanent Secretary	Cabinet Office
74.	Ms. Silikith BOUPHA	Director General	Department of Delopment
Vientiane Capital			
75.	Mr. Phoykham Huengbounpheng	Head of Division, Planning and Investment Division	Vientiane Capital City Office
Vientiane Province			
76.	Mrs. Singkham Khongsavanh	Head of Division, Planning and Investment Division	Governor Office of Vientiane Province
Bolikhamsay Province			
77.	H.E. Mr. Lueam SONESIVILAY	Vice Governor	Governor Office of Bolikhamxay

Khammoun Province			
78.	Mr. Singon Inthalath	Deputy Director of Division	Governor Office of Khammoun
Savahnakhet Province			
79.	Mr. Bounleuan Onsylard	Head of Division, Planning and Investment Division	Governor Office of Savannakhet
Champasack Province			
80.	Mr. Champha Khamsoonsay	Deputy Head of Division, Planning and Investment Division	Governor Office of Champasack
Luangprabang Province			
81.	Ms. Siriphone Souphanthong	Deputy Head of Division, Planning and Investment Division	Governor Office of Luangprabang
Xiengkhoung Province			
82.	Mr. Vansay Yangbrekao	Deputy Head of Division, Planning and Investment Division	Governor Office of Luangprabang
Lao National Commission for the Advancement of Women (LAO NCAW)			
83.	Ms. Chanhdy PANKEO	Head of Secretary	Lao National Commission For The Advancement of Women

**List of Development Partners
 Round Table Implementation Meeting
 November 24, 2008, Lao Plaza Hotel, Vientiane Lao PDR**

BILATERAL DEVELOPMENT PARTNERS		
Australia		
1. H.E. Dr. Michele Forster	Ambassador	Embassy, Vientiane, Lao PDR
2. Mr. Michael Hassett	First Secretary , AusAID Representative	AusAID, Vientiane, Lao PDR
3. Andrew Collins	Director of AusAID	
4. Ms. Phanthakone Champasith	Programme Officer	
Brunei Darussalam		
5. H.E. Mr. Johan Thani Abdullah	Ambassador	Embassy, Vientiane, Lao PDR
Cambodia		
6. Rotana Chann	Counsellor	Embassy, Vientiane, Lao PDR
China		
7. Mr. Zhay	Political Attaché	Embassy, Vientiane, Lao PDR
European Commission (EC)		
8. Mr. Henry Prankerd	Chargé d' Affaires	EC Vientiane, Lao PDR
9. Mr. Stefan Lock	Head of Cooperation	EC Vientiane, Lao PDR
10. ANDREW JACOBS	Head of Operations Section	EC Vientiane, Lao PDR
11. Mrs. Juana Aristizebal Pinto	Attaché	EC Vientiane, Lao PDR
Finland		
12. Ms. Tarja Kangaskorte	Deputy Head of Mission/ First Secretary	Embassy Bangkok, Thailand
13. HELENA AHOLA	First Secretary	Embassy Bangkok, Thailand
France		
14. H.E. Mr. François Sénémaud	Ambassador	Embassy, Vientiane, Lao PDR
15. Mr. Fabrice Richy	Country Director	AFD, Vientiane, Lao PDR

16. Ms Hélène Ouvrard	Donor relations officer	Embassy, Vientiane, Lao PDR
17. Ms. Amelle de Rome nont	Project Office	AFD, Vientiane, Lao PDR
Germany		
18. H.E. Dr. Peter Wienand	Ambassador	Embassy, Vientiane, Lao PDR
19. Dr. Petra Brigitte Mutlu	Country Director	GTZ Vientiane, Lao PDR
20. Mr. Wolfgang Shunke	Country Director	DED Vientiane, Lao PDR
21. Mr. Khunthong Inthachack	Programme Manager	DED Vientiane, Lao PDR
Hungary		
22. Mr. Zoltán Szabo	Commercial	Embassy of Hungary Hanoi, Vietnam
23. Mrs. Katalin Vizi	ODA Diplomat	Embassy of Hungary Hanoi, Vietnam
India		
24. H.E. Mr. Suresh K. Goel	Ambassador	Embassy Vientiane, Lao PDR
25. HARSH VS NEU	Second Secretary	Embassy Vientiane, Lao PDR
Indonesia		
26. H.E. Mr. Sutjiptohardjo Donokusumo	Ambassador	Embassy Vientiane, Lao PDR
27. Ambrosius Thomas	Third Secretary-Economic	Embassy Vientiane, Lao PDR
Ireland		
28. H.E. Ms. Maeve Collins	Ambassador	Embassy Hanoi, Vietnam
Japan		
29. H.E. Mr. Masaaki Miyashita	Ambassador	Embassy Vientiane, Lao PDR
30. Mr. Ken Nakamura	Second Secretary	Embassy Vientiane, Lao PDR
31. Mr. Hiroaki Takashima	Resident Representative	JICA Vientiane, Laos PDR
32. Ms. Akemi Ishikawa	Advisor Reseacher	Embassy Vientiane, Lao PDR
33. Koichi TAKEI	Senior Representative	JICA

		Vientiane, Laos PDR
34. Harumi KOBAYASHI	Project Formulation Advisor	JICA Vientiane, Laos PDR
Luxembourg		
35. Mr. Marc Franck	Chargé d' Affaires	Embassy Hanoi, Vietnam
36. Claude Jentgen	Chargé de Programme Asie	MOFA of Luxembourg
Malaysia		
37. H.E. Mr. Zainal Abidin Ahmad	Ambassador	Embassy Vientiane, Lao PDR
Mongolia		
38. H.E. Mr. Togtokhabayar Bataartar	Ambassador	Embassy Vientiane, Lao PDR
Myanmar		
39. H.E. Mr. U. Nyunt Hlaing	Ambassador	Embassy Vientiane, Lao PDR
40. Mr. Thiha Han	Counsellor	Embassy Vientiane, Lao PDR
New Zealand		
41. Ms. Lynn De Silva	First Secretary and NZAID Representative	Embassy Bangkok, Thailand
Norway		
42. H.E. Mr. KJELL Storlokken	Ambassador	Embassy Hanoi, Vietnam
43. Ms. Maria Nmekarlsem	Representative	Norad, Embassy Hanoi, Vietnam
44. Ms. Ann-Helen Azedo	Counselor/Deputy Head of Missin	Embassy Hanoi, Vietnam
45. Ms. Snofrid Emterud	First Secretary	Embassy Hanoi, Vietnam
46. Mr. Stein-Ivar Lothe	Trainee	Embassy Hanoi, Vietnam
The Philippines		
47. Mr. Chrisopher Patrick	Chargé d' Affaires	Embassy Vientiane, Lao PDR
Republic of Korea		
48. H.E. Mr. Park Jae-Hyun	Ambassador	Embassy

		Vientiane, Lao PDR
49. Mr. Sung Choon-Ki	Resident Representative	KOICA Vientiane, Lao PDR
50. Ms. Hong Hee-Soo	Deputy Resident Representative	KOICA Vientiane, Lao PDR
51. Mr. Lee Sang Ryol	Counsellor	KOICA Vientiane, Lao PDR
Russian Federation		
52. Ms. Liudmila Kuntysh	First Secretary	Embassy Vientiane, Lao PDR
Singapore		
53. H.E. Mr. Benjamin Jeyaraj William	Ambassador	Embassy Vientiane, Lao PDR
54. Rodcick Soo	First Secretary	Embassy Vientiane, Lao PDR
Sweden		
55. Mr. Owe Andersson	Counselor and Head of Mission	Embassy Vientiane, Lao PDR
56. Mr. Jorgen Persson	Counselor	SIDA Vientiane, Lao PDR
Switzerland		
57. H.E. Dr. Rodolphe S.Imhoof	Ambassador	Embassy Bangkok, Thailand
58. Dr. Barbara Böni	First Secretary/ Head of SDC Branch Office	SDC Vientiane, Lao PDR
59. Ms. Viengxong Chitavong	National Programme Officer, SDC	SDC Vientiane, Lao PDR
Kingdom of Thailand		
60. Ms. Kanokwan Ketchaimas	Second Secretary	Embassy Vientiane, Lao PDR
61. Suchada Thaibunthao	Director of Thai Cooperation TICA	TICA, Bangkok, Thailand
62. Yuwadee Mekhiriwich	Programme Office TICA	TICA, Bangkok, Thailand
United States of America		
63. Mr. Peter Haymold	Chargé d' Affaires	Embassy Vientiane, Lao PDR
64. Mr. Joshua Archibald	Economic Commence	USAID

		Vientiane, Lao PDR
Socialist Republic of Vietnam		
65. H.E. Mr. Nguyen Huy Quang	Ambassador	Embassy Vientiane, Lao PDR
66. Mr. Nguyen Hyou Hyong	Head of Economic	Ministry of Planning and Investment, Hanoi, Vietnam
INTERNATIONAL FINANCIAL INSTITUTIONS		
Asian Development Bank (ADB)		
67. Mr. Gil-Hong Kim	Country Director	Lao Resident Mission, Vientiane, Lao PDR
68. Mr. Chistopher T. Hnanguie	Country Economist	Lao Resident Mission, Vientiane, Lao PDR
World Bank (WB)		
69. Mr. Patchamuthu Illangovan	Country Manager	World Bank Vientiane, Lao PDR
70. Mr. William Rex	Lead Country Officer	World Bank Vientiane, Lao PDR
71. Somneuk Davading	Country Economist	World Bank Vientiane, Lao PDR
72. Ms. Soudalath Silaphet	Operations Analyst	World Bank Vientiane, Lao PDR
73.		
74. Ms. Viengsamay Srithirath	Communication Associate	World Bank Vientiane, Lao PDR
75. Rovues Pascale	Lao Business Forum Coodinator	World Bank Vientiane, Lao PDR
76. Rick Messick		World Bank Vientiane, Lao PDR
International Monetary Fund (IMF)		
77. Mr. Benedict Bingham	Senior Resident Reperentative	Lao Resident Mission, Vientiane, Lao PDR
78. Dr. Pheuiphanh Ngaosrivathana	Country Manager	Lao Resident Mission, Vientiane, Lao PDR
79. Ms. Khampao Nanthavong	Economic	Lao Resident Mission, Vientiane, Lao PDR
International Fund for Agriculture Development (IFAD)		
80. Ms. Atsuko TODA	Country Programme Manager	IFAD Rome, Italy

International Financial Cooperation (IFC)		
81. Mr. Charles Schneider	Head of office	IFC,MPDF Vientiane, Lao PDR
INTERNATIONAL ORGANIZATIONS		
United Nations Development Programme (UNDP)		
82. Ms. Sonam Yangchen Rana	UN Resident Coordinator, UNDP Representative	Vientiane, Lao PDR
83. Mr. Stephane Vigie	Deputy Resident Representative	Vientiane Lao PDR
84. Mr. Robert Glofchesky	Resident Chief Economist	Vientiane Lao PDR
85. Javier Barrantes	Deputy Resident Representative	Vientiane, Lao PDR
86. Phanchinda Lengsavad	Assistant Resident Representative	Vientiane, Lao PDR
87. Dirk Wagener	Assistant Resident Representative	Vientiane, Lao PDR
88. Iori Kato	Assistant Resident Representative	Vientiane, Lao PDR
89. Linda Norgrove	Unit Manager	Vientiane, Lao PDR
90. Mariko Harada	Unit Manager	Vientiane, Lao PDR
91. Hamadi Hamdi	STA RTP	Vientiane, Lao PDR
92. Phanthanousone Khennavong	Programme Analyst	Vientiane, Lao PDR
93. Franck Boulin	STA NA	Vientiane, Lao PDR
94. Amphone Phiphacphommachanh	Executive Associate	Vientiane, Lao PDR
95. Phengsy NORINTHA	Assistant to DRR	Vientiane, Lao PDR
96. Khamsene Phengphong	Programme Associate	Vientiane, Lao PDR
97. Khamkeung Khautisen	Programme Assistant	Vientiane, Lao PDR
98. Janet Pontin	PIU	Vientiane, Lao PDR
99. Damien Phillips	Programme Associal	UNDP Vientiane, Lao PDR

100.	Veera Linmewets	Head of Office od UN Res Coor	UNDP Vientiane, Lao PDR
101.	Frderic Jeanjen	Donor Coodinator	UNORC Vientiane, Lao PDR
102.	Slussi Kainulai	Specialist	UNDP Vientiane, Lao PDR
103.	Brett Prowe	Specialist UNV	UNDP Vientiane, Lao PDR
104.	Sophie Mackinnon	NSEDP Project	UNDP Vientiane, Lao PDR
Food and Agriculture Organization of the United Nations (FAO)			
105.	Mr. Serge Verniau	Representative	Vientiane, Lao PDR
106.	Mr. Phouvanh Vonglorkham	Counselor Researcher	Vientiane, Lao PDR
International Labour Organization (ILO)			
107.	Jiyuan Wang(Confirmed)	Deputy Director General	Bangkok Thailand
Joint United Nations Programme on HIV/ AIDS (UNAIDS)			
108.	Dr. Michael Hahn	Country Coordinator	Vientiane, Lao PDR
United Nations Educational, Sciencetific and Cultural Organization (UNESCO)			
109.	<u>Miki Nozawa</u>	<u>Programme Specialst</u>	Bangkok, Thailand
United Nations Population Fund (UNFPA)			
110.	Mariolece	Dputy Representative	Vientiane, Lao PDR
111.	Donangchnah Xaymounuvong	Programme Officer	Vientiane, Lao PDR
United Nations Development Funds for Women (UNIFEM)			
112.	Somsouk.S	National Coodinator	Vientiane, Lao PDR
United Nations Children's Fund (UNICEF)			
113.	Ms. Silvia Danailov	Deputy Reperesentative	Vientiane, Lao PDR
United Nations Industrial Development Organization (UNIDO)			
114.	Ms. Ayumi Fujino	Regional Director	Bangkok, Thailand
115.	Kheungkham Keonachan		Vientiane, Lao PDR

United Nations Office on Drugs and Crime (UNODC)		
116.	Mr. Leik Boonwaat	Representative Vientiane, Lao PDR
World Food Programme (WFP)		
117.	Ms. Karin Manente	Representative Vientiane, Lao PDR
World Health Organization (WHO)		
118.	Dr. Dongil Ahn	Representative Vientiane, Lao PDR
Mekong River Commission (MRC)		
119.	Ms. Pham Thanh HANG	Programme Coordinator Vientiane, Lao PDR
120.	Mr. Wolfgang Schiefer	Chief of International Cooperation and Communication Vientiane, Lao PDR
International Center for Tropical Agriculture (CIAT)		
121.	Dr. Werner Stur	Project Leader CIAT, Vientiane, Lao PDR
122.	Dr. Thiphavong Boupha	Economic/Office Manager CIAT, Vientiane, Lao PDR
International Non - Governmental Organizations (INGO)		
123.	Ms. Isabelle Decout	INGO Liaison officer and secretariat SNV Vientiane, Lao PDR
124.	Nicolette Matthijsen	SNV Country Director SNV Vientiane, Lao PDR
125.	Andrew Bartlett	Country Director SNV Vientiane, Lao PDR