



LAO PEOPLE'S DEMOCRATIC REPUBLIC
Peace Independence Democracy Unity Prosperity

**REPORT
ON
ROUND TABLE IMPLEMENTATION
MEETING**

Vientiane, 08 November 2007

**Committee for Planning and Investment
Department of International Cooperation**

Vientiane, 08 November 2007

TABLE OF CONTENTS

Background	3
Proceedings of the Round Table Implementation Meeting	3
1. Opening Ceremony	4
2. Presentations, Comments and Discussions	6
2.1 Session on NSEDP Implementation, MDGs and Agricultural Situation and Perspectives.....	6
2.2 Session on Education, Transport, Health Situation and Perspectives; and Review of the Implementation of the Fiscal Policy and National Budget for Fiscal Year 2006-2007 and overview of FY 2007-2008 plans.....	10
2.3 Session on the Development Implications of Natural Resource-Based Growth and Report on Lao Business Forum outcomes and Progress in the Implementation of Vientiane Declaration and Further Strengthening the Sector Working Groups	13
3. Closing Ceremony	16
Report on the RTIM outcomes to the Prime Minister	17
ANNEX 1: Agenda of the RTIM 2007.....	21
ANNEX 2: Welcome Remarks by H.E. Mr. Soulivong Daravong, President of the Committee for Planning and Investment	24
ANNEX 3: Remarks by Ms. Sonam Yangchen Rana, UN Resident Coordinator, UNDP Resident Representative.....	27
ANNEX 4: Opening Statement by H.E. Mr. Bouasone Bouphavanh, Prime Minister of the Lao PDR.....	31
ANNEX 5: Presentation on the Overall Implementation of the NSEDP and poverty reduction programme in 47 poorest districts by H.E. Mr. Soulivong Daravong, President of the Committee for Planning and Investment.....	36
ANNEX 6: Statement on Progress on MDGs National Report by H.E. Mr. Phongsavath Boupha, Vice Minister of Foreign Affairs.....	41
ANNEX 7: Presentation on the Agriculture Situation and its Perspectives in the NSEDP implementation by H.E. Mr. Sitaheng Rasphone, Minister of Agriculture and Forestry.....	44
ANNEX 8: Presentation on the Education Situation and its Perspectives in the NSEDP implementation by H.E. Prof. Dr. Somkot Mangnomek, Minister of Education.....	46
ANNEX 9: Presentation on the Transport Situation and its Perspectives in the NSEDP implementation by H.E. Mr. Sommad Pholsena, Minister of Public Works and Transport	49
ANNEX 10: Presentation on the Health Situation and its Perspectives in the NSEDP implementation by H.E. Dr. Bounkouang Phichit, Vice Minister of Health.....	52
ANNEX 11: Presentation on Review of the Implementation of the Fiscal Policy and National Budget for Fiscal Year 2006-2007 by H.E. Mr. Somdy Douangdy, Minister of Finance	58
ANNEX 12: Presentation on the Development Implications of Natural Resource-Based Growth and Report on Lao Business Forum outcomes by H.E. Mr. Bounthavy Sisouphanthong, Vice President, the Committee for Planning and Investment	62
ANNEX 13: Presentation on the Progress in the Implementation of Vientiane Declaration and Further Strengthening the Sector Working Groups by Mr. Somchith Inthamith, Director General, Department of International Cooperation, the Committee for Planning and Investment	67
ANNEX 14: Summary Remarks by Ms. Sonam Yangchen Rana, UN Resident Coordinator and UNDP Resident Representative.....	71
ANNEX 15: Closing Statement by H.E. Mr. Soulivong Daravong, President of the Committee for Planning and Investment	73
APPENDIX 1: Invitation Letter to the RTIM 2007	76
APPENDIX 2: Group Photo Session	78
APPENDIX 3: List of Participants	82

Vientiane, 08 November 2007

Report on the Round Table Implementation Meeting

A Round Table Implementation Meeting (RTIM) was held in Vientiane, capital of the Lao PDR, on 8 November 2007 to review progress and achievements, since the ninth Round Table 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 (*The Agenda of the Meeting is provided in Annex 1*)

The current report provides firstly a quick overview of the background within which the RTIM is operating, and secondly a detailed coverage of meeting proceedings.

Background

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 main 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.

Proceedings of the Round Table Implementation Meeting

The meeting was opened by H.E Bouasone Bouphavanh, Prime Minister of the Lao PDR and was chaired by H.E Mr. Soulivong Daravong, President of the Committee for Planning and Investment, and co-chaired by Madame Sonam Yangchen Rana, UN Resident Coordinator and UNDP Resident Representative.

More than 206 participants have attended the meeting, including Ministers, Vice Ministers, high ranked government officials, Representatives of Mass organizations, Ambassadors, Heads of

Vientiane, 08 November 2007

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 delivered his opening remarks by expressing a warm and cordial welcome to all participants. He then gave an overview of the RTIM agenda which main focus is on the implementation progress and future direction with regard to the National Socio-Economic Development Plan 2006-2010, macroeconomic management, priority sectors, national poverty reduction programme, the progress towards the Lao PDR's Millennium Development Goals, as well as the Vientiane Declaration.

H.E. Mr. Daravong emphasized the innovative approach with respect to the preparation of the RTIM of this year. This approach consisted in the organization of in-depth pre-consultations covering various areas in order to deepen the development dialogue and build consensus on these issues. The sectors and themes discussed at the pre-consultations sessions are: Education and Gender, Harmonization in Transport cooperation, the preparation of the National MDGs Report II, Public Finance Management, Health, Agriculture, lecture on the Development Implementations of natural resources-based growth by Nobel Laureate Dr. Joseph Stiglitz, Lao Business Forum and a session on the Sector Working Group's structure.

H.E. Mr. Daravong added that as an other innovation this year, a small group of DPs representatives will provide a summary report to H.E. the Prime Minister Bouasone Bouphavanh, on the main implementation achievements, some challenges ahead and proposed follow-up for further ensuring effective implementation of NSEDP and achievement of related goals. (*refer to Annex 2*)

Ms. Sonam Yangchen Rana delivered a statement in which she highlighted the country's economic growth that has remained robust within the target range set by NSEDP. Efforts were made towards further poverty reduction and the implementation of the MDGs. She highlighted the expansion of the poverty reduction fund to cover more districts, kumbans and villages; increasing financial resources from national budget and external assistance towards the implementation of poverty focused programmes. In addition, she underlined the effectiveness of governance and public administration reforms, and the harmonization of legal and judicial framework with international standards. Moreover, Ms. Sonam also mentioned the progress that has been made in proving private sector and trade development and attention paid to the implementation of the Country's Action Plan (CAP) of the Vientiane Declaration to enhance aid effectiveness, and strengthen the development impact of collective efforts. Apart from this, Ms. Sonam made a request to both the Government and Development Partners to seriously explore how Lao PDR's robust economic growth can be more equitably shared especially in rural areas and how to bring greater investments in the social sectors. More specifically, quality health, education, capacity and human development should be continually supported for the successful development of Lao PDR. (*refer to Annex 3*).

H.E. Mr. Bouasone Bouphavanh, Prime Minister of Lao PDR delivered then his keynote address by expressing the government's gratitude and appreciation to all DPs who are providing valuable assistance and support to Lao PDR and sharing some of the achievements of the Implementation of the NSEDP and Budget Plan for the Fiscal Year 2006-2007. The Prime

Vientiane, 08 November 2007

Minister stated that most of the macro figures on the socio-economic development have been achieved as targeted and some other targets are even above the plan. The Prime Minister proposed to the meeting to share views and exchange comments by emphasizing issues related to actions, measures and coordination mechanism on the policy and programme implementation especially improving good governance, sustainability of macroeconomic stability, strengthening of fiscal management, improvement of legal framework, reform of the financial and banking sectors, investment in socio-economic infrastructure, health, education, agriculture and rural development, as well as creation of enabling environment for the private sector development and the increase of competitiveness in economic sector. In addition, the Prime Minister strongly emphasized three major issues relating to individual and institutional capacity building, technical and financial resources, and harmonized coordination mechanisms that need to be considered as of vital importance for various actions implementation.

Furthermore, the Prime Minister underlined that Lao PDR still need substantial external assistance to respond to the pressing needs of the people to combat poverty, allocate more resources to social sectors, and to achieve timely and effectively the MDGs and development goals and outcomes. Therefore, all DPs are required to consider when and where possible to provide assistance and support in the form of either macro or sectoral programme aid. In order to ensure greater aid effectiveness, the Prime Minister confirmed that the government will continue to deploy every possible effort to make the Vientiane Declaration on aid effectiveness and its action plan a reality.

Apart from that, the Prime Minister committed that the government will improve its development planning system, especially strategy and policy design, the supporting public investment programme, the public finance management system, the inter-ministerial coordination to strengthen greater ownership and to better align donors' support with national policies, programmes, rules and procedures and improvement of the Decree on the Use of Official Development Assistance, which is under the mandate of the Department of International Cooperation of the Ministry of Planning and Investment that serves as focal point for ODA, effective data improvement, including monitoring and reporting on timely and efficient disbursement and utilization of aid.

Finally, the government will take into consideration the findings and recommendations of the RTIM and prior consultations in improving an adapting as it may be necessary the policies and programmes and improve the implementation process in full collaboration with Development Partners. (*refer to Annex 4*).

Vientiane, 08 November 2007

2. Presentations, Comments and Discussions

2.1 Session on NSEDP Implementation, MDGs and Agricultural Situation and Perspectives

During the session, presentations and statement were made by the Government of the Lao PDR as follows:

- 2006-2007 overall NSEDP Implementation and 2007-2008 Plan Highlight, by H.E. Mr. Soulivong Daravong, President of the Committee for Planning and Investment.
- Progress on MDGs National Report, by H.E. Mr. Phongsavath Boupha, Vice Minister of Foreign Affairs.
- Agricultural Situation and its Perspectives in the NSEDP Implementation, by H.E. Mr. Sitaheng Rasphone, Minister of Agriculture and Forestry.

These presentations and statement are provided in Annex 5, 6 and 7 respectively.

Comments and Discussions:

- JAPAN: (*H.E Mr. Masaaki Miyashita, Ambassador*)
Japan has given appreciation to the Government of Laos and UNDP for organizing this RTIM, and congratulated the Government on its extensive efforts in macro-economic reform, poverty reduction and MDGs. He also noted that the macroeconomic situation of Laos has strong and steady progress made in pursuing market reform, and it is important for the Lao Government to continue its reform effort. The Donors including Japan should continue to encourage the reform efforts made by the Lao Government in spite of the constrains of the ODA and budget and offer as much cooperation as possible. Furthermore he stressed that ODA alone is not enough to achieve sustainable economic growth, and it is important to promote private sector development, both domestic and foreign direct investment, by improving the investment environment.
- Sweden (on behalf of EU): (*H.E Ms. Annlis Aberg, Chargé d' Affaires*)
Sweden especially welcomed the new format of the RTIM and the constructive preparatory meetings that have been arranged over a very short time. In light of the encouraging implementation of the first year of the NSEDP and achievements so far in reaching the MDGs , the EU has highlighted some points of general concern . The EU has been keen to further develop its dialogue with the Government to reach tangible and sustainable results from usual cooperation. She congratulated the Government of Laos for having ratified the UN Convention on Economic, Social and Cultural Rights early this year and acknowledged its appreciation to the Government of Laos for engaging with the EU in dialogue on human rights. The EU would welcome closer collaboration with the GoL, civil society and non profit association which will provide variable inputs for achieving the goals of the National Socio Economic Development Plan. With one third of the population in Laos still living in poverty, the EU stressed the importance of using the resource revenues to the benefit of all. In terms of private sector development, the Government of Laos has made progress in improving the investment climate, however, corruption is still a major issue that discourages investment.
- Germany: (*H.E Dr.Peter Wienand, Ambassador*)
Germany congratulated the Government of Laos in preparing a very thorough and well balanced Background Document. He noted that when the NSEDP was first shared with Development Partners the targets seemed too ambitious. However, as the Government of Laos has shown today, many targets have been achieved and he congratulated the Government of moving ahead fast, and underlined the main important issues that the Government needs to keep the focus on: corruption, protecting the environment, developing human resources and maintaining public assets. Germany, like others, also noted that improving the investment

Vientiane, 08 November 2007

climate is crucial to ensuring long-term growth. Currently Laos did not fare well very well in regards to international measures for Corruption and Easiness of Doing Business. Particular attention needs to be given to supporting SMEs, since they are the main job creators. He also reiterated the message of Dr. Stiglitz about the importance of contract negotiating with large businesses, and that it is better to say no once than suffer for a long time. Germany also noted that human capital is the moving force behind development, and in order to compete in the knowledge-based economy then we needs to strengthen the educational system and continue liberalization reforms, particularly in the agricultural sector with regards to pricing of products and trade barriers.

- IRRI: (*Dr. Gary Jahn, Representative*)
IRRI expressed that recently the World Food Programme has released a survey on malnutrition and that crop diversification is one way to address this issue. However, there are conflicting national goals. For instance, among the goals are to increase forest cover, improve rice production and diversify crops. However, as we know, land is a fixed asset. Therefore the only way to satisfy all three goals is to intensify rice production, and therefore free up land for producing other crops. Intensifying rice production can be achieved through irrigation schemes, better access to fertilizer and different rice varieties. IRRI requested the Ministry of Agriculture and Forestry to include a new goal of growing more rice on less land.
- INDIA: (*H.E Mr. Suresh K.Goel, Ambassador*)
India commended the GoL on the excellent presentations and congratulated the GoL for achieving the impressive economic growth over the past year. He stated that India as other Development Partners will continue to be engaged in partnership with Lao PDR. India will support the GoL in its efforts to promote entrepreneurship and human capacity building, as this will assist in accelerating growth. So far India has established the Lao-India Entrepreneurship Centre. He noted that Laos has been successful in attracting many companies to invest here; however, to continue to attract investment it will need to further clarify its investment policies and procedures, and provide a clear indication about where FDI is required.
- WFP (On behalf of UNCT): (*Ms. Christa Rader, Representative*)
WFP highlighted that a recent survey by WFP conducted in 4,000 households across rural Lao PDR found that every second, a child below 5 years of age is stunted or chronically malnourished with a higher percentage in upland areas and amongst different ethnic groups up to 60-70 % . This had very concerning development implications as malnourished children would not reach their physical and mental potential. The survey also found that 2/3 households were at risk of becoming food insecure if faced with a shock to their livelihoods. There were many reasons for malnutrition, and addressing them requires a multi-faceted approach. The UNCT noted that the GoL needs to be cautious in implementing programs that changes livelihood opportunities for people, for instance, opium eradication, the reduction of shifting cultivation and the movement of the remote communities closer to health, education and market services. These well-intentioned programs could have critical effects especially if people are moved to areas without sufficient access to paddy lands and forests to collect food. Food security and nutrition are at the core of MDG 1 and the right to food has been mentioned during the World Food Day 2007 a month ago. Under the International Covenant on Economic, Social and Cultural Rights a legal obligation had been established for the government to take progressive steps towards the realization of the right to food. The UNCT commended the GoL on good progress made in reducing poverty however it remained a challenge to reduce poverty and to achieve the MDGs unless and until food insecurity and chronically malnutrition were addressed .

Vientiane, 08 November 2007

- World Bank: (*Mr. Ian Porter, Country Director*)
The World Bank welcomed the Government on the progress that has been reported in the implementation of the NSEDP over the past years. He also broadly agreed with the GoL assessment on the implementation progress. The World Bank and other Development Partners have been able to continue to move forward and supporting the government reform programme to the series of the Poverty Reduction Support Operations (PRSO). He agreed with the Government on the importance of maintaining the Macroeconomic stability including improvement of the Public Debt situation, strengthening the public financial management and combating corruption as a core part of strengthening Governance. He stressed that importance of improving the investment climates and diversifying resources; strengthening the management of Natural Resources; and poverty. Apart from that, he made some comments to the meeting that in the past the World Bank has suggested that the implementation of the NSEDP could be strengthened by the development of the Macroeconomic framework that would help the government to address the medium term financing of its priorities and by the development of the monitoring and evaluation framework that would help the Government measure its progress towards the targets and adjust the programme accordingly. The World Bank reiterated its support for establishing a Medium Term Expenditure Framework as well as strengthening the Monitoring and Evaluation Framework. In terms of the MDGs, the World Bank noted that one key area to keep in mind is to how more effectively finance the social sectors, as well as ensure a good balance between capital and current expenditures. When costs of immediate needs are higher than available resources, then it is necessary to make sure that expenditures are prioritized and pro-poor. The World Bank has extended the timeframe of its Country Assistance Strategy so now it is in line with the NSEDP.
- IMF: (*Mr. Benedict Bingham, Senior Resident Representative*)
IMF expressed that the economy has continued to perform very well this year and the GDP growth has remained strong by rapid expansion of mining, hydropower sectors and tourism. The assessment is still remain at the outlook for the LaoPDR. The IMF agrees with the GoL' assessment of the challenges ahead identified in the NSEDP presentation: ensuring growth in the non-resource sector in order to generate jobs and develop a resilient economy; effective financial management of resource inflows; management of Lao's external debt; and restructuring the banking system.
- Australia: (*H.E Dr. Michele Forster, Ambassador*)
Australia stated that the broad-based economic growth is essential to achieving development objectives, and in this respect Australia has supported the private sector development by contributing to the work of IFC. The NSEDP identifies the Private Sector as one of the priorities and Australia supports the GoL in developing a fair, transparent, stable, open and highly competitive environment for private investment and business. To support the Round Table meetings, Australia recommended that a long-term analytical programme be established in order to provide more substantive inputs into these discussions. In this regard, Australia welcomed more research into the development implications of natural resource based growth.
- GTZ: (*Dr. Ulrich Sabel-Koschella, Country Programme Director*)
GTZ congratulated the Government for the progress in implementing the NSEDP and in particular Ministry of Agriculture and Forestry and AFD for reviving the Agricultural, Rural Development and Natural Resource Management SWG. GTZ, as a new implementing agency of the German Government, informed the meeting that they currently work in 10 districts in 3 provinces in the area of rural development. GTZ proposed to the Government to review its policies of fixing the prices of agricultural products. It is a major obstacle to rural areas to participate more in value added in agriculture productions. Furthermore, there is significant foreign investment in rural areas and government officials, farmers and other community

Vientiane, 08 November 2007

members should be made more aware about how to deal with foreign investors. The development of private companies should be increased also at the provincial and district level. Resettlement to Kum Bans does not lead to poverty reduction and we need to be more cautious and aware of other impacts associated with relocation.

- Chair: *(H.E Mr. Soulivong Daravong, President of CPI)*
In closing the discussion session, the Chair expressed his appreciation of the constructive advice and recommendations made by development partners on topics relating to improving the investment climate through human capacity building, transparency and accountability in order to promote private sector development. The chair stressed also the important recommendations made with regards to crop diversification, malnutrition and meeting MDG targets

Vientiane, 08 November 2007

2.2 Session on Education, Transport, Health Situation and Perspectives; and Review of the Implementation of the Fiscal Policy and National Budget for Fiscal Year 2006-2007 and overview of FY 2007-2008 plans

Presentations were made by the Government of the Lao PDR as follows:

- Sectoral Situation and Perspectives in the NSEDP implementation on Education by H.E. Pr. Dr. Somkot MANGNOMEK, Minister of Education
- Sectoral Situation and Perspectives in the NSEDP implementation on Transportation by H.E. Mr. Sommad PHOLSENA, Minister of Public Works and Transport
- Sectoral Situation and Perspectives in the NSEDP implementation on Health by H.E. Dr. Bounkouang PHICHIT, Vice Minister of Health
- Review of the Implementation of the Fiscal Policy and National Budget for Fiscal Year 2006-2007 and overview of FY 2007-2008 plans by H.E. Mr. Somdy DOUANGDY, Minister of Finance

These presentations are provided in Annex 8, 9, 10 and 11 respectively

Comments and Discussions:

- Embassy of France: (in French language) (*H.E. Mr. Maurice Portiche, Ambassador of France*) AFD provides support to rural development and health. As co-chair of the Agriculture, Rural Development and Natural Resource SWG it supports the implementation of the Vientiane Declaration and the move towards sector-wide approaches in these areas. The recently signed EU Code of Conduct institutionalizes aid coordination amongst EU countries and France is in support of this initiative. France will continue to support development initiatives in the mountainous regions as its priority and is pleased that a new sub-working group on Uplands has been established. In the Health SWG there are 3 sub-working groups and France stands ready to assist in co-chairing.
- Embassy of Australia: Australia and UNICEF, as co-chairs of the Education and Gender SWG (EG SWG) expressed their gratitude to the Gov and Ministry of Education for The strengthening of the SWG mechanism which has a significant impact on maximizing the effectiveness of Aid in the sector, enhancing their leadership and implementing the Vientiane Declaration. Australia commented that the Vientiane Declaration is essentially building the foundations for the Sector Wide Approach (SWAp) in the Education Sector. Through the EGSWG, the ministry plans to develop a long-term Education Framework that will then enable the preparation of costed annual sector plans that Development Partners can then align their support to. Australia supported previous comments made to increase the budget to education, and in particular recurrent costs, and called on increased funding from donors and the Government. As primary enrolment rates continue to increase, we now need to turn our attention to lower secondary education. Australia looks forward to working with the ministry over the next 12 months to improve the sector coordination and support and to enhance aid effectiveness and subsequent impact on the programme. In response to the comments made by the Vice-Minister of Public Works and Transport, Australia informed that it has set aside funding for infrastructure projects that promote growth, and ensure that the socio impact of the development is well manage.
- Embassy of Japan: Japan congratulated the Government on the revenue achievements during FY 2006-2007, which exceeded 10% of government target. Appropriate financial resources allocation to the sectors and provinces is important and the new Budget Law as well as the Public Expenditure Management Strengthening Programme is assisting in providing clarity in this area. It helps as well the country to achieve the economic and socio development objectives. Japan announced

Vientiane, 08 November 2007

that it will provide USD110million to the GoL in the form of budget support through the PRSO, and it seeks continuing improvements to the financial management system. With regards to ODA funded projects, Japan requested the Government to commit sufficient budget to maintain ODA funded public investment projects to ensure the sustainability of these public assets. On the SWGs, Japan highly appreciates the GoL (policies to strengthen the SWG, showing the leadership and ownership) commitment to these groups, and considers that the SWGs should operate in a realistic manner taking into consideration the capacity of their members to attend all the meetings.

- European Commission: (*Mr. Henry Pranker, Chargé d' Affaires*)
The EC expressed its support to the Prime Minister's comments regarding the importance of good governance, financial management and focus on the social sectors in order to achieve the MDGs. The EU congratulated the GoL on its macro-economic achievements, including controlling the budget deficit, and the progress of the MDGs. The EC supports the financial reform, commends the economic reform implemented, and the New Budget Law and the clarity it will provide to inter-province fiscal transfers as well as the establishment of budget norms. The EC will continue its support to the GoL in strengthening financial management and would be keen to see regular dialogue between the Government and Development Partners. The EC is working with the World Bank and other donors to set up the multi donors funds for the PENSP.
- Embassy of Switzerland: (*Mr. Rémy Duiven, First Secretary Development and Cooperation*)
Switzerland congratulated the Government for the NSEDP implementation and expressed its concern about the shift from subsistence based from subsistence to market oriented farming results in quickly changing production systems and profound livelihood changes for the rural population in particular in the uplands. The changes have been triggered by the implementation of different policies, as land allocation, village relocation and eradication of shifting cultivation. Worryingly, research data indicates effects leading to increased poverty. In view of this, Switzerland encourages the government to review the policies currently implemented, and is ready to support the required efforts and dialogue, jointly with other donors.

Switzerland is contributing to the expansion of the Lao extension approach, through NAFES, and to the national rice research, through the National Rice Research Programme. In this context, we are concerned about the low levels of public resources at central and provincial level allocated to agricultural research and extension. We encourage the government to review this situation, preventing negative impacts on agricultural development.

Finally, for improved agricultural extension services, Switzerland expects that the new structure resulting from the re-organization of the Ministry of Agriculture and Forestry implementation of the Lao Extension Approach.

- WHO: (on behalf of UNCT): (*Dr. Dong-il AHN, Representative*)
As co-chair to the Health SWG, the WHO noted that out of the 8 MDGs, 4 are related to health. While significant improvements have been made (for instance, with vaccination levels), there are worrying trends in maternal mortality rates. WHO noted that one of the key challenges to reach the MDGs is to improve health which is a critical ingredient, and to improve overall human resource development, and vice versa.
- IMF:
IMF congratulated the Government of the Lao P.D.R. for organizing this timely meeting and for the presentations on the progress that has been made under the Socio-Economic Development Plan. IMF expressed that the economy has continued to perform well this year. GDP growth is expected to exceed 7 percent in 2007, boosted by the rapid expansion of the

Vientiane, 08 November 2007

mining and hydro-power sectors. Other sectors, such as tourism, have also performed well. Nevertheless, Lao PDR's economic outlook is promising. The outlook for the non-resource sectors, especially tourism and agriculture is also reasonably encouraging, provided Lao PDR maintains stable macroeconomic conditions and accelerates reforms that position the economy to take advantage of the opportunities for increased regional integration. However, to sustain Lao PDR's economic development, the government will need to address a number of challenges, many of which center on managing Lao P.D.R's substantial natural resource endowment effectively. Finally, IMF expressed its views on some of the key macroeconomic challenges that the government will face in this respect. They are ensuring broad – based economic growth, maintaining macroeconomic stability, pressing ahead with reforms to strengthen fiscal management including by introducing a VAT, as well as the ongoing programs to strengthen public expenditure management, managing external public debt prudently and restructuring the banking system.

- UNICEF: on behalf of the UNCT (*Ms. Laila Ismail Khan, Representative*)
As co-chair to the EGSWG, UNICEF commented that there is a real sense of dynamism in the education sector and reiterated the UN support to developing the Single Framework and move towards sector wide approach. UNICEF congratulated the government in its progress of increasing access to primary education, which is reflected in higher enrolment and retention rates. We need to plan for the future and start looking at enrolments at secondary school.
- LUXEMBOURG: (*H.E. Mr. Marc Ungeheuer, Ambassador*)
Luxembourg agreed with previous comments on the importance of further prioritizing investments in education and health. Luxembourg also agreed with comment by UNICEF that we need to look beyond primary education. Luxembourg will continue its support to the vocational training sector and will assist the GoL to develop a master plan for vocational education and training. Over the coming years it intends to be more active in this area.

Vientiane, 08 November 2007

2.3 Session on the Development Implications of Natural Resource-Based Growth and Report on Lao Business Forum outcomes and Progress in the Implementation of Vientiane Declaration and Further Strengthening the Sector Working Groups

Presentations were made by the Government of the Lao PDR as follows:

- Development Implications of Natural Resource-Based Growth and Report on Lao Business Forum outcomes and Progress in the Implementation of Vientiane Declaration and Further Strengthening the Sector Working Groups by H.E. Mr. Bounthavy SISOUPHANTHONG, Vice President, the Committee for Planning and Investment
- Progress in the Implementation of Vientiane Declaration and Further Strengthening the Sector Working Groups by Mr. Somchith Inthamith, Director General, Department of International Cooperation, the Committee for Planning and Investment

These presentations are provided in Annex 12 and 13 respectively.

Comments and Discussions:

- **Switzerland:**

Switzerland remained keen to support government in its efforts towards better donor coordination, improved harmonization and better aid effectiveness and were convinced that the measures proposed by the Lao Government to strengthen the Work of the Sector Working Groups goes in the right direction. Switzerland would however recommend that the frequency of the meetings of the Sector Working Groups be increased, in order to ensure continuation of dialogue and regular engagement between Government and its partners. In this regards, the work of the Groups should be structured around clear annual objectives, precise work plans and resources should be allocated for their operations. Switzerland experience in other countries, especially in Vietnam, shows that the work of the sector working groups gains significant value, if it is embodied in a broader process. Switzerland would suggest that ways of reinforcing the link between the groups and the RTM be studied in the coming months. To push aid effectiveness further, Switzerland would suggest that a small Government – Donor Group to established, whose mandate would be to define ways to bring the harmonization agenda forward. Finally, progress towards programme based approach were still limited in Lao PDR. Switzerland was hopeful that the reinforcement of the Sector Working Groups would give an impetus towards more Government led programmes, such as Sector Wide Approach. Switzerland was however aware of the capacity constraints, but were ready to address them in the sectors where they were present, provided that there was clear Government leadership.

- **EC:**

The EC noted that since preparing the Country Action Plan, that now starts the real work with the implementation of this plan. EC prepared a paper on this and sent it to DIC. EU is reforming its own delivery of ODA worldwide (half of the ODA worldwide is delivered by the EU) and is giving strong support to aid effectiveness agenda. The EU Code of Conduct on aid effectiveness was recently established and calls for closer collaboration among EU members and recommends that one EU state should not be involved in more than 3 sectors. The EU will be present at the High Level Forum on Aid Effectiveness in Accra in 2008 and will report on the implementation of the Code. The EU has made an inventory of all support by EU members to the Lao PDR and the next step is to prioritize in order to add value to the aid effectiveness agenda. The EC submitted paper to CPI on its contribution to aid effectiveness in Lao PDR.

- **Sweden:**

Sweden will phase out its support in the next 2 to 3 years; one of the reasons being the EU code of conduct just discussed. Sweden announced that it would make an assessment and evaluation of the contribution of Sweden's development programmes in the country, which should be of

Vientiane, 08 November 2007

value to all DPs and Government. Sweden submitted paper to CPI on it's contribution to aid effectiveness in Lao PDR.

- FAO: (on behalf of the UNCT / *Mr. Serge Verniau, Representative*)
The FAO expressed concern that land concessions for plantations and other uses can negatively impact on peoples' right to food, because it reduces the land available for farming. The FAO recommended the Government to urgently consider establishing a 'Code of Conduct' for investors in agribusiness and mining sectors, and that it is important to enforce regulations aimed at preserving the country's biodiversity and food security.
- World Bank:
The World Bank shares the perspective of Dr Stiglitz and notes that these issues of natural resource management are very important for the country. In the hydropower sector improvements have been made in recent years with best practice example with Nam Theun 2, it is now important to see how these good practices can be mainstreamed in other hydropower projects. The mining sector will bring significant benefits to the country, and the World Bank welcomed efforts to strengthen the legal framework in which mining companies have to operate in this sector. With regards to aid effectiveness, it is noted that ODA now accounts for 86% of the PIP, and therefore this is an area of high importance. The signing of the Vientiane Declaration and preparation of CAP is an important step forward, and strengthening the SWG is also of critical importance. In the CAP, the World Bank is a DP focal point for capacity development, financial management and procurement and there are substantial ongoing initiatives in these areas. The World Bank commented that the way in which it is turning the aid effectiveness agenda into practice is through direct budget support (through PRSO), joint missions, analytical work. It is also leading the aid coordination in the transport sector.
- Australia:
Australia is supporting the move towards a sector wide approach in the trade area, under the leadership of the Ministry of Industry and Commerce. It is in the process of establishing a trade development fund and encouraged donors to use this fund. Important progress has been made with Lao PDR's accession to WTO and Australia will maintain its support for trade reforms.
- GTZ:
GTZ stressed the important that the provincial and district governments also take up the same aid effectiveness reform process outlined in the Vientiane Declaration Country Action Plan.
- UNDP (on behalf of the UNCT): (*Mr. Stéphane Vigié, UNDP Deputy Resident Representative*)
UNDP congratulated DIC and the Government in general on their strong leadership of the aid effectiveness agenda since the last round table meeting. In terms of promoting national ownership, much will depend on the development of strong national and local capacities. The government, through PACSA (the Public Administration and Civil Service Authority) is developing a comprehensive framework for capacity building taking a long term perspective. The UN reported that the new UN Development Assistance Framework has been in place since January 1st this year with a timeframe which is based on the Government's own cycle. To further support the alignment process as well as track progress, it will be critical to further improve ODA information management in 2008. With regards to SWG, the UN supports the decision of the Government regarding the structure and looks forward to continuing its support to the Health, Education, Governance, drug prevention and UXO working groups, as well as actively participating in others.

Vientiane, 08 November 2007

- DIC (CPI): (*Mr. Somchith Inthamith, Director General, DIC*)
DIC will bring the ODA to more effective manner, improve the RTM website and provide information on SWGs

- Korea: (*H.E. Mr. Park Jae-hyun, Ambassador*)
Korea informed that Korea's priority areas for assistance in 2008 are trade and rural development (water supply), education (providing students with text books, scholarships), IT, economic development and cooperation funds, and road construction.

- EC:
The EC supports Switzerland's proposal to establish a joint government-donor group responsible for monitoring the implementation of the VD CAP. This group could help the country prepare for the third High Level Forum on Aid Effectiveness to be held in September 2008 in Accra.

- Japan:
Japan informed that it supports the implementation of the Vientiane Declaration through aligning its programme to the NSEDP. In terms of harmonization it is also participating in the joint PRSO group, and is undertaking research on capacity development.

Vientiane, 08 November 2007

3. Closing Ceremony

Ms. Sonam Yangchen Rana, UN Resident Coordinator, UNDP Resident Representative made a statement in which she recapitulated the main issues and comments made by the participants (*refer to Annex 14*).

In the Closing Statement, H.E. Mr. Soulivong Daravong, President of the Committee for Planning and Investment, (*refer to Annex 15*) stated that during the day we had substantially and comprehensively exchanged views on several significant topics covering the progress, outcomes and constraints of the implementation of the National Socio- Economic Development Plan for Fiscal year 2006-2007, future direction for the coming Fiscal year, as well as the preliminary findings of MDGs Report II and implementation progress in the field of poverty reduction. Implementation of the National Budget and Resource Allocation to Sectoral Programmes / Public Investment, Sectoral Situation and Perspective, Progress in the Implementation of Vientiane Declaration and Further Strengthening the Sectoral Working Group, as well as Development Implications of Natural Resource – Based Growth and Report on Lao Business Forum outcomes were also analyzed and discussed. The outcomes of today meeting would encourage the Government to further pursue the implementation of the National Socio-Economic Development Plan and the national MDGs on a solid foundation. H.E. Mr. Daravong announced that Ireland has just joined the Vientiane Declaration as the 25th signatory partner. He finally expressed special thanks to UNDP for the valuable advice, support and assistance provided to the government in preparing and organizing the meeting and wished good health, happiness and prosperity to all and declared the meeting closed.

Vientiane, 08 November 2007

Report on the RTIM outcomes to the Prime Minister

On 9 Nov 2007, a delegation of Development Partners comprising UNDP, Australia, China, EC, France, Japan, Sweden, Thailand, 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 outcomes of the RTIM.

The meeting with the PM was also attended by H.E. Mr. Cheuang Sombounkhan, Minister to the Prime Minister Office; H.E. Mr. Soulivong Daravong, President of the CPI; Mr. Somchith Inthamith, Director General of DIC/CPI; Ms. Sisomboun Ounavong, UN Division Chief/DIC/CPI; and Mr. Hamadi Hamdi, Senior Technical Adviser to the Round Table Process/UNDP/CPI.

The meeting went very well and the PM and the delegation expressed satisfaction with its proceedings.

In his introductory remarks the PM welcomed the delegation and expressed his thanks to all DPs for their valuable contribution to the development of the country and to UNDP for its support to the preparation and organization of the RTIM.

The PM stated that he was kept informed about the proceedings of the RTIM and has expressed his satisfaction with the constructive dialogue that occurred during the meeting as well as the extensive consultations organized over the RTIM preparatory process. The PM thanked all the participants for their recommendations, suggestions and advice and stated that the GoL will review and discuss the RTIM outcomes in a cabinet meeting in order to foster the implementation of the policies, reforms, programmes and projects.

While emphasizing the progress and achievements of the NSEDP, especially with regard to poverty reduction and MDGs, the PM stated that the GoL is fully aware of the shortcomings and challenges that are still ahead and reiterated the commitment of the Government to deploy greater efforts with the aim to fulfill its obligation vis-à-vis the Lao population and the DPs.

The floor was then given to the DPs to make their respective remarks on behalf of the RTIM participants.

Ms. Sonam Yangchen Rana, UN Resident Coordinator and UNDP Resident Representative: (General Remarks)

- Well prepared and organized RTIM
- Good background papers and presentations
- Constructive discussion, comments and recommendations
- Good progress achieved by GoL in Poverty Reduction, Public Finance Management, Private Sector Development and ODA Coordination.
- However, challenges are still ahead, and weaknesses and shortages are yet to be addressed, especially:
 - Poverty in rural and remote areas
 - Malnutrition
 - Sustainability of Budget Revenues
 - Management of Public Expenditures
 - Allocation of Budget resources to Social sectors and HR
 - Business climate
 - Environment aspects
 - Aid effectiveness, better monitoring for better results

Vientiane, 08 November 2007

H.E. Mr. Masaaki Miyashita, Ambassador of Japan: (NSEDP implementation)

- NSEDP 2006-2010: Substantial achievements
- DPs very encouraged by progress and also by the future direction of the Plan
- Critical to maintain macroeconomic stability
- Non-natural resource growth equally important: HR development
- Need to increase resources for social sectors: Health, Education, Rural Development
- DPs will continue to provide support

Mr. William Rex, Lead Country Officer/World Bank: (Public Finance)

- DPs are satisfied with good progress in Revenue Collection which increased by 10%
- Added income should be used to meet development priorities
- Concern about the level of Public Expenditure to Health and Education which needs to be increased
- Sustainability of income: as the country is benefiting from NR generated revenues, it is crucial to ensure the transparency of these resources as well as their impact given that commodity prices are highly volatile
- Need to diversify the economy
- Need to pursue the implementation of the Public Financial Management Strengthening Programme and more effectively allocating resources
- Several DPs will continue to provide support to this programme

Ms. Annlis Aberg, Chargé d' Affaires / Sweden: (Rural Development and Social Sectors)

- Broad progress were commended
- But shortages in Education. Need to pursue and strengthen policy and actions under the programme Education for All
- Rural Development:
 - Right to food: is a matter of concern as emphasized by WFP and several DPs
 - Special focus should be on nutrition for children in rural areas
 - Livelihood in rural areas needs urgent improvement
 - Food insecurity and malnutrition need to be addressed
- Poverty and near-Poverty in urban areas should also be given more attention
- Role of civil society to be strengthened
- Crop Diversification should be addressed to avoid malnutrition

H.E. Dr. Michele Forster, Ambassador of Australia: (Aid Effectiveness)

- GoL commitment to aid effectiveness is well appreciated
- SWGs are providing good forum for dialogue between GoL and DPs
- DPs agreed the Government intention to initiate Sector Wide Approach (SWAp)
- But there is a need to focus on outcomes and identify opportunities to work at the provincial and sub-provincial levels

The Prime Minister's response and comments:

- The DPs' comments and advice are well appreciated
- I will bring the DPs' concerns to a Cabinet meeting in order to define the means on how to face the challenges and overcome the shortages

Vientiane, 08 November 2007

And the PM made additional comments:

On Poverty:

- The poverty level is now about 29% nation-wide according to updated estimation
- This illustrated the GoL great efforts in this domain that we will pursue with more strength. By year 2010 extreme poverty will be eradicated
- By 2020 Lao PDR will shift from the status of LDC
- GoL has adopted a set of measures to this end:
 - Formulation of the NGPS with medium and long term objectives
 - Establishment of a committee for rural development which is supervised by the Standing Deputy Prime Minister
 - Establishment of NAYOBAI Bank which among others is providing long term credit with low interest rate to the rural people in remote areas
 - Various resources are used to help the rural poor including resources from the national budget and Village Development Funds which are generated from contribution by local people
 - Encouragements are provided to local companies to invest in rural areas by providing all kinds of incentives
 - We helped the people in remote areas to have access to public services
 - The sense of ownership is being developed among the poor
 - A special care is still needed for vulnerable groups

On Education:

- Priority is given to Education as it is a key for success and National Education Strategic Reform was adopted this year
- GoL achieved many education targets including in rural areas
- Vocational training is being given high attention and needs adequate financing and curricula
- GoL has advised all localities to expand their Vocational Training activities in order to help the people to improve their livelihood and exercising their own capabilities

On Fiscal Management:

- GoL has adopted appropriate customs and tax policy
- Customs and Tax departments are being reinforced
- GoL fostered new sources of revenues and expanded the revenue collection base. But the achieved revenue increase is "a small slide of cake"
- In the past the government was giving a lot of subsidies because the State had to take over all activities which were not interesting for other operators and actors. But now the GoL is restructuring the budget expenditure and will allocate more resources to combat poverty and improve social development
- GoL is having in addition a heavy burden in building roads and bridges
- Budgetary and extra-budgetary funds are also required for emergencies relief
- Inefficient SOE are being privatized
- Strict financial management procedures and rules were adopted as well as prudent public expenditure policy
- We should not rely on income from natural resources.
- It is the dream of our leaders to diversify our economy, but in the meanwhile we have to use resources from mining.

On the Rights of the People:

- We respect the fundamental rights of the citizens including the right to food and the right to settlement
- Malnutrition is our concern and we need to address it urgently

Vientiane, 08 November 2007

- It is the Government responsibility to develop Education, Health and reduce mortality
- The Government has to promote employment and reduce income disparity
- The Government encourages people participation and access to public facilities
- Our Constitution and the Mass Organizations ensure the rights of citizen
- Laos is signatory of Convention on Human Rights

On Aid Effectiveness:

- The GoL is working closely with DPs to ensure Aid effectiveness as discussed during the RTIM
- By signing together the VD we can together overcome several problems
- I agree that we have to strengthen the SWGs
- But we need to focus our efforts and attention on implementation rather than spending plenty of time in discussing the issue of SWGs

In closing, the PM reiterated his thanks to DPs for their support and useful inputs and stressed that the GoL will do its part to improve the coordination mechanisms and ensure their efficiency.

Vientiane, 08 November 2007

ANNEX 1:

Agenda of the RTIM 2007

Vientiane, 08 November 2007

Agenda
THE ROUND TABLE IMPLEMENTATION
MEETING
Lao Plaza Hotel, Vientiane, 08 November 2007

08:00 – 08:30 Registration

08:30 – 08:35 **Welcome Remarks**

*by H.E. Mr. Soulivong DARAVONG,
President of the Committee for Planning and Investment*

08:35 – 08:45 **Remarks**

*by Ms. Sonam Yangchen Rana,
UN Resident Coordinator, UNDP Resident Representative*

08:45 – 09:05 **Opening Statement**

by H.E. Mr. Bouasone BOUPHAVANH, Prime Minister of the Lao PDR

09:05 – 09:25 **Group Photo Session** (will be announced by MC)

09:25 – 09:40 Coffee / Tea Break

Chairman of the meeting: *H.E. Mr. Soulivong DARAVONG,
President of the Committee for Planning and
Investment*

Co-chair: *Ms. Sonam Yangchen Rana, UN Resident
Coordinator, UNDP Resident Representative*

**Presentation on the Implementation of National Socio-Economic
Development Plan for FY 2006-2007 and future direction for FY 2007-
2008; and the MDGs**

09:40 – 10:00 Overall implementation of the NSEDP and poverty reduction programme in 47 poorest districts

by H.E. Mr. Soulivong DARAVONG,
President, the Committee for Planning and Investment

10:00 – 10:15 Statement on Progress on MDGs National Report

by H.E. Mr. Phongsavath BOUPHA, Vice Minister of Foreign Affairs

10:15 – 10:25 Agricultural Situation and its Perspectives in the NSEDP implementation

by H.E. Mr. Sitaheng RASPHONE, Minister of Agriculture and Forestry

10:25– 11:00 **Discussion**

Vientiane, 08 November 2007

- 11:00 – 11:30** **Sectoral Situation and Perspectives in the NSEDP implementation by:**
H.E. Pr. Dr. Somkot MANGNOMEK, Minister of Education
H.E. Mr. Sommad PHOLSENA, Minister of Public Works and Transport
H.E. Dr. Bounkouang PHICHIT, Vice Minister of Health
(10 minutes each)
- 11:30– 12:00** **Discussion**
- 12:00 – 12:15** **Review of the Implementation of the Fiscal Policy and National Budget for Fiscal Year 2006-2007 and overview of FY 2007-2008 plans**
by H.E. Mr. Somdy DOUANGDY, Minister of Finance
- 12:15– 12:35** **Discussion**
- 12:35 – 14:00** Lunch will be served at May Youan Restaurant for all delegates
(VIP room for Ministers and Ambassadors at May Youan Restaurant)
- 14:00 – 14:20** **Development Implications of Natural Resource-Based Growth and Report on Lao Business Forum outcomes**
Presentation by H.E. Mr. Bounthavy SISOUPHANTHONG, Vice President, the Committee for Planning and Investment
- 14:20 – 14:35** **Progress in the Implementation of Vientiane Declaration and Further Strengthening the Sector Working Groups**
by Mr. Somchith INTHAMITH, Director General, Department of International Cooperation, the Committee for Planning and Investment
- 14:35 – 15:30** **Discussion**
- 15:30 – 15:45** Coffee / Tea Break
- 15:45 – 16:15** **Summing Up and Proposed Follow up**
- Summary Remarks by Ms. Sonam Yangchen Rana, UN Resident Coordinator and UNDP Resident Representative
 - Closing statement by H.E. Mr. Soulivong DARAVONG, President of the Committee for Planning and Investment

Vientiane, 08 November 2007

ANNEX 2:

Welcome Remarks by H.E. Mr. Soulivong Daravong, President of the Committee for Planning and Investment

Vientiane, 08 November 2007

Welcome remarks
by
H.E Mr. Soulivong Daravong,
President of the Committee for Planning and Investment
At the Round Table Implementation Meeting
Lao Plaza Hotel, Vientiane, 08 Nov 2007

Your Excellency Mr. Bouasone Bouphavanh, Prime Minister of Lao PDR,
Excellencies,
Distinguished delegates,
Ladies and Gentlemen,

On behalf of the Committee for Planning and Investment I would like to extend a warm and cordial welcome to all of you at this Round Table Implementation Meeting.

This is the first time that I have the honor and pleasure of co-chairing the Round Table Implementation Meeting. So I thought it would be useful to say a few words about what makes this annual meeting new, fresh and innovative.

As the name of this meeting indicates, the focus is on *implementation* progress since the last Round Table Meeting one year ago in November 2006. This improvement has been made in response to calls by many development partners for far greater focus on implementation issues.

Therefore, most of the content on the agenda allows for a review of progress in implementing the National Socio-Economic Development Plan 2006-2010 which was the main basis for the Round Table Meeting last November. Special focus will be given to implementation progress of Fiscal Year 2006-2007 in the macroeconomic management, priority sectors, national poverty reduction program in the poorest districts as well as progress towards Lao PDR's Millennium Development Goals (MDGs).

This review will help us determine next best steps for further accelerating implementation process in these areas. It is within this context that the Government has prepared a background paper reflecting all these issues and which was circulated earlier this week.

Excellencies, Ladies and Gentlemen,

At the last Round Table Meeting, development partners generously pledged well over US\$400 million to support for the implementation of the NSEDP, and once more, I would like to express our gratitude and thank you for this generosity. So the last session in the morning will also review progress within our budget in allocating the needed finance for the implementation of the NSEDP within key sectors and programs.

Development partners will also recall that another major achievement of the last Round Table Meeting was the signing by most development partners of the Vientiane Declaration on Aid Effectiveness. A related major achievement earlier this year was the development of a Country Action Plan (CAP) for the Implementation of the Vientiane Declaration. Notably, our Country Action Plan was prepared through broad-based participation by governmental agencies and donor development partners during the first half of this year.

Therefore, the last session in the afternoon will review this and other progress in implementing the Vientiane Declaration.

Vientiane, 08 November 2007

Development Partners also requested that in addition to implementation progress, we also explore any important emerging opportunities and challenges that need to be taken into account for effective implementation of NSEDP.

Therefore, our first session in the afternoon explores some of the more important Development Implications of Natural Resource Based Growth, and progress in the development of a competitive job-creating business sector in Lao PDR. As you will see from the presentation during this afternoon session, there are very important links between these two subject areas.

As a further innovation, this year in the run-up to this Round Table Implementation Meeting, a series of more in-depth pre-consultations in the various subject areas were organized in order to deepen the development dialogue and understanding of the issues.

Prior to this RTIM, we have organized a series of pre-consultations covering several Sectors and themes namely Education and Gender, Transport, the preparation of the National MDGs Report II, Public Finance Management, Public Health, Agriculture, lecture on the Development Implications of Natural Resources Based Growth by Dr. Stiglitz, Lao Business Forum and a session on the Sector Working Group structure.

All these pre-consultations are in line with the framework of Sector Working Groups (SWGs). So I would also like to thank the Line Ministries and the co-chairing Development Partners for working closely together in organizing these meetings as well their contributions to the background paper.

As a further innovative improvement, following this RTIM tomorrow afternoon, a small group of representative development partners will provide a summary report to His Excellency the Prime Minister Bouasone Bouphavanh, on the main implementation achievements, some challenges ahead, and some proposed follow-up for further ensuring effective implementation of NSEDP and achievement of the related goals.

Excellencies,
Distinguished delegates,
Ladies and Gentlemen,

In short, this Round Table Implementation Meeting has many fresh and innovative improvements aimed at further ensuring effective implementation of NSEDP in the coming years.

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

Thank you.

Vientiane, 08 November 2007

ANNEX 3:

**Remarks by Ms. Sonam Yangchen Rana, UN Resident Coordinator,
UNDP Resident Representative**

Vientiane, 08 November 2007

Opening Remarks of Ms. Sonam Yangchen Rana
UN Resident Coordinator and UNDP Resident Representative
Round Table Implementation Meeting
Lao Plaza Hotel, Vientiane

8 November, 2007

Your Excellency Mr. Bouasone Bouphavanh, Prime Minister of Lao PDR
Excellency Soulivong Daravong, President CPI
Other Excellencies and Distinguished Participants,

Good morning everyone.

Allow me to extend a very warm welcome to all of you at this Round Table Implementation Meeting.

On behalf of development partners in Lao PDR, I would like to express our great appreciation to His Excellency Prime Minister Bouasone Bouphavanh for honoring us with his participation today in the opening session of this annual meeting. Your Excellency's presence demonstrates the importance that the Government of Lao PDR places on making effective use of official development assistance for the sustainable development of Lao PDR.

As Excellency Soulivong Daravong has clearly outlined, there are many new and innovative improvements for this annual meeting. So let me also congratulate and thank the Government of Lao PDR for responding to the many suggestions from development partners over the past year for improving coordination and strategies for achieving development results.

As already indicated, this RTIM will focus largely on implementation progress since the last Round Table Meeting one year ago when we agreed that the National Socio-Economic Development Plan (NSEDP) 2006-2010 would be the main framework for development partner assistance and ODA mobilization. By reviewing implementation progress, we hope to discern how we can further assist the Government of Lao PDR in further accelerating implementation in the year ahead.

At the Round Table Meeting a year ago, His Excellency Prime Minister Bouasone Bouphavanh rightly called the NSEDP 2006-2010 a *break-through* plan for Lao development. And indeed, from a development partner's perspective, much has been achieved within the implementation of NSEDP 2006-2010. The Government's background report for this meeting outlines these many achievements, but allow me to highlight just a few of these.

Firstly, economic growth has remained robust within the target range set by NSEDP, and inflation has been brought down to historic lows, reflecting a quite stable macro-economic environment. A surge in budget revenues from mining as well as from the non-resource sectors has helped exceed government revenue targets and significantly reduced the government budget deficit. Foreign exchange reserves are at healthy levels.

Efforts were also made towards further poverty reduction and the MDGs. Targeted interventions have been implemented in the 47 poorest and 25 poor districts. The Poverty Reduction Fund activities have expanded to cover 21 districts, 252 Kumbans and 1913 villages. Increased financial resources from national budget and international assistance are being channeled towards the implementation of poverty focused programmes such as the National Unexploded Ordnance Programme (UXO Lao), the National Strategy on HIV/AIDS/STI, the Drug Control programme, Rural Development programmes including rehabilitation and construction of rural infrastructure and Gender Equality programmes. The proportion of women in the National Assembly is one of the best in the region and continued efforts

Vientiane, 08 November 2007

are being made to further ensure that women are informed and empowered and their contributions valued and heard.

Secondly, participants will recall that at the last Round Table Meeting a year ago we also reviewed the Government's new Strategy on Governance for Implementing the National Socio-Economic Development Plan. Over the past year, governance reform has taken some important steps towards strengthening the effectiveness of public administration, including better public service management, implementing rule of law, and enhancing mechanisms for people's participation. In addition, further progress was made in implementation of the Public Expenditure Management Strengthening System (PEMSP), complemented by the restructuring of the Ministry of Finance to ensure more effective implementation of the new Budget Law.

As the country moves towards greater regional and global integration, the legal and judicial framework is being harmonized with international standards, especially in areas of commerce, bankruptcy and labor. Laws on Government, People's Courts, Public Prosecutor and Judgment Enforcement are being reviewed and amended. A national programme has been launched to improve delivery of regular public services, and guide initiatives to further improve service delivery by strengthening oversight.

Notably, the Government of Lao PDR ratified last December the International Covenant on Economic Social and Cultural Rights. This treaty became effective this past May, enshrining the rights to education, health care and adequate food. The Government of Lao PDR also signed onto ten global, multilateral environmental agreements including those covering biodiversity conservation, climate change and atmospheric pollutants, and toxic chemicals. Laos also became an active participant in the global movement to ban cluster munitions.

Your Excellency Prime Minister Bouasone Bouphavanh, we congratulate you and your government for these important commitments made to the Lao people through these international agreements.

Thirdly, further progress has been made in private sector and trade development. The Enterprise Law is gradually being implemented, and the Lao Business Forum is proving to be an effective mechanism for consultations between the private sector and government. The very successful Lao Business Forum held this past Monday reflected great willingness by government to respond to the concerns raised by private sector representatives on such issues as the tourism law and quality assurance, clarity on tax treatment for staff training, and insurance.

On progress toward WTO accession, preparations have been undertaken for the Third Working Party in Geneva scheduled for the middle of this month. More generally, ODA to the trade sector is being increasingly well led and coordinated by the Ministry of Industry and Commerce with support from development partners to the Integrated Framework. Moreover, a Trade Development Fund has been established to further facilitate coordination in this important area.

Fourthly, in follow-up to the signing by most development partners of the Vientiane Declaration on Aid Effectiveness at the last RTM, a Country Action Plan for its implementation was prepared and endorsed during the first half of this year. Notably, the process was highly participatory involving a broad range of officials from government and development partner agencies. Today's meeting will further explore how this country action plan can be further implemented to enhance aid effectiveness. Specifically, ways to strengthen the development impact of our collective efforts.

Excellencies, Distinguished Participants,

Clearly great efforts and some significant progress has been made in a wide range of areas agreed at the last Round Table Meeting a year ago.

Vientiane, 08 November 2007

But there are a number of important opportunities to do even better to achieve the valuable goals within the National Socio-Economic Development Plan and for Lao to graduate from LDC status by 2020.

Throughout today and in the coming year, we have to seriously explore how Lao PDR's robust economic growth can be much more equitably shared especially with rural areas where the vast majority of Lao people still live and work.

Greater investments in the social sectors and more specifically quality health, education, capacity and human development more generally will be essential to the successful development of Lao PDR. I would like to draw our attention to the important challenges related to the achievement of the MDGs which will be discussed later today.

We know that while poverty is gradually declining in Laos, poverty and near poverty remains significant and widespread, especially in rural areas. There has been little change in the rate of malnutrition and there are still a considerable number people living in vulnerability just above the poverty line whose needs must be considered. With regard to environment sustainability the significant improvements in access to clean water and sanitation in urban areas must be translated to rural areas as well. Careful attention must also be given to balancing the benefits of infrastructure programmes - essential to reduce rural poverty and create new economic opportunities - with the potential negative impact of those initiatives on the environment and society.

A recent report released by the World Food Programme (WFP) highlighted the persistent and serious challenge of food insecurity and the high number of malnourished children despite the growing prosperity for some. Malnutrition is especially high among the children of ethnic minorities. Child and maternal mortality rates remain needlessly high.

In addition, as outlined by Nobel Laureate Dr. Joseph Stiglitz last week in Vientiane, growing revenues from natural resources provide an opportunity to transform natural resource wealth into human resource wealth. This would sustain development with stability well after resources are depleted and/or commodity prices collapse.

By learning from the experiences of other resource rich developing countries, we can better ensure that Lao PDR enjoys a resource blessing from its natural resource wealth in the decades ahead, and avoids the kind of resource curse outcomes that have plagued so many other resource rich developing countries.

Finally, like Excellency Soulivong Daravong, let me end my brief introductory remarks by encouraging interactive informal dialogue throughout the day so that we learn from each other.

I would also like to take this opportunity to especially thank CPI and the Department for International Cooperation (DIC) for all of the tireless work invested in preparations for today's meeting.

I wish everyone a most fruitful dialogue. Thank you.

Vientiane, 08 November 2007

ANNEX 4:

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

Vientiane, 08 November 2007

Opening Statement
by H.E. Mr. Bouasone Bouphavanh, Prime Minister of the Lao PDR
at The Round Table Implementation Meeting
Lao Plaza Hotel, Vientiane, 8 November 2007

Excellencies Ministers, Ambassadors, and
Representatives of International Organizations,
Distinguished delegates,
Ladies and Gentlemen,

On behalf of the Government of Lao PDR, I am pleased to extend my warm welcome to all distinguished guests and development partners for responding favorably to the government's invitation to participate in this Round Table Implementation Meeting today.

On this occasion, I would also like to express my sincere congratulations to the United Nations Development Programme, particularly to Ms. Sonam Yangchen Rana, UN Resident Coordinator and UNDP Resident Representative for her active role and valuable support provided to the Round Table Process and for organizing this meeting.

Likewise, I wish to extend the Government's appreciations to all Development Partners for their understanding and continued support rendered to the Lao PDR.

With your support, I believe that this Round Table Implementation Meeting will be as successful as the Ninth Round Table Meeting held last year. It is a desire of the Government to make this important meeting a forum of constructive and active dialogue between the government and its development partners on various issues concerning policy and joint action to further assist the Lao PDR in achieving its development goals and objectives.

Excellencies,
Ladies and Gentlemen

On this note, I am pleased to inform you that the implementation of the National Socio-Economic Development Plan (NSED) and Budget Plan for the Fiscal Year 2006-2007, which is the first year of the Sixth 5-year Plan, concluded in September this year, has achieved significant results. Most of the macro targets on economic, social-cultural have been accomplished as planned, of which some have been carried out slightly beyond the targets. The key factors leading to the progressive implementation of the Development and Budget Plan are as follows:

1. The Government has considerably invested its resources to ensure the more concrete implementation of the 11 priority programmes and 111 projects, under the Sixth NSED.
2. The Government has progressively carried out economic reform, in particular policy related to the promotion of all business sectors and attraction of domestic and foreign investments.
3. The Government has improved the discipline in planning and budgeting systems and restructuring, taking into account development balance, especially the balance between growth and investment and the use of resources in order to protect the environment and ensure sustainability; maintaining the balance between economic growth and human resource development by increasing investments in education and health, lifting-up people's moral and ethical practices while preserving the fine traditions and culture.
4. The Government has consistently strengthened public administration supportive to market-economic mechanism; enhanced the rule of law and good governance by promoting and providing opportunities for all citizens to exercise their fundamental freedom in their daily life

Vientiane, 08 November 2007

under the rule of laws; increased fair distribution of incomes; encouraged community participation in the development and lift-up the living standard through the establishment of production-service groups and funds. Generally speaking, the government has paid close attention to the promoting the fundamental rights and equality of all citizens for employment, education, and self-improvement, so as for them to contribute to national development.

5. The Government has consistently pursued its open-door policy by strengthening the cooperation with all friendly countries; improved mechanisms, laws and regulations to facilitate integration of Lao economy into the regional and global systems. At the same time, efforts have been made to gradually strengthen economic performance and increase competitiveness.

Excellencies,
Ladies and Gentlemen

In the path towards achieving important goals such as poverty eradication that is in line with the MDGs and to rid the country from the status of a least developed country, there remain daunting challenges and constraints to overcome as well as the need for assistance and support from all friendly countries and international organizations and development partners.

During the course of preparation for this meeting, all line agencies concerned have already coordinated and consulted with development partners on the action plans and the issues of common concern. As I have also been briefed by the organizing committee, I therefore propose that the meeting today focus on exchange of viewpoints particularly about the way, measures and coordination mechanism for effective implementation in the areas such as good governance, sustainability of macroeconomic stability, strengthening of fiscal management, improvement of legal framework, reform of the financial and banking sectors, investment in socio-economic infrastructure, health, education, agriculture and rural development, as well as creation of enabling environment for the private sector development and the increase of competitiveness in economic sector.

As for the Government of the Lao PDR, I would like to propose that the meeting emphasizes on three major issues namely:

1. Capacity building for individuals and institutions.
2. Technical and Financial Resources
3. A harmonized coordination mechanism

As we are aware that one of the main constraints for the Lao PDR is a weakness of institutional and human resource capacity, especially within the public sectors, which requires to be addressed. In this regard, the Lao Government expresses its deep appreciation to all development partners, including NGOs for their supports and assistance to improve the capacity of the Lao personnel. Nevertheless, when taking into account the increasing need in development, it is necessary to continue to strengthen human and institutional capacity, which our government considers as a top priority. Therefore, capacity building is our government's long-term goal and shall be carried out in all sectors so as to ensure sustainability and efficiency of development. In order to enhance the capacity, appropriate and result-oriented strategy shall be put in place. In this connection, I do hope that our development partners will continue to render their support and collaborate with the Government in designing and implementing the said strategy.

On the issue of financial resources, the Lao Government will continue to mobilize internal budget and fund to cover recurrent expenditures and essential public investments. Importantly, private domestic and foreign investments as well as ODA will complement public investment. The Government will increase its efforts and carry out all necessary activities to broaden the base of growth, improvement and enforcement of customs duties and tax collection in a sufficient manner

Vientiane, 08 November 2007

while limiting revenue losses. At the same time, strengthen discipline in implementation of the plan and finance, especially to strictly undertake centralized revenues' collection, tightly introduce the financial and fiscal policy in order to ensure the stability of the national currency KIP as well as its exchange rate.

Nonetheless, we are still in need of more resources and assistance from the international community to address a number of pressing issues such as ensuring resources to support the community in combating poverty as well as to social and cultural sectors with a view to achieving timely and effectively the MDGs.

In addition, I would like our Development Partners to consider providing support and assistance in a form of Programme either at macro or sectoral level, as this form of assistance is in line with the Vientiane Declaration on Aid Effectiveness and the Sector Wide Approach or Programme Approach that we are planning to progressively put in place.

The coordination on the natural resource development need to be improved with a view to ensuring harmonized and sustainable development and to meeting the requirement for maximum use of aid. In light of the Paris Declaration, reflecting a global concern about the impact of ODA on development, the Lao Government, in collaboration with Development Partners, has formulated the Vientiane Declaration on Aid effectiveness and an Action Plan for implementation. The Vientiane Declaration was signed by the Lao Government and 24 Development Partners and it is open for any other Development Partner who wishes to join. This is a significant initial achievement that brought us to a consensus on five principles of Vientiane Declaration namely, Ownership, Alignment, Harmonization, Managing for Results, and Mutual Accountability.

On behalf of the Lao Government, I can assure you that we will continue to deploy every possible effort to make the Vientiane Declaration a reality.

Among others, we will improve the development planning system especially, strategic design, support public investment programme, reform public finance management system and the inter-ministerial coordination with a view to enhancing the ownership and to better aligning donors' support with the national policies, programmes, regulations and procedures. Intra-governmental coordination is essential for ensuring ownership and for strengthening the Government/Donor coordination within the Round Table Process, including bilateral and multilateral consultation on development cooperation.

Likewise, the Lao Government will improve and implement the Decree on the Use of Official Development Assistance, which is under the mandate of the Department of International Cooperation of the Ministry of Planning and Investment that serves as focal point for ODA, effective data improvement, including monitoring and reporting on timely and efficient disbursement and utilization of aid.

In addition, the Government will strengthen the Sector Working Groups by appointing head of the Working Group at the Ministerial level in order to facilitate consultations with the donor community with a view to building consensus on the principle of project identification and priority plan for joint action and harmonized operation by the Government agencies and donors, mobilization of resources, utilization of common indicators and benchmarks in order to monitor progress, thus ensuring sound utilization of resources and reducing management costs.

On this note, I would like to encourage all Government ministries and organizations to take into consideration the findings and recommendations of this RTIM and prior consultations in order to improve the policies and action plans, thus allowing the implementation process to receive full collaboration from their respective donor agencies.

Vientiane, 08 November 2007

I apologize for not being able to stay throughout the meeting, however, I would welcome and attentively look into your views and constructive comments.

I wish the meeting a great success and declare the meeting officially open.

Thank you

Vientiane, 08 November 2007

ANNEX 5:

Presentation on the Overall Implementation of the NSEDP and poverty reduction programme in 47 poorest districts by H.E. Mr. Soulivong Daravong, President of the Committee for Planning and Investment

Vientiane, 08 November 2007



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Round Table Implementation Meeting

2006/07 Overall NSEDP Implementation
and 2007/08 Plan Highlights

Presented by: H.E. Soulivong Daravong, President of CPI
Vientiane, October 8th, 2007



2006-07 NSEDP Implementation Status

1



Presentation Outline

1. 2006-2007 overall NSEDP implementation status
2. 2007-2008 NSEDP direction
3. 2007-2008 NSEDP implementation arrangement

2



2006-07 NSEDP

	<u>2005-06 Actual</u>	<u>2006-07 Indicators</u>
GDP Growth	7.5%	7.6%
Agriculture	3% (43.5% of GDP)	2.4% (40.7% of GDP)
Industry	15.7% (30.5% of GDP)	15.2% (33.3% of GDP)
Services	6.2% (26% of GDP)	7.0% (26% of GDP)
GDP/capita	US\$549	US\$678
Inflation	Average 7.9%	Average 4.14%
Export	US\$ 621.8 mil	US\$ 648.75 mil (9 months)
Import	US\$ 931.4 mil	US\$ 628.71 mil (9 months)
Private Investment	US\$ 2.69 bil	US\$ 1.13 bil
Rice Production	2.66 mil tons	2.58 mil tons

4



Poverty Eradication During 2006-07 (1)

- Establishment of Nayobai Bank to provide low interest loan to poor households
- Expansion of Village Development Fund (VDF) in various poor districts
- Completion of participatory poverty reduction plans in total of 37 Kumbans (or village group)

5



Poverty Eradication During 2006-07 (2)

- Poverty Reduction Fund (PRF) extended to one more district comprising of 3 Kumbans in Viengthong district, Huaphan province. As of now, PRF covers 1,913 villages in 252 Kumbans within 21 districts of the following provinces: Huaphan, Xiengkhuang, Savannaket, Saravane and Champasak
- Handover land and forest with area of 4.5 million hectares to farmers
- Assistance in 47 priority districts from international organizations and NGOs

6

Vientiane, 08 November 2007



Governance

- Reforms are undertaken in various areas: public service management, rule of law implementation, mechanisms for people's participation, financial management practices
- Harmonization of legal and judicial framework with international standards especially commerce, bankruptcy and labor
- Revision and amendment of laws on government, People's court, public prosecutor and judgment enforcement
- Continuation of compilation, regular updating and dissemination of legislation
- Regular public services improvement
- Completion of National Civil Service Training and Development Framework and National Training Curriculum
- Governance reform as a means to create opportunities for private sector and civil society to contribute to poverty reduction



Annual NSEDP 2006-07 Success in brief

- The 11 priority programs
- Economy as a whole continues to grow
- Stable monetary system resulting in a more streamlined expenditure implementation compared to previous year
- Inflation continues to decline
- Exchange rate is well-maintained
- Rapid growth in commercial plantation/ production, mining and manufacturing sector
- Positive trend in growth of business activities and export

8



Plan Implementation Constraints (1)

- Insufficient natural resource management and associated revenue generation
- Fragile public finance system
- Severe UXO contamination is denying land for agricultural expansion, disrupting forest management, killing livestock and wildlife
- Complicated and restricted economic opportunities
- Social development is still insufficient to address severe problems encountered by a large part of the population
- Poverty is still high across the Lao Society and particularly among rural population

9



Plan Implementation Constraints (2)

- Child malnutrition and maternal health are of concern
- Access to public services especially education and health facilities is not affordable
- Gender disparities still exist in education and other domains
- Lack of basic infrastructure in remote areas limiting access to markets and to public services
- Severe weaknesses in individual and institutional capacity within the public administration
- Insufficient legal and judicial framework in general in spite of steady progress

10



Annual NSEDP 2007-08 Direction



2007-08 Annual Plan Elements (1)

- Objectives
 - Favorable environment for socio-economic development through maintaining political stability, social order, justice and social security
 - High economic growth, economic balance, strengthened monetary system, competitive products
 - Develop basic economic infrastructure and service that support commercial production, regional economic integration, access to education, health, market, etc

11

12

Vientiane, 08 November 2007



2007-08 Annual Plan Elements (2)

- Objectives
 - Improve service quality especially in health & education sector, enhance lives of people by creating more employment opportunities i.e. support commercial production, permanent income-generating job to replace slash & burn cultivation
 - An encouraging atmosphere for fund mobilization from all sector. Promote SMEs and enhance public-private coordination and dialogue mechanism at both central and local level

13



Annual NSEDP for 2007-08 Targets (1)

- GDP growth rate: 8%
 - Agriculture to increase from at least 3%, covering 38.6% of GDP
 - Industry to rise from at least 15.8%, covering 35.7% of GDP
 - Service boost from at least 7%, covering 25.7% of GDP
- GDP/capita: US\$728, increase by 9.4% compared to 2006-07
- Inflation to average at less than 6%, stabilize exchange rates
- Increase export, reduce trade deficit to 5% of GDP
- Poverty reduction: 3%

14



Annual NSEDP for 2007-08 Targets (2)

- Total investment: 32% of GDP, of which public investment to account for 8% of GDP
- Reduce slash & burn cultivation area from 14,400ha to not more than 10,000ha
- Reduce number of families plasticizing in slash & burn cultivation from 21,000 families to not more than 15,000 families
- Rice production: 2.87 mil tons

15



Annual NSEDP for 2007-08 Targets (3)

- School enrolment by level: kindergarten 13.4%, primary 87%, lower secondary 64.9%, upper secondary 42.5%
- Literacy of people with 15 years of age : 76%
- Safe sanitation supply: 72%
- Use of latrine: 53%
- Vaccination: 80%
- Vocational training for 13,860 lower & upper secondary graduates
- Create jobs for 108,000 people

16



Public Investment Program

- Total number of projects: 2,799
- Total investment value: 3,442 bil kip, of which domestic fund accounts for 688 bil kip and foreign fund 2,754 bil kip

No.	Sector	Investment Program 2007-08		
		Domestic fund (%)	Foreign fund (%)	Total (%)
	Total Funding	100 %	100 %	100 %
I.	Economic	50.85 %	47.81 %	48.42 %
1	Agriculture-forestry	9.86 %	9.13 %	9.28 %
2	Industry-Commerce-Seno economic zone	1.36 %	0.04 %	0.30 %
3	Energy-mining	3.58 %	3.31 %	3.36 %
4	Civil works	36.05 %	35.32 %	35.47 %
II.	Culture-socio	13.36 %	35.42 %	31.01 %
1	Education	7.10 %	19.58 %	17.08 %
2	Health	2.98 %	6.18 %	5.54 %
3	Information-culture	2.08 %	7.13 %	6.12 %
4	Social welfare	1.19 %	2.53 %	2.26 %
III.	Other administrative bodies	35.08 %	16.77 %	20.57 %

17



Focal Poverty Reduction

- Promote income generation sources for communities
- Reduce slash & burn cultivation, more permanent jobs and resettlement. Extend education and health network coverage and enhance quality of these services.
- Improve rural infrastructure
- Improve VDF—by converting it into a shared fund and village-based production
- Continue participatory planning to decrease poverty in 10 more Kumbans within 10 districts
- PRF to broaden project activities in 161 development villages in 21 districts within 5 provinces

18

Vientiane, 08 November 2007



Annual NSED 2007-08 Some Implementation Measures

19



Some Implementation Arrangement

- Control inflation and exchange rate to stabilize macroeconomy
- Issue measures and policy that encourages fund mobilization from private sector both domestic and foreign sources
- Stricter mechanisms and implementation on forest logging
- Increase effective management of public investment projects
- Emphasis on Vientiane Declaration to encourage funds from development partners to support the implementation of the Sixth Five-Year NSED
- Prepare and have in place vehicles and equipments necessary for emergency situation/rescue such as SARS, bird flu influenza, diahreach, dang fever, cholera and other sexual transmitted diseases.

20



Thank You

21

Vientiane, 08 November 2007

ANNEX 6:

Statement on Progress on MDGs National Report by H.E. Mr. Phongsavath Boupha, Vice Minister of Foreign Affairs

Vientiane, 08 November 2007

Statement by
H.E Mr. Phongsavath BOUPHA, Vice-Minister of Foreign Affairs of the Lao PDR
On Progress on MDGs National Report
At the Round-Table Implementation Meeting
Vientiane, November 08, 2007

Mr. Chairman,
Distinguished Minister and Vice Ministers,
Members of Diplomatic Corps,
Ladies and Gentlemen,

It is my pleasure to represent the National Supervisory Committee on Millennium Development Goals (MDGs) to brief you on the progress made in the preparation for our second national report on the implementation of MDGs in the Lao PDR.

The first National Report on the implementation of MDGs in the Lao PDR has given us a general picture of where the Lao PDR stands against the timeframe of meeting MDGs by 2015. Although the first Report was quite a successful one as a result of joint effort by the Lao Government and UN system, it has yet its limitation. Throughout the production process of the report, we have faced a number of constraints associated with the identification of the right indicators and valid data and statistics. However, the first report has provided groundwork, whereby we can build our experience with a view to making the subsequent reports a more liable document.

Against this backdrop, the Lao Government has decided to prepare a second national report on the implementation of the Millennium Development Goals in the Lao PDR. Reporting on the MDGs is timely, given that 2007 is the midpoint between the adoption of the MDGs and the 2015 target date. The second MDG Report 2008 will help to take stock, review progress and identify areas where additional effort is required if Lao PDR is to meet the MDG targets by 2015. In addition, the Government is also implementing its Sixth National Socio-Economic Development Plan 2006 – 2010 (NSEDP) and the success in implementing the Sixth Plan will determine to what extent the Lao PDR is able to meet its MDG targets. The analysis from the MDG Report will also feed into the Government's upcoming mid-term review of the NSEDP, and will guide the provincial and district budget planning exercises for the coming fiscal year.

Unlike in the first MDG Report, but consistent with the UN Millennium Declaration, the Government will also attempt for the first time to report on Goal 8-“Develop a global partnership for development” that is meant to leverage global commitments for reducing poverty. The UN Millennium Declaration and the Monterrey Consensus made it clear that countries are primarily responsible for achieving Goals 1-7. Rich countries are expected to increase assistance to poor countries that demonstrate good-faith efforts to mobilize domestic resources, undertake policy reforms, strengthen institutions and tackle aspects of weak governance. Goal 8 aims to build on mutual responsibilities between poor and rich countries and the targets relate to official development assistance, market access, debt sustainability, access to essential drugs and to new technology. The Government is in the process of consultation with development partners and the UN system to identify applicable and appropriate indicators for reporting on Goal 8.

Vientiane, 08 November 2007

Mr. Chairman,

The process for preparation of the MDG R is being managed by the MDG Secretariat in the Ministry of Foreign Affairs, with associated members of the UN Country Team and development partner representatives. The final report will be endorsed by the Government at the level of the National Steering Committee for the NSEDP/Round Table Process/MDGs chaired by His Excellency the Prime-Minister.

The production of the second MDG report will adopt a more consultative approach. A number of consultations will be held among line ministries, the UN system, bilateral and multi-lateral development partners, INGOs and the broader development community. Last month a multi-stakeholder meeting was held to discuss and reach consensus around key features of the MDG Report, and another meeting will also be organized to comment on the draft report later in December 2007.

Drawing from the lessons learned, currently we are considering the data; reviewing a large number of data sources; cleaning up inconsistencies; and filling data gaps, wherever possible. In doing so we recognize that there are some setbacks that we need to address, for instance: the MDGs set the benchmarks for monitoring progress from 1990. It is well recognized that the country's statistical capacity in 1990 was weak. There were few household surveys and the 1985 Population Census was the only large source of statistical data at that time. The first Lao Expenditure and Consumption Survey (LECS) was conducted in 1992-93, the first Multiple Indicator Cluster Survey (MICS) in 1997. Consequently, the 1990 baseline numbers for many targets are extrapolations of data collected later. Extrapolations rely upon assumptions and it is important to first assess the reliability of the 1990 figures since the baseline figures have been used to set the 2015 targets. Apart from data verification, the Report will also have a greater focus on data analysis so as to understand the trends behind the numbers. For instance, as indicated by the three rounds of LECS, poverty is declining satisfactorily, but other indicators (such as health-related) are not moving similarly. Malnutrition has reduced only marginally in the last 10-15 years.

Mr. Chairman,

The Lao Government is strongly committed to achieving MDGs by 2015. This has been evident in many domestic measures adopted by the Lao Government. As I stated earlier that achieving Goal 1 to 7 is the primary responsibility of the Lao Government, but that has to be complemented by the effective implementation of Goal 8, which to a larger extent, help a least developed country like the Lao PDR attain the rest of the Goals. In this regard, I would like to express the Lao Government appreciation to the development partners who continue to support our effort in meeting our development objectives, thus contributing to the attainment of MDGs in the Lao PDR. We do hope that the spirit of cooperation and the level of support that we are enjoying now from the international community would continue to come forward and increase in the near future. With this note, I would like to wish the deliberation of this meeting a great success.

Vientiane, 08 November 2007

ANNEX 7:

Presentation on the Agriculture Situation and its Perspectives in the NSEDP implementation by H.E. Mr. Sitaheng Rasphone, Minister of Agriculture and Forestry

Vientiane, 08 November 2007



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

***Agricultural Situation and its Perspectives
in the NSEDP implementation***

by: H.E. Mr. Sitaheng RASPHONE,
Minister of Agriculture and Forestry
Vientiane, October 8th, 2007

Report of the SWG on Forestry

1. Group activities have enhanced information flows and exchanges of views on forestry issues
2. Group meetings are more relevant with the participation of the private sector and individual companies
3. Invitations to participate should be considered for embassies and forestry companies of neighboring countries
4. The Group TOR need to be reviewed to strengthen contributions to the **FS 2020 Implementation Plan**

Report of the SWG on Irrigation

1. A JICA Advisor on IMT has been recruited for the Department of Irrigation
2. Tendering is underway for a Policy Advisor for the Department of Irrigation (to arrive early in 2008)
3. A national workshop was held on 29-30 October regarding the **Diagnostic Study of 20 Irrigation Schemes**
4. The **Joint Position Paper on the Irrigation Sub-Sector** will be completed during the first half of 2008

**Outputs of the Joint Working Group on
Agriculture, Rural Development and
Natural Resources Management**

The reports of the four Sub-Working Groups were delivered Joint Working Group on 5 Nov:

- > SWG on Forestry
- > SWG on Farm and Agribusiness Development
- > SWG on Irrigation
- > SWG on Uplands Development

**Report of the SWG on Farm and
Agribusiness Development**

1. The **LaoFAB** and **LaoLink** internet forums provide a searchable archive of agribusiness news and access to related documents and websites
2. The report on **Contract Farming in Lao PDR: Cases and Questions** looks at the commercialization of smallholder agriculture
3. Other activities include
 - > Collaboration on a desk study on land concessions
 - > Production of extension materials for rubber smallholders
 - > Piloting an **Agricultural Markets Information System** using SMS text messaging

**Report of the SWG on Uplands
Development**

Issues the Group is addressing include:

1. Market-pulled development characterized by rent seeking and low levels of reinvestment and sustainability
2. The inclusion of the most vulnerable populations in FDI development activities
3. Ensuring that NGPES recommendations are implemented through develop activities
4. Establishing a policy dialog between the Government and its development partners to support a program-based approach to development

Vientiane, 08 November 2007

ANNEX 8:

Presentation on the Education Situation and its Perspectives in the NSEDP implementation by H.E. Prof. Dr. Somkot Mangnomek, Minister of Education

Vientiane, 08 November 2007

Ministry of Education

Presentation to Round Table Implementing Meeting
8th November 2007

H.E. Prof. Dr Somkot MANGNOMEK,
Minister of Education



1. Major Activities in 2006-07

- Achievements : Kindergarten GER: 12.6%; PE NER :86.4%; LSE GER : 53.62%; USE GER : 34.8%; HE the ratio students/population :1124/100,000
- Continued emphasis on Education For All (EFA) targets
- Passing of the Education Law by the National Assembly
- Adoption of Child-Friendly Schools as national strategy to achieve EFA goals
- Adoption of the National Education System Reform Strategy
- Stocktaking exercise on the Education Management Information System (EMIS)
- Development of the Education For All Mid-Decade Assessment and Fast Track Initiative Report (EFA MDA and FTI report) – final draft expected Nov'07



1. Major Activities in 2006-07

- Completion of the Lao-Australia Basic Education Project (LABEP) and Basic Education Girls Project (BEGP)
- Initiation of the ADB Technical Assistance (ADTA) on Sector Wide Approach in Education Sector Development
- Target 2007-08 : Kindergarten GER : 13.4%; PE NER:87.0%; LSE GER : 64.9%; USE GER: 42.5%; HE the ratio students/population :1104/100,000



2. Sectoral Coordination (1 of 3)

- Education and Gender Sector Working Group (EGSWG) is main vehicle for dialogue and coordination in the sector
- 5 meetings since Nov'06, Terms of Reference formally adopted and draft work plan for 2008
- Strengthening EMIS is critical to better information for planning and management of resources
- Pilot provincial/district level coordination meetings recently started in 3 northern provinces
- Donor mapping system under development to coordinate and harmonize efforts at school level
- Email increasing used by MOE to coordinate inputs



2. Sectoral Coordination (2 of 3)

- UN Education Theme Group and informal donor working group are assisting with partner coordination
- EGSWG going through a process of development and will take some time to fully realize its mandate and become fully effective
- Vientiane Declaration now providing the structure and impetus to work towards a Sector Wide Approach
- Agreement in Oct'07 EGSWG meeting to develop a 10-year Education Sector Framework (ESF) in 2008
- ESF will enable generation of annual costed and prioritised sector plans (in line with Country Action Plan)
- More links needed with other SWGs and CPI/DIC to maximize benefits of lessons learnt



2. Sectoral Coordination (3 of 3)

- Key outputs from National Conference of Education Administrators in July 2007
- 16 key objectives (which will be included in the development of the ESF) to enhance both the implementation and the impact of activities in 2008, including:
 - provision adequate numbers of teachers to remote areas
 - increase the rates of enrolment and reduce the rates of repetition and dropouts by 1-2% annually
 - print and provide sufficient number of textbooks for formal and non-formal schools
 - disseminate and advocate the Education Law to the public at large



Vientiane, 08 November 2007

3. Actions to implement CAP



- Development and formal adoption of the TORs for the EGSWG
- Holding of 2 Executive and 3 technical EGSWG meetings
- Drafting of an indicative 2008 workplan
- Agreement on the need for a single overarching long-term framework (the ESF)
- Provisional endorsement of the EGSWG on a timetable for the introduction of a costed and prioritized sector plan (ESAP)
- Outlining development partner support to the CAP and analysis of gaps

4. Closing Comment



The Ministry of Education and its Development Partners looks forward to continuing to implement the joint commitments outlined in the Vientiane Declaration and the Country Action Plan in pursuit of more effective inputs and increased development impact for the people of Lao PDR.

Thank you

Vientiane, 08 November 2007

ANNEX 9:

Presentation on the Transport Situation and its Perspectives in the NSEDP implementation by H.E. Mr. Sommad Pholsena, Minister of Public Works and Transport

Vientiane, 08 November 2007

The Ministry of Public Works and Transport (MPWT)

Presentation on the development Of Public Works and transport Network of the Lao PDR

Sommad Pholsena
Minister

The Ministry of Public Works and Transport (MPWT)

National Development Objective and Goal

To graduate from the Least
Developed Countries (LDC)
by year 2020

The Ministry of Public Works and Transport (MPWT)

Long Term Public Works and Transport
Development Strategy is to provide:

1. Enabling, Safe, and efficient transport in all modes throughout the country with low cost.
2. A land bridge connecting with neighbors.
3. Provision of water supply, urban development, and town planning.

The Ministry of Public Works and Transport (MPWT)

Main Programs

1. Preservation of Transport Assets.
2. Capital Investment.
3. Capacity building.
4. Enhance Transport Business.
5. Transit transport Facilitation.
6. Provision of water supply, urban development, and town planning.

The Ministry of Public Works and Transport (MPWT)

Accomplishment of Fiscal Year 2006-07

1. National/Sub-regional Roads.
2. Provincial/Local Roads.
3. Road maintenance.
4. Railway.
5. Airport Improvement.
6. Water supply and urban development.

The Ministry of Public Works and Transport (MPWT)

Assessment of the keys to success

1. Meets the need of NSED and MDG.
2. Support by all parties concerned.
3. Support by Donors.
4. Close monitoring and follow up.
5. Competency and incentive.

Vientiane, 08 November 2007



The Ministry of Public Works and Transport (PWT)

Achievement of Specific Objectives

1. Strong role of ownership.
2. Improve working conditions and style.
3. Decentralization process.
4. Institutional Capacity Building.
5. Donor Coordination and Harmonization.
and gradually moving toward SWAP.



The Ministry of Public Works and Transport (PWT)

Key Challenges

1. Enormous investment, but fund scarcity.
2. Investment balance (construction versus
maintenance, national versus rural).
3. Sustainability.
4. Replenishment of Road Fund / counterpart fund.



The Ministry of Public Works and Transport (MPWT)

The way forward

1. More stronger role and commitment.
2. Improve regulatory framework.
3. Delegate more responsibilities to Provinces.
4. Coordination with all stake holders.
5. Strengthen Financial management.
6. Donor Harmonization for Aid effectiveness.
7. Facilitation of land transport.



The Ministry of Public Works and Transport (MPWT)

**Thank you very much
For your kind attention**

Vientiane, 08 November 2007

ANNEX 10:

Presentation on the Health Situation and its Perspectives in the NSEDP implementation by H.E. Dr. Bounkouang Phichit, Vice Minister of Health

Vientiane, 08 November 2007



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

*Health Situation and its Perspectives
in the NSEDP implementation*

by: H.E. Dr. Bounkouang PHICHIT,
Vice Minister of Health
Vientiane, October 8th, 2007

MAIN ACTIVITIES IMPLEMENTED IN THE HEALTH SECTOR

**In accordance to the VIIIth Party Resolution
Health sector contributed to the poverty
reduction with following major achievements:**

**□ Network expansion & quality improvement of health service policy
in nationwide to make coverage:**

- for the small villages in remote areas (before that health centre cannot be built due to small number & mobile population :
- MOH has provided drug kit with short term training VHV in 5,479 villages without access to the health services, the coverage of the drug kit is 96%.

- MOH has strongly promoted hygiene & prevention, curative: immunization at the villages, schools, each level of hospital, 4 rounds per year by prioritization on immunization for integrating with MCH activities within PHC components for providing health for all: mobile team for consultation, health education, cleft lip surgery, cataract surgery; help children & handicapped, blindness, muteness, deafness, disabled; treatment with traditional medicine, tooth treat, helminthicide & other by participated from internal & external staff.
- By committed from political politburos, MOH is responsible for assisting the development in Sekong province.

- **Main activities implemented in the health sector**
- **Coordination in the health sector**
 - **Progress of Vientiane Declaration implementation**

Ministry of Health, LaoPDR

- health centers & newly constructed (760) have served as being the focal point on socio-economic development.
- Every district & each province has its own hospital (either improved or newly constructed) with quite advance medical equipments.
- MOH enlarged the healthy village with 8 components of PHC:
 - (1). health education: 3 cleans,
 - (2). Use clean water & latrine,
 - (3). reproductive health,
 - (4). nutrition,
 - (5). immunization,
 - (6). essential drug ,
 - (7). traditional medicine promotion,
 - (8). integrated management on childhood illness.

□ The Growth of Health Staff in Quantity & Quality

- In 2006, the number of health staff was 18,017 persons including 30% from military (5,406 persons).
- **Total of health staff:** 11,261 persons & 1,679 contractual staff (17.38%). At central level, 31.76%, at provincial level & 50.84% at district level but had only 343 medical doctors (6%). At the health centre had only 11 medical doctors.
- **Post graduates:** 373 in 2005 & 502 persons in 2007
- **Graduates:** 1,818 in 2005 & 1,899 in 2007
- **Medical assistants:** 3,765 in 2005 & 4,115 in 2007.
- **Nurses:** 4,916 in 2005 & 4,618 in 2007
- Some private persons from Philippines & Thailand are interested to invest on nursing development to an international standard for sending to oversea.

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Hygiene, Health Promotion & Prevention

The starting of behavior change such as practice 3 cleanness: drank previously boiled water, ate cooked food, used latrine, slept in impregnated bed net, & constructed maternity waiting home, immunized target children & women. Some figures show the progress as follows:

Number of population increases to use clean water & latrine

	2005	2007	2010
• Clean water	67%	71%	75%
• Family latrine	46%	47.31%	58%
• School latrine	15%	17.57%	35%

Immunization achieved in 2006

	Countryside	>85%	80-84%	60-79%	<60%
• BCG	96%	16 prov.	1	0	0
• DPT Hep3	81%	3 prov.	9	4	1
• Measles	70%	0 prov.	2	13	2
• Polio	80%	5 prov.	6	5	1

Malaria's incidence continues to decrease

Indicators	2005	2006	2010
• Morbidity rate/1000	5.4	3.4	1.2
• Mortality rate/100,000	1.3	0.3	
• No of impregnated bed nets	968,634	1,129,000	
• No. Persons sleeping under impregnated bed nets	2,360,744	2,892,908	3,600,000

Tuberculosis & leprosy also decreased significantly

Indicators	2002	2003	2004	2005	2006
• Total case of tuberculosis	2,644	2,800	3,215	3,811	4,269
• New case	1,829	1,866	2,240	2,803	2,988
• Prevalence (%)	48	49	58	72	76
• Achievement treated (%)	78	78	86	90	

- Expanded service for tuberculosis at all provincial & central hospitals (100%) in 2003;
- Expanded service for tuberculosis at all district hospitals (100%) in 2005;
- Expanded service for tuberculosis at 353 health centers in 2007.

AIDS remains as a low prevalence country

	2001	2004	2006	2010 (estimation)
• HIV prevalence	N/A	0.08%	N/A	not more than 0.08%
• HIV prevalence in risk group		0.9%	2.02%	2.2%
• Chlamydia infection rate	32%	38%	N/A	not more than 32%

- HIV positive 2,182 cases. The number of patients with AIDS & deaths from AIDS were 1,347 & 731, respectively.
- 39 service centers for Voluntary Counseling & Testing (VCT);

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Curative Activities

- Using modern equipments in some hospital: CT scanner, Gastro-endoscopy, Mammogram, Fluoroscopy, HIV Elisa, Doppler Ultrasound, Colposcopy, Hysteroscopy, Hysterosalpingography, Hormone & Serology tests..
- Using modern technique: Coeliosurgery, cardiovascular surgery, cerebro surgery, laser for treatment eye diseases...

- Construct the isolation building for supporting the treatment & argument Avian flu & SARS at central level & 4 provincial hospitals: Luang Namtha, Bokeo, Oudomxay & Xiengkhuang
- Event SARS is not appearing in our country & the endemic of avian flu in 2007 were solved immediately & efficiency by acceptance from population & foreigner.

Food & Drug Activities

- 151 government drug stores & private drug stores.
- In 2005, there are 1869 private drug stores: 233 type A, 344 type B & 1292 type C.
- In 2006, there are 236 type A, 346 type B & 1281 type C.
- A new laboratory room on food quality is being built by Merrier
- MOH has legislations on food, drug & medical equipments.
- Foreign private firms have encouraged people to search traditional medicines in nationwide (may cause the extinction in some plants).

Hospital Performance, 2001-2005

- OPD: 4,351,348 person-time, average 1,087,837/yr
- IPD: 720,322 person-time, average 180,081/yr
- Major surgery: 30,274 case, average 7,569/yr
- Medium surgery: 42,805 cases, average 10,701/yr
- Obstetric: 98,107 person-time, average 24,527/yr
- Radio: 246,442 person-time, average 61,661/yr
- Lab: 3,000,908 person-time, average 750,227/yr

Food & Drug Activities

- 6 modern pharmaceutical factories(produce 634 drug items).
- 3 traditional medicine workshops(produce 63 drug items).
- 1 medical supply factory.
- Domestic drug production cost 57 billions-drug import 54 billions (in KIP) since 2006.
- 38 drug & medical supply import-export companies.

Health & Medical Research

- Health & medical research has received supports & implementation: overview, theoretical & behavior studies.
- 208 health related surveys were conducted.
- 380 staff were trained on research methodology & another 138 staff were trained on health management. There are two classes graduating Master of Public Health & 78 health teachers were trained.
- Medical Dictionary was published.
- 115 health related documents & handbooks were translated.
- Cooperative research network has been established with 8 organizations & 5 institutes in 8 countries.
- There are 4 existing health legislations with its supportive regulations, guidelines & instructions.

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These achievements show as improved health indicators

- **< 1 Mortality Rate** reduces from 104/1000 (1995) to 70/1000 (2005).
- **< 5 Mortality Rate** reduces from 142/1000 (1995) to 98/1000 (2005).
- **Maternal Mortality Rate** reduces from 656/100,000 (1993) to 405/100,000 (2005).
- **Fertility Rate** reduces from 6.7 (1993) to 3.7 (2005)
- **Life Expectancy** increases from 51 (1995) to 61 years (2005).

Participation of private sector

- Only private clinics: more than 254 clinics in 2005 & 275 clinics in 2007.
- Nowadays, there are internal & external private (from Malaysia, France, Vietnam & China) who are interested to implement private hospital:.

REVIEWING ON THE HEALTH SECTOR COORDINATION

Achievements are due to:

- Guidance of the party, the close supervision of the party & the government & also the efforts of all health workers across the country.
- Precious coordination, contribution, participation & support from other sectors, donors & local authorities.
- Poor collaboration, integration & resources uses in community.

Challenges & Constraints:

- Healthy villagers are still poor.
- Understanding on the policy & lesson learned of Party is inadequate.
- Quality of care is unable to meet the needs of community.
- Inadequate number of qualified staff.
- The morbidity & mortality from preventable diseases still occur.
- The competency of VHV's, midwives, health workers at village level is very limited..

Challenges & Constraints:

- Health financing is facing a number of difficulties.
- Facing a new challenge due to changing in environment, development & lifestyle of people.
- Sexual transmitted diseases & HIV/AIDS.
- Illicit drugs such as amphetamine.
- Hygiene & health prevention & promotion is a huge task & related to environment & lifestyle of people in each area.

Conclusion

In conclusion, there is a high birth & mortality rate. These indicate the effect of poverty in our country. The poverty has been existed for long time, & the war further exacerbated its severity further. It hampered the country development. Thus, we must synchronize our efforts & resources together. If we work without any coordination, the poverty would not be overcome. Therefore, we concur with the guidance of the party in putting the development priority in rural areas for 4 sectors (Communication/Transportation, Agriculture, Education & Health) in order to alleviate the poverty.

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**THE PROGRESS OF VIENTIANE
DECLARATION IMPLEMENTATION**

- MOH has established **Coordination Unit** for Sector-wide coordination and
- **Technical Working Group**, which has representatives from each concerned Department including:
 - Mother & Child / EPI
 - Human Resource Development
 - Health Care Financing

***THANK YOU FOR YOUR
ATTENTION !***

Vientiane, 08 November 2007

ANNEX 11:

Presentation on Review of the Implementation of the Fiscal Policy and National Budget for Fiscal Year 2006-2007 by H.E. Mr. Somdy Douangdy, Minister of Finance

Vientiane, 08 November 2007



LAO PEOPLE'S DEMOCRATIC REPUBLIC

Round Table Implementation Meeting

Vientiane, 8th November 2007

Fiscal Performance & Outlook



**Macroeconomic Situation
Budget Outturn and
Fiscal Reforms**

**H.E. Mr. Somdy Douangdy
Minister of Finance**

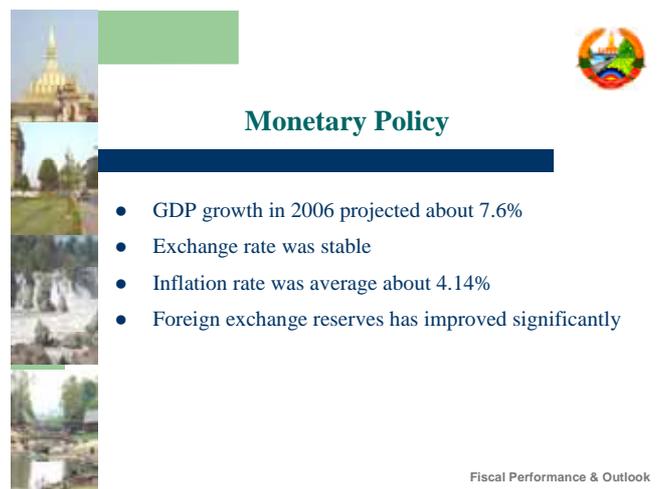
Fiscal Performance & Outlook



Presentation Outline

- Macroeconomic Developments
- Budget outturn for FY 2006-07 and outlook for 2007-08
- Progress and direction on Public Finance Management reforms

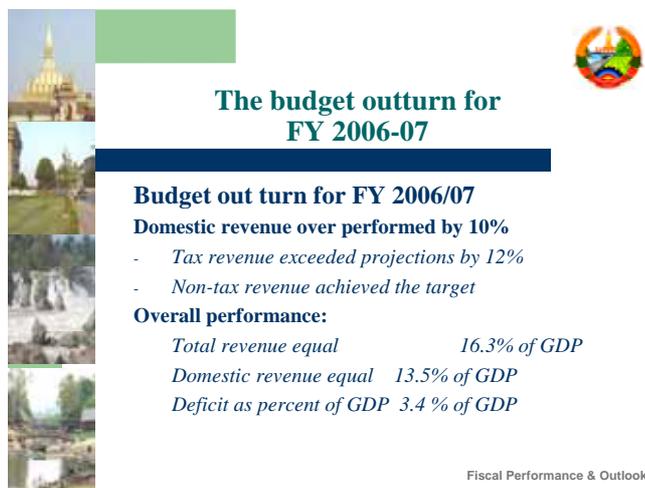
Fiscal Performance & Outlook



Monetary Policy

- GDP growth in 2006 projected about 7.6%
- Exchange rate was stable
- Inflation rate was average about 4.14%
- Foreign exchange reserves has improved significantly

Fiscal Performance & Outlook

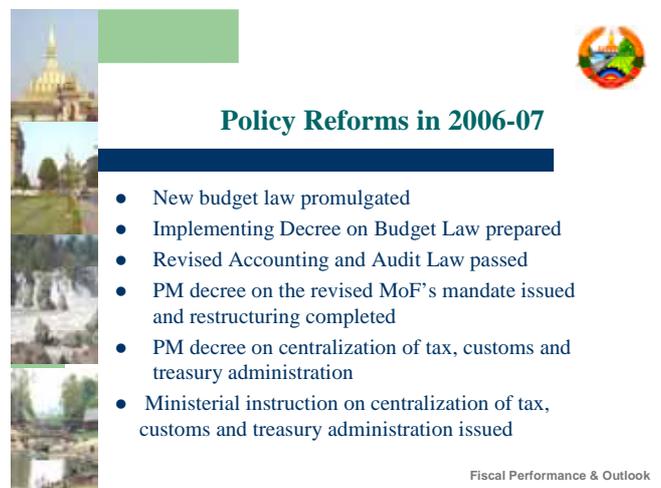


**The budget outturn for
FY 2006-07**

Budget out turn for FY 2006/07
Domestic revenue over performed by 10%
 - Tax revenue exceeded projections by 12%
 - Non-tax revenue achieved the target

Overall performance:
 Total revenue equal 16.3% of GDP
 Domestic revenue equal 13.5% of GDP
 Deficit as percent of GDP 3.4 % of GDP

Fiscal Performance & Outlook



Policy Reforms in 2006-07

- New budget law promulgated
- Implementing Decree on Budget Law prepared
- Revised Accounting and Audit Law passed
- PM decree on the revised MoF's mandate issued and restructuring completed
- PM decree on centralization of tax, customs and treasury administration
- Ministerial instruction on centralization of tax, customs and treasury administration issued

Fiscal Performance & Outlook

Vientiane, 08 November 2007



Overall Fiscal Directives

- Ensure fiscal consolidation and strive towards self-reliance
- Increase fiscal capacity and space by increasing revenue base and productive investments
- Improve policy consistency by aligning budget plan with the Sixth Five-Year Plan (2006-10)
- Foster growth, whilst maintaining macro-economic stability
- Facilitate further international integration

7

Fiscal Performance & Outlook



FY 2007/08 Budget Targets

- Total revenue is projected to be 16.5 percent of GDP, of which domestic revenue is 14 percent of GDP.
- Total recurrent expenditure is projected to be 12.5 percent of GDP, while capital expenditures are 8 percent of GDP.
- Overall budget deficit will be contained below 3.5 percent of GDP

8

Fiscal Performance & Outlook



Measures to Achieve FY 2007/08 Budget Targets

- Continue implementation of the PFMSAP reform program
- Ensure revenue administration improvements are continued and deepened
- Make sure that expenditure controls remain adequate and budgets discipline is consolidated
- Achieve progress in improving performance of state owned enterprises
- Improve the investment climate for private sector activity

9

Fiscal Performance & Outlook



Revenue Implementation Measures (1) Taxes

- Roll-out E-filing of tax returns and direct banking of tax returns to large revenue areas
- Pilot Centralization of Tax Administration started in 5 large provinces
- Taxpayer Identification Number implemented
- Prepare for introduction of value added tax
- Streamline tax administration, disseminate regulations and publish tax procedures and related metrics

10

Fiscal Performance & Outlook



Revenue Implementation Measures (2) Customs Policy and Administration

- Centralization of customs administration in 5 pilot provinces
- Harmonize customs policy and administration for fostering international integration and trade facilitation
- Establish inter-agency committee to investigate and check smuggling cases
- Increase transparency of regulations and key customs metrics

11

Fiscal Performance & Outlook



Expenditure Implementation Measures(1)

- Develop a new revenue sharing framework – budget norms and grant system
- Budget classification and reporting system consistent with International Public Sector Accounting Standards
- Consolidate government bank accounts into an effective and consistent Treasury Single Account Framework

12

Fiscal Performance & Outlook

Vientiane, 08 November 2007



Expenditure Implementation Measures(2)

- Effective centralization of Treasury:
 - Real time budget execution across the country
 - Deploy fully integrated financial management information system
 - Establish a country wide electronic payment settlement system
- Enhance capacity of State Audit Organization improving timeliness, coverage, and quality of financial audits

Fiscal Performance & Outlook



The Public Financial Management Strengthening Program (PFMSP)

- Internally consistent medium to long term umbrella program for comprehensive public finance management reforms
- Led by Vice Minister for Finance and integrated into departmental work plans
- Considers budget planning, execution, reporting and monitoring aspects of public finance management
- Budget Law implementation and Nam Theun2 Revenue Management Arrangements being implemented under this umbrella program

Fiscal Performance & Outlook



The Public Financial Management Strengthening Program

- Significant progress has been achieved
 - Budget Law Promulgated
 - Revised budget classification
 - Capacity building
- Establishing Multi-Donor Trust Fund to support PEMSP implementation
- Require significant capacity and resources

Fiscal Performance & Outlook



Enhancing Transparency and Disclosure in Public Finance Management

- Publish budget and budget execution reports on the Ministry of Finance website
- Increase disclosure of key regulations and laws governing public finance management
- Publish procurement monitoring reports via the procurement monitoring information system
- Harmonization of procurement and financial management regulations in the context of the Vientiane Declaration

Fiscal Performance & Outlook




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Fiscal Performance & Outlook

Vientiane, 08 November 2007

ANNEX 12:

Presentation on the Development Implications of Natural Resource-Based Growth and Report on Lao Business Forum outcomes by H.E. Mr. Bounthavy Sisouphanthong, Vice President, the Committee for Planning and Investment

Vientiane, 08 November 2007



Round Table Implementation Meeting (RTIM)

Development Implications of Natural Resource Based Growth

*Based on recent working session with
Nobel Laureate Dr. Joseph Stiglitz*

Mr. Bounthavy Sisouphanthong
Vice President CPI
8 November 2007

Developing country experiences with the resource curse....

- Crowding out of growth in agriculture and manufacturing
- Increased unemployment and under-employment
- Renewed poverty and inequality
- Volatility and economic/financial instability
- Narrowing of economic base
- Indebtedness
- Weakening of governance and growth in corruption
- Environmental degradation
- Socio-economic instability in the worst cases

Value of Transparency for Resource Rich Developing Countries

- Transparency is needed to compensate for weaknesses in developing country capacities, knowledge and expertise in commercialization of natural resources compared with foreign energy and mining companies.
- It increases the likelihood that outside experts both within and outside the country can offer helpful competing advice to ensure a fair deal for developing countries.
- Energy and mining companies prefer confidentiality to maintain their advantage in knowledge and expertise, and thereby maximize revenues to their shareholders and minimize revenues to the developing country.

Emerging Opportunities and Risks

- Global commodity Price Boom
- Major Opportunities for Resource Rich Developing countries like Lao PDR
- But also Major Challenges and Risks
- Paradox of Plenty
- Natural Resource Wealth: *Blessing or Curse?*
- Can dramatically impact *development results*, overwhelming in impact other aid effectiveness issues

Ensuring a Resource Blessing...

1. Maximizing Revenues to the Developing Country
 - Transparency
 - Competition
2. Effectively Managing and Investing Natural Resource Revenues
 - Macro-economic management to minimize appreciation of real exchange rate (*"Dutch Disease"*)
 - Effective Management and Investment of Resource Revenues
 - Transform Natural Resource Wealth into Human Resource Wealth
 - Enabling Infrastructure

Value of Competition for Resource Rich Developing Countries

- Competition increases the number of likely bidders on energy and mining concessions;
- The more bidders, the higher the likelihood of higher bids for concessions;
- Well-designed auction system can help maximize number of quality bidders and likely revenues going to developing country;
- Competition combined with Transparency can ensure quality of bids (including environmental considerations)

Vientiane, 08 November 2007

Selected Country Experiences with Energy and Mining Companies

Case of Bolivia: *Yes to a Fair Return on Investment, but not outright robbery!*

•Case of Indonesia: *Check the Bilateral Investment Treaty!*

Essential Ingredients to a Resource Blessing

- Advance planning to effectively govern, manage and invest resulting natural resource revenues
- Effective macro-economic management to ensure exchange rate competitiveness for livelihood and job-creating sectors – *agriculture and manufacturing*
- Transparency and participation in negotiation of contracts and management of revenues;
- Promotion of economic diversification beyond the resource base;

Essential Ingredients to a Blessing (Cont'd)

- Re-investment of assets below the ground into assets above the ground in order to preserve and build country's wealth and sustain growth with stability
- Where human resource capacities are weak, invest substantial revenues in literacy, education and human development
- Most successful resource rich countries have set up well-designed Natural Resource Fund (NRF) to facilitate effective revenue management and investment
- Avoidance of foreign borrowing against natural resource reserves

Transforming Natural Resource Wealth into Human Resource Wealth

- Development Experience confirms that virtually all developing country success stories are based on a foundation of broad based literacy, education and human development.
- Hence, re-investing resource wealth below the ground into human wealth above the ground will better ensure sustainable growth with stability over the long-term.
- Rural infrastructure (roads, irrigation, electrification) and extension services also critical to *enable* people, most of whom live and work in rural areas in most poor developing countries.
- Important role for well-designed national socio-economic development plan to guide effective investments in human development and enabling infrastructure.

Critical Importance of Job-Creating Domestic Private Business Sector

- Compensatory adjustments to policies, laws and institutions needed to compensate for real appreciation of exchange rate and restore/increase competitiveness of job creating sectors
- Ease of Doing Business survey can provide guiding framework for such compensatory adjustments to restore/increase competitiveness
- Promote diversification to prevent narrowing of economic base
- Invest in enabling infrastructure and supportive public services

Relevance to Lao PDR

- Growth in mineral exports rose more than 100% during 2006, well above NS EDP annual projections
- Mineral exports now account for well over 50% of merchandise exports -- well over 60% with hydro-exports
- Government budget revenues from mineral exports approaching 20%
- Outlook is for further growth in mineral and hydro power exports.
- Lao PDR aims to become the "*battery of the sub-region*"

Vientiane, 08 November 2007

Relevance to Lao PDR (Cont'd)

- Kip exchange rate has been appreciating against the US dollar despite deficits on external current account of balance of payments
- Foreign exchange revenues from mineral exports are adding on to foreign exchange inflows from traditional and non-traditional donor development partners, as well as inflows for major projects like Nam Theun 2
- Further upward pressure on exchange rate likely over the short to medium term
- Outcome largely positive so far, but there will be a need to closely monitor developments in future.

Possible Implications for Lao PDR (Cont'd)

- Macroeconomic management of real exchange rate will be critical to ensuring export competitiveness of livelihoods and job creating sectors -- *agriculture and manufacturing*;
- Combating *Dutch Disease* and ensuring broad based growth with stability requires further development of competitive job-creating domestic business sector;
- Compensatory improvements to policies, laws, regulations and needed public services will be needed to secure competitiveness of job-creating business sector
- The findings of the recent Lao Business Forum provide practical guidance on such needed compensatory improvements.

Results of 3rd Lao Business Forum (Con't)

- The forum also creates opportunities for parties concerned to regularly report on progress in their area and problems needing resolution.
- 3rd Lao Business Forum included reports from:
 - Manufacturing Working Group
 - Tourism Working Group
 - Services and Trade Working Group
 - Energy and Mining Working Group

Possible Implications for Lao PDR

- Effective implementation of NSEDP will be critical to ensuring a resource blessing and avoiding a resource curse.
- GDP growth is potentially misleading as the main indicator of success
- Government could consider reviewing strategy for maximizing revenues from natural resources in light of experiences by other resource rich developing countries.
- Government could consider developing more systematic strategy for *transforming natural resource wealth into human resource wealth*;

Results of 3rd Lao Business Forum

- 3rd Lao Business Forum was held on 5 November
- Government of Lao PDR considers Forum to be valuable for consultations with private sector
- Prime Minister attended Forum for first time
- Many private sector concerns and issues raised for government consideration
- 3rd Lao Business Forum focused on:
 - Implementation of Tourism Law
 - Insurance Issues
 - Tax Issues

Results of 3rd Lao Business Forum (Con't)

- Since the 2nd Lao Business Forum up to present, some preliminary evaluation can be made as follows
 - A number of business problems have been solved,
 - However, there are still many issues needing resolution
 - Lao Business Forum is becoming an effective Forum for consultations and practical resolutions
 - CPI will continue working closely with IFC and other development partners to further develop the Lao Business Forum

Vientiane, 08 November 2007



**Round Table
Implementation Meeting (RTIM)**

*By Learning from the experiences of other resource rich
developing countries, we can better ensure that Lao PDR
and its people enjoy a resource blessing in the decades
ahead.*

Thank You!

Vientiane, 08 November 2007

ANNEX 13:

Presentation on the Progress in the Implementation of Vientiane Declaration and Further Strengthening the Sector Working Groups by Mr. Somchith Inthamith, Director General, Department of International Cooperation, the Committee for Planning and Investment

Vientiane, 08 November 2007

Aid Effectiveness in Lao PDR

Mr. Somchith INTHAMITH
 Director General
 Department of International Cooperation
 Committee for Planning and Investment

PART 1:

Progress in the Implementation of Vientiane Declaration



Ownership



- Goal 1: GoL is leading the NSEDP implementation process through wide intra-government consultation and coordination with DPs.
 - > MOE moving towards PBA in systematic fashion
 - > MAF undertaken research in Irrigation and Agriculture + Natural Resource Sectors ⇒ form basis of PBA
 - > NCAW preparing Gender Mainstreaming Tool Kit
- Goal 2: GoL is leading the annual RTIM preparatory process and will follow-up on the implementation of its recommendation.
 - > Education developed TOR and Annual Plan for 2008 with Joint Monitoring Indicators

Alignment



- Goal 1 and 3: All DPs aligned to national plans and CDFs
 - DPs align programme cycle to NSEDP cycle, EU Code of Conduct
- Goal 2: No new PIUs created
 - Increased recognition of issue
- Goal 4 and 6: PFM systems and being significantly strengthened 54% of ODA uses GoL PFM, 40% use Procurement procedures
 - Funding received to prepare manuals

Harmonisation



- Goal 1 and 2: More joint research, reviews, missions and trainings
 - Joint activities in Transport sector, PEMS, and other multi-donor programmes
- Goal 3: Common Procedures
 - Study to be undertaken into financial distortions

Managing for Results



Managing For Results:

- Goal 1: Results Frameworks well advanced by 2010; ODA Database fully operational, data reliable and transparently available
 - M&E training for NSEDP undertaken. Diagnostic of existing M&E framework underway
 - Research into ODA management systems
 - Foreign Aid Report 2005-2006 has been issued

Vientiane, 08 November 2007

Mutual Accountability



Mutual Accountability:

- Goal 1: Progress over decided commitments on aid effectiveness is assessed
 - No separate CAP Review Meeting held in 2007. Secretariat to be established 2008 and CAP Review Meetings

Implementing the VD: Some Best Practises



- Establishing National Secretary charged by DIC/CPI.
- Preparing 'own' CAPs – MOE and MCTPC, other DPs
- Establishing Aid Effectiveness Secretariat - MCTPC
- Role of SWGs – leading Ministries and supportive co-chairs

PART 2:

Further Strengthening the Sector Working Groups

Future Direction for 2008



- Keep the existing 8 SWGs but have flexibility in Chairing arrangements and establishment of technical 'sub' groups
- Why?
 - Smaller number allows for better inter-ministry representation and coordination
 - Take into account ability for GoL and DPs to actively participate in meetings

SWG - Structure



SWG and Sub-groups	Chair	Co-Chair
Macro-Economic and Private Sector Development - (Public Financial Management) - (Trade with MOIC)	CPI, MOF	IMF, WB
Education and Gender	MOE	Australia, UNICEF
Health	MOH	Japan, WHO
Infrastructure	MCTPC	Japan, ADB
Agriculture, Rural Dev't and Natural Resources - Irrigation, Forestry, Uplands	MAF	France, Sweden
Governance - (Legal Sector with MOJ)	PACSA	UNDP, Sweden
Drug Control	PMO, LDCC	Australia
Mine Action	NRA	UNDP

Best Practises



SWGs work well when:

- Strong leadership from the Chairing Ministry and good partnership with the Co-Chairing DPs
- Accompanied with Secretariat support
- They have a clear mandate and the outcomes are useful and beneficial to the Government agencies and DPs involved
- There is flexibility for chairing arrangements (Rotational, Level) and for establishing sub-groups (Agriculture SWG)
- Outcome focused and information sharing (Education and Gender SWG), (Agriculture and Rural Development SWG), (Infrastructure SWG)

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Recommendations and Actions for 2008



- SWGs to have generic and specific tasks to be determined by each group
 - DIC/CPI to update SWG Guidelines
- SWGs to discuss chairing arrangements and sub-groups
- Secretariat of SWGs to be fully integrated in the ministry's structure and have necessary financial and technical support
- SWGs to prepare action plans to guide their activities and benchmarks for joint monitoring

Recommendations and Actions for 2008



- SWGs to engage with provinces
- SWGs to systematically develop links with CPI, MoF, MoFA.
- DIC/CPI to assist SWGs to address cross-sectoral topics
- DIC/CPI to share regularly information – meeting dates, minutes, topics of relevance to other SWGs
 - Upgrading existing RTM website, newsletters
 - Particular attention to be given to SWGs involving more than one sector/ministry.

Aid Effectiveness in Lao PDR



Thank You

Vientiane, 08 November 2007

ANNEX 14:

Summary Remarks by Ms. Sonam Yangchen Rana, UN Resident Coordinator and UNDP Resident Representative

Vientiane, 08 November 2007

Summary Remarks
by
Ms. Sonam Yangchen Rana,
UN Resident Coordinator and UNDP Resident Representative

- Co-Chair, UN Resident Representative: The Chair welcomed the new changes to the format of the meeting, commenting that the meeting today was very informative and built on the preparatory sessions. Development Partners have congratulated the Government's progress in NSEDP implementation over the past year. The chair summarized the key messages that have been delivered and discussed today:
 - *Public Expenditure Management:* increased budget allocation to health and education, as well as focus on recurrent costs to ensure sustainability of public assets.
 - *Private sector:* Make the investment environment more friendly, transparent and competitive. For the natural resource sectors it was recommended to establish a Code of conduct for investors (land allocation) and also learn from other countries. Crop diversification, rice pricing policy
 - *Social Development:* Urgent action is required to address issues of malnutrition amongst children. Education – quality and enrolment especially. Concerns expressed about human rights and the unintentional impacts of certain programmes such as resettlement, eradicating slash and burn agriculture and opium cultivation.
 - *Aid Effectiveness:* SWG play an important role, look at ways to make them more efficient – avoid proliferation of SWG (competence of both Government and Development Partners).

Vientiane, 08 November 2007

ANNEX 15:

Closing Statement by H.E. Mr. Soulivong Daravong, President of the Committee for Planning and Investment

Vientiane, 08 November 2007

Closing Statement
by
H.E. Mr. Soulivong Daravong
President of Committee for Planning and Investment

- Ms. Sonam Yangchen Rana, UN Resident Coordinator, UNDP Resident Representative
- Excellencies
- Ladies and Gentlemen,

Our meeting is coming to an end within a few minutes. Allow me to first of all say that we were all glad and honored by the presence among us this morning of H.E. the Prime Minister who 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 substantially and comprehensively exchanged views on several significant topics covering the progress, outcomes and constraints of the implementation of the National Socio- Economic Development Plan for Fiscal year 2006-2007, future direction for the coming Fiscal year, as well as the preliminary findings of MDGs Report II and implementation progress in the field of poverty reduction. Implementation of the National Budget and Resource Allocation to Sectoral Programmes / Public Investment, Sectoral Situation and Perspective, Progress in the Implementation of Vientiane Declaration and Further Strengthening the Sectoral Working Group, as well as Development Implications of Natural Resource – Based Growth and Report on Lao Business Forum outcomes were also analyzed and discussed.

We have engaged our discussion in an open, frank and constructive manner enabling us to present our achievements, to identify shortcoming, to draw up lessons and to shape our future actions. It was also a good opportunity for all of us, government institutions and Development Partners, to strengthen the policy dialogue and further coordinate and actions within a spirit of ownership, alignment, harmonization, managing for results and mutual accountability which are the fundamentals of the Round Table Process.

I would like to express my appreciation to all Governmental agencies and all their staffs who are working behind and present here today for their significant contribution in the preparatory process leading up to this Round Table Implementation Meeting and for the good papers they formulated with regard to their respective sections and topics. I would like equally to express my thanks and gratitude to all Development Partners for their valuable contributions in the discussion by means of comments, suggestions and advice. I believe that by working together, and in unison we can effectively push forward the development process and put Lao PDR, as pointed out this morning by Ms. Sonam Yangchen Rana, UN Resident Coordinator, on the right direction to achieve the MDGs and gradually moving out of the under development status by 2020.

The outcomes of today meeting will encourage the Government to further pursue the implementation of the National Socio-Economic Development Plan and the national MDGs on a solid foundation.

The success of this Round Table Implementation Meeting is, however, only a preliminary step. We still have important challenges ahead and these will require greatest efforts from both the Government and Development Partners, to achieve the development goals objective and in particular to eradicate poverty and improve the well being of the people.

Vientiane, 08 November 2007

In this context, I am confident that Laos will further engage assistance and support from donor countries, International Financial Institutions, Regional Organizations as well as International Non-Government Organizations . Laos , for its part, is prepared to provide a close cooperation and work closely with all Development Partners to ensure the concrete success of the 6th five year plan as well as to maximize the effectiveness of Official Development Assistance.

I would like to conclude by reiterating the appreciation and the gratitude of the Lao's People and Government to our Development Partners for the valuable assistance and support accorded to the socio-economic development of the country. I would like also to express special thanks to UNDP to my co-chair Ms. Sonam for the valuable advice, support and assistance provided to us in preparing and organizing the meeting. I wish you all good health, happiness, prosperity, an enjoyable stay in Laos and for those coming from abroad a safe return to their countries and work place.

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

Vientiane, 08 November 2007

APPENDIX 1:

Invitation Letter to the RTIM 2007

Vientiane, 08 November 2007



LAO PEOPLE'S DEMOCRATIC REPUBLIC

Peace Independence Democracy Unity Prosperity

Committee for Planning and Investment

No. 1423 /CPI
Vientiane Capital, 10..OCT..2007

INVITATION

Round Table Implementation Meeting
November 8, 2007, Lao Plaza Hotel, Vientiane

Excellency,

On behalf of the Government of the Lao People's Democratic Republic, it is my great pleasure to invite your Excellency to participate in the Round Table Implementation Meeting that we are preparing to organize on November 8, 2007 at Lao Plaza Hotel.

The objective of the meeting is to review the progress made since the 9th Round Table Meeting, including progress on the Implementation of the Socio-Economic Development Plan and the Budget for FY 2006-2007. This year, there will also be more focus on implementation progress in the priority sectors, as well as discussions on some emerging development issues and opportunities that need to be streamlined into the Implementation of the 5 year plan.

Prior to the RTIM on 8th November, there will be a series of smaller, focused consultative meetings which aim to facilitate more in-depth discussion, with the findings then shared at the RTIM with the wider Government and Development Partner community.

Kindly find enclosed the tentative agendas for the RTIM and lead-up meetings. We will arrange to send you other information and background documents in due course.

The Government of the Lao PDR would be highly honored if your Excellency could facilitate the participation of your Government/Agency in the Round Table Implementation Meeting. In this regard, it would be very much appreciated if your agency's participation both in the RTIM and in the various lead-up meetings could be confirmed at your earliest convenience to the attention of Mr. Rasy PHRACHANH and Ms. Anouluck MUANGNALAD, Department of International Cooperation, CPI at Mobile: (856-20) 5627435, 5622015; and e-mail: rasy_phrachanh@yahoo.com; anouluck856@hotmail.com.

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

President
Committee for Planning and Investment *Ru.*



Soulivong Daravong
Soulivong DARAVONG

Vientiane, 08 November 2007

APPENDIX 2:

Group Photo Session



The Prime Minister, Chair, Co-chair, Ministers and Vice Ministers



The Prime Minister, Chair, Co-chair and Ambassadors



The Prime Minister, Chair, Co-chair and Head of International Organizations

Vientiane, 08 November 2007

APPENDIX 3:

- List of Participants
- a. Government Officials
 - b. Development Partners

Vientiane, 08 November 2007

List of Government Officials
Round Table Implementation Meeting
November 08 2007, Lao Plaza Hotel, Vientiane Lao PDR

National Assembly			
1	H.E. Mr. Khamsing Xayyakhone	Chairman	Commission for Economic and Finance
Prime Minister's Office (PMO)			
2	H.E. Mr. 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	H.E. Mrs. Khempheng Pholsena	Minister to PMO	Water Resource and Environment Administration
5	H.E. Mr. Akhom Tounalom	Vice President	National Land Management Authority
6	Ms. KeobangA Keola	Acting Permanent Secretary	Water Resource and Environment Administration
7	Dr. Maligna Sayavong	Executive Director	National Regulatory Action of Mines
8	Mr. Sumnuk Vorasan	Deputy Executive Director	National Regulatory Action of Mines
Committee for Planning and Investment (CPI)			
9	H.E. Mr. Soulivong Daravong	President	Committee for Planning and Investment
10	H.E. Mr. Bounthavy Sisouphanthong	Vice President	Committee for Planning and Investment
11	Dr. Khamlien Pholsena	Director General	Department of General Planning
12	Mr. Houmpheng Souralay	Director General	Department of Investment Promotion
13	Mr. Visay Savanna	Director General	Department of Monitoring and Evaluation
14	Mr. Somchith Inthamith	Director General	Department of International Cooperation
16	Dr. Samaychanh Boupha	Director	National Statistic Center
17	Ms. Sirivanh Khonthapan	Acting Director	National Economic Research Institute
18	Mr. Houmphphan Soukpasith	Deputy Director General	Department of International Cooperation
19	Mr. Fhongsamoth Khamvanvongsa	Secretary to President	Committee for Planning and Investment

Vientiane, 08 November 2007

20	Mr. Rasy Prachanh	Director of Division	Department of International Cooperation
21	Ms. Sisomboun Ounavong	Director of Division	Department of International Cooperation
22	Mr. Bouasavath Inthavanh	Director of Division	Department of International Cooperation
23	Mr. Bounluane Somsihaphanya	Acting Director of Division	Department of International Cooperation
24	Ms. Saymonekham Mangnormake	Acting Director of Division	Department of International Cooperation
25	Mr. Douangmala Chanthalangsy	Acting Director of Division	Department of International Cooperation
26	Mr. Vilaya Dalaloy	Acting Director of Division	Cabinet Office
27	Mr. Phaileuth Phonboulom	Acting Director of Division	Department of General Planning
28	Ms. Vilaythone Sounthonexaymongkhounh	Deputy Director of Division	Department of International Cooperation
29	Mr. Dathsadachanh Sayaphet	Deputy Director of Division	Department of International Cooperation
30	Mr. Vanpheng Sengmanothum	Deputy Director of Division	Department of International Cooperation
31	Mr. Kongkham Xaysongkham	Deputy Director of Division	Cabinet Office
32	Ms. Sypaphaphone Choulamany	Officer	Department of General Planning
33	Mr. Chanmy Keodala	Officer	Department of International Cooperation
34	Mr. Santi Inphachack	Officer	Department of International Cooperation
35	Mr. Valiya Sichanthongthip	Officer	Department of International Cooperation
36	Mr. Alounsith Maniphon	Officer	Department of International Cooperation
37	Mr. Chanthaly Chansomphet	Officer	Department of International Cooperation
38	Mr. Thongsone Philavong	Officer	Department of International Cooperation
39	Ms. Lathdavanh Tounalom	Officer	Department of International Cooperation
40	Ms. Phimdavanh Homlathsamy	Officer	Department of International Cooperation
41	Ms. Lathanakone Outhaiyavong	Officer	Department of International Cooperation
42	Mr. Kongjee	Advisor	Department of International Cooperation

Vientiane, 08 November 2007

43	Mr. Dalaphap Photisan	Officer	Department of International Cooperation
44	Mr. Saomani Manivong	Officer	Department of International Cooperation
45	Mr. Phanthavong Phouthavong	Officer	Department of International Cooperation
46	Ms. Phiangthasone Keolangsy	Officer	Department of International Cooperation
47	Mr. Chittakone Rajphangthong	Officer	Department of International Cooperation
48	Mr. Khongsavath Phengphunthavong	Officer	Department of International Cooperation
49	Ms. Anouluck Muangnalad	Officer	Department of International Cooperation
Ministry of Foreign Affairs (MOFA)			
50	H.E. Mr. Phongsavath Boupcha	Vice-Minister	Ministry of Foreign Affairs
51	Mr. khamKheuang Bounteum	Director General	Department of Treaties and Law
52	Mr. Yong Chanthalangsy	Director General	Department of Press
53	Mr. Saleumxay Khommasith	Acting Director General	Department of International Organizations
54	Mrs. Vansy Villignaphone	Deputy Director General	Department of International Organizations
55	Mr. Bounpheng Saykanya	Deputy Director General	Department of Treaties and Law
56	Mr. Nilahath Sayarath	Deputy Permanent Secretary	Ministry of Foreign Affairs
57	Mr. Kobkeo Luangkhot	Deputy Director General	Department of Protocol
58	Mr. Anouparp Vongnokeo	Director of Division	Department of International Organizations
59	Mr. Chansay Souliphon	Officer	Department of Protocol
60	Mr. Maythong Thammavongsa	Officer	Department of International Organizations
Ministry of Finance (MOF)			
61	H.E. Mr. Somdy Douangdy	Minister	Ministry of Finance
62	Ms. Thippakone Chanthavongsa	Director General	Department of External Finance
63	Mr. Bounthong Keomahavong	Director General	Department of Fiscal Policy
64	Ms. Thongdy Soulichack	Deputy Director General	Department of Fiscal Policy

Vientiane, 08 November 2007

65	Mr. Somsanouk Sinamouny	Director of Division	Department of Fiscal Policy
Ministry of Agriculture and Forestry (MAF)			
66	H.E. Mr. Sitaheng Rasphon	Minister	Ministry of Agriculture and Forestry
67	Dr. Phuanparisak Pravongviengkham	Director General	Department of Planning and Cooperation
68	Mr. Xaypladeth Choulamany	Deputy Director	Department of Planning and Cooperation
Ministry of Education (MOE)			
69	H.E. Prof. Dr. Somkot Mangnomek	Minister	Ministry of Education
70	Mr. Ouam Sengchandavong	Director General	Department of Planning and Cooperation
Ministry of Health (MOH)			
71	H.E. Dr. Bounkouang Pichith	Vice Minister	Ministry of Health
72	Dr. Bounfeang Phommalsayth	Deputy Permanent Secretary	Ministry of Health
73	Dr. Khamphet Manivong	Acting Director General	Department of Planning and Cooperation
Ministry of Industry and Commerce (MOIC)			
74	Mr. Sirisamphane Vorachit	Deputy Permanent Secretary	Ministry of Industry and Commerce
Ministry of Public Works and Transport (MPWT)			
75	H.E. Mr. Sommad Pholsena	Minister	Ministry of Public Works and Transport
76	Mr. Math Sounmala	Director General	Department of Planning and Cooperation
Ministry of Energy and Mining (MEM)			
77	H.E. Dr. Bosaykham Vongdara	Minister	Ministry of Energy and Mining
78	Mr. Chareune Inthavy	Deputy Permanent Secretary	Ministry of Energy and Mining
Ministry of Justice (MOJ)			
79	Mr. Sida Lokaphone	Assistant of Minister	Ministry of Justice
Ministry of Labor and Social Welfare (MLSW)			
80	H.E. Mr. Laoly Faiphengyao	Vice Minister	Ministry of Labor and Social Welfare
81	Ms. Baykham Khatthiya	Permanent Secretary	Ministry of Labor and Social Welfare

Vientiane, 08 November 2007

Bank of Lao PDR			
82	Mr. Bounsong Sommalavong	Vice Governor	Bank of Lao PDR
83	Mr. Panom Lathouly	Deputy Director	Department of External Relations
Office of Supreme Public Prosecutor (OSPP)			
85	Mr. Langsy Sibounheung	Vice President	Office of Supreme Public Prosecutor
Lao National of Chamber of Commerce and Industry (LNCCI)			
86	Dr. Sanan Choulamany	Vice President	Lao National of Chamber of Commerce and Industry
Lao Front National Construction (LFNC)			
87	H.E. Dr. Sayamang Vongsak	Vice President	Lao Front National Construction
Lao Women's Union (LWU)			
88	H.E. Mrs. Khamchan Phongsengsavanh	Vice President	Lao Women's Union
89	Ms. Bouachanh Sihanad	Permanent Secretary	Lao Women's Union
Lao Youth Union (LYU)			
90	H.E. Mr. Khamphanh Sithidampha	Secretary	Lao Youth Union
Vientiane Capital			
91	H.E. Mr. Bounchan Sinthavong	Vice Mayor	Vientiane Capital City Office
Vientiane Province			
92	H.E. Mr. Khammeung Phongtady	Governor	Governor Office of Vientiane Province
Bolikhamsay Province			
93	H.E. Mr. ThongOn Khamphouban	Vice Governor	Governor Office of Bolikhamsay Province
Lao National Commission for the Advancement of Women (LAO NCAW)			
94	Ms. Chanhdy Pankeo	Head of Secretary	Lao National Commission for The Advancement of Women
Lao Commission for Drug Control (LCDC)			
95	Mr. Ounseng Vixay	Head of Cabinet Office	Lao Commission for Drug Control

Vientiane, 08 November 2007

List of Development Partners
Round Table Implementation Meeting
November 08 2007, 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
Belgium			
3	Dr. Frank Haegeman	Representative BTC	BTC, Vientiane Lao PDR
4	Mr. Dirk Heuts	Minister Counselor	Embassy, Vientiane Lao PDR
Brunei Darussalam			
5	H.E. Mr. Haji Sidek Bin Ali	Ambassador	Embassy, Vientiane Lao PDR
Cambodia			
6	H.E. Mr. Yi Dan	Ambassador	Embassy, Vientiane Lao PDR
China			
7	H.E. Mr. Pan Guangxue	Ambassador	Embassy, Vientiane Lao PDR
8	Mr. Zhang Jong	Secretary	Embassy, Vientiane Lao PDR
Cuba			
9	H.E. Mrs. Ivonne Suarez Roche	Ambassador	Embassy, Vientiane Lao PDR
European Commission (EC)			
10	Mr. Henry Prankerd	Chargé d' Affaires	Delegation of European Commission, EC Vientiane Lao PDR
11	Mr. Andrew Jacobs	Counselor/ Head of Operations Section	Delegation of European Commission, EC Bangkok Thailand
12	Mr. Mel Jones	Attaché	Delegation of European Commission, EC Vientiane Lao PDR

Vientiane, 08 November 2007

13	Mrs. Juana Aristizabal	Attaché	Delegation of European Commission, EC Vientiane Lao PDR
Finland			
14	Ms. Helena Ahola	First Secretary, Development Cooperation	Embassy, Bangkok Thailand
France			
15	H.E. Mr. Maurice Portiche	Ambassador	Embassy, Vientiane Lao PDR
16	Mr. Jean-François Grunstein	Counselor Cooperation and Culture	Embassy, Vientiane Lao PDR
17	Ms. Julia Schwarz	Donors and NGO Relation Officer	Embassy, Vientiane Lao PDR
18	Mr. Etienne Woitellier	Country Director	AFD, Vientiane Lao PDR
19	Mr. Zacharie Mechali	Deputy Director	AFD, Vientiane Lao PDR
Germany			
20	H.E. Dr. Peter Wienand	Ambassador	Embassy, Vientiane Lao PDR
21	Dr. Ulrich Sabel-Koschella	Country Programme Director	GTZ, Vientiane Lao PDR
22	Mr. Wolfgang Schunke	Country Director	DED, Vientiane Lao PDR
Hungary			
23	Mr. Zoltan Szabo	Commercial Counselor	Embassy, Hanoi Vietnam
India			
24	H.E. Mr. Suresh K. Goel	Ambassador	Embassy, Vientiane Lao PDR
Indonesia			
25	Mr. Nano Harsihono	Minister Counselor	Embassy, Vientiane Lao PDR
26	Mr. Baskoro Nugroho Ajie	Assistant	Embassy, Vientiane Lao PDR
Ireland			
27	Mr. Damien Boyler	Asia Desk Officer/ Irish Aid	Hanoi, Vietnam
Japan			
28	H.E. Mr. Masaaki Miyashita	Ambassador	Embassy, Vientiane Lao PDR
29	Mr. Ken Nakamura	First Secretary	Embassy, Vientiane Lao PDR
30	Ms. Miki Matsuura	Advisor Economic Affairs & Multilateral Relations	Embassy, Vientiane Lao PDR

Vientiane, 08 November 2007

31	Mr. Hiroaki Takashima	Resident Representative	JICA, Vientiane Lao PDR
32	Mr. Koichi Taket	Deputy Resident Representative	JICA, Vientiane Lao PDR
Luxemburg			
33	H.E. Mr. Marc Ungeheuer	Ambassador	Embassy, Hanoi Vietnam
34	Mr. Patrick Ackermann	Attaché Development Cooperation	Embassy, Hanoi Vietnam
Malaysia			
35	H.E. Mr. Zainal Abidin Ahmad	Ambassador	Embassy, Vientiane Lao PDR
36	Ms. Sakina Jamaludin	Second Secretary	Embassy, Vientiane Lao PDR
Mongolia			
37	H.E. Mr. Batbaatar Togtokhbayar	Ambassador	Embassy, Vientiane Lao PDR
Philippines			
38	H.E. Ms. Elizabeth P. Buensuceso	Ambassador	Embassy, Vientiane Lao PDR
Poland			
39	Dr. Tomasz Gerlach	Chargé d' Affaires	Embassy, Vientiane Lao PDR
Republic of Korea			
40	H.E. Mr. Park Jae-hyun	Ambassador	Embassy, Vientiane Lao PDR
41	Mr. Jong Keun Chang	Resident Representative	KOICA, Vientiane Lao PDR
42	Mr. Jun Young Sue	Deputy Resident Representative	KOICA, Vientiane Lao PDR
43	Mr. LEE Sang-ryol	Counselor	KOICA, Vientiane Lao PDR
Singapore			
44	Mr. Roderick Soo	Second Secretary	Embassy, Vientiane Lao PDR
Sweden			
45	Ms. Annlis Aberg	Chargé d' Affaires	Embassy, Vientiane Lao PDR
46	Mr. Jorgen Persson	Counselor	SIDA, Vientiane Lao PDR
47	Ms. Lisbet Bostrand	First Secretary	Embassy, Vientiane Lao PDR
48	Ms. Anne Kullman	First Secretary	Embassy, Vientiane Lao PDR

Vientiane, 08 November 2007

Switzerland			
49	Dr. Barbara Böni	First Secretary / Head of SDC Branch Office	SDC, Vientiane Lao PDR
50	Mr. Rémy Duiven	First Secretary Development & Cooperation	SDC, Vientiane Lao PDR
51	Mr. Markus Waldvogel	Counselor, Head of Delegation	SDC, Vientiane Lao PDR
52	Ms. Nithsa Vongphanakhone	National Programme Officer	SDC, Vientiane Lao PDR
53	Mr. Somsack Chandara	National Programme Officer	SDC, Vientiane Lao PDR
Thailand			
54	Mr. Thong Benjasil	First Secretary	Embassy, Vientiane Lao PDR
55	Mr. Udomsak Sritangos	Chargé d' Affaires	Embassy, Vientiane Lao PDR
56	Ms. Yuwadee Meksiriwich	Programme Officer	Embassy, Vientiane Lao PDR
United States Of America			
57	H.E. Mr. Ravic R. Huso	Ambassador	Embassy, Vientiane Lao PDR
58	Mr. Joshua Archibald	Economic Officer	Embassy, Vientiane Lao PDR
Socialist Republic of Vietnam			
59	H.E. Mr. Nguyen Huy Quang	Ambassador	Embassy, Vientiane Lao PDR
60	Mr. Nguyen Huu huing	Counselor Political	Embassy, Vientiane Lao PDR
61	Mr. Ho Quang Minh	Director General Dept. of International Economic Relation	Ministry of Planning and Investment, Hanoi Vietnam
INTERNATIONAL FINANCIAL INSTITUTIONS			
Asian Development Bank (ADB)			
62	Mr. Christopher T. Hnanguie	Country Economist	Lao Resident Mission, Vientiane Lao PDR
World Bank (WB)			
63	Mr. Ian Porter	Country Director	World Bank, Bangkok Thailand
64	Mr. William Rex	Lead Country Officer	Vientiane, Lao PDR
65	Ms. Ekaterina Vostroknutova	Country Economist	Vientiane, Lao PDR

Vientiane, 08 November 2007

66	Ms. Soudalath Silaphet	Operation Analyst	Vientiane, Lao PDR
67	Mr. Cayetana Casado	Research Analyst	Vientiane, Lao PDR
International Monetary Fund (IMF)			
68	Mr. Benedict Bingham	Senior Resident Representative	C/o Bank of The Lao PDR, Vientiane, Lao PDR
69	Mr. Soulinthone Leuangkhamsing	Economist	C/o Bank of The Lao PDR, Vientiane, Lao PDR
70	Mrs. Khampao Nanthavong	Economist	C/o Bank of The Lao PDR, Vientiane, Lao PDR
INTERNATIONAL ORGANIZATIONS			
United Nations Development Programme (UNDP)			
71	Ms. Sonam Yangchen Rana	UN Resident Coordinator, UNDP Resident Representative	Vientiane, Lao PDR
72	Mr. Stéphane Vigié	Deputy Resident Representative (Programme)	Vientiane, Lao PDR
73	Mr. Irene Dabaré	Deputy Resident Representative (Operations)	Vientiane, Lao PDR
74	Mr. Robert Glofcheski	Chief Resident Economist	Vientiane, Lao PDR
75	Mr. Hamadi Hamdi	Senior Technical Adviser	RTP, Vientiane Lao PDR
76	Mrs. Virachit Vongsak	Senior NEX Advisor	Vientiane, Lao PDR
77	Ms. Mariko Harada	UXO Unit Manager	Vientiane, Lao PDR
78	Ms. Elsa Morandat	Programme Analyst	Vientiane, Lao PDR
79	Ms. Sophie Mackinnon	Research Analyst	Vientiane, Lao PDR
80	Mr. Suresh Balakrishnan	Chief Technical Advisor	GPAR, Vientiane Lao PDR
81	Ms. Verena Lineweber	Head, RC Office	Vientiane, Lao PDR
82	Ms. Cathy Williams	PIU Manager	Vientiane, Lao PDR
83	Mr. Jussi Kainalainen	PIU Officer	Vientiane, Lao PDR
84	Mr. Viengsamay Vongkhamsao	Programme Analyst	Vientiane, Lao PDR
85	Ms. Khamsene Phengphong	Programme Associate	Vientiane, Lao PDR

Vientiane, 08 November 2007

86	Ms. Amphone Phiphacphommachanh	Personnel Assistant to RR	Vientiane, Lao PDR
87	Ms. Phengsy Norintha	Assistant to DRR	Vientiane, Lao PDR
88	Ms. Khamkeung Kautisen	Secretary	Vientiane, Lao PDR
89	Ms. Manisone Sukhaseum	Programme Analyst	Vientiane, Lao PDR
90	Ms. Vidaovanh Phounvixay	UN Coordination Associate	Vientiane, Lao PDR
Food and Agriculture Organization of the United Nations (FAO)			
91	Mr. Serge Verniau	Representative	Vientiane, Lao PDR
International Labor Organization (ILO)			
92	Mr. Jiyuan Wang	Deputy Director	Bangkok, Thailand
93	Ms. Fiona Howell	CTA	Bangkok, Thailand
United Nations Programme on HIV / AIDS (UNAIDS)			
94	Dr. Michael Hahn	Country Coordinator	Vientiane, Lao PDR
United Nations Population Fund (UNFPA)			
95	Ms. Mariolein Coren	Deputy Representative	Vientiane, Lao PDR
96	Ms. Kristine Nilsen	Programme Officer	Vientiane, Lao PDR
United Nations Children's Fund (UNICEF)			
97	Ms. Laila Ismail Khan	Representative	Vientiane, Lao PDR
98	Mr. Abdulai Kaikai	Officer in Charge	Vientiane, Lao PDR
United Nations Industrial Development Organization (UNIDO)			
99	Ms. Ayumi Fujino	Head of Regional Office and Representative	Bangkok, Thailand
100	Mr. Kheungkham Keonouchanh	Head of UNIDO Operation	Vientiane, Lao PDR
United Nations Office on Drugs and Crime (UNODC)			
101	Mr. Leik Boonwaat	Representative	Vientiane, Lao PDR
102	Mr. Richard Philippart	Associate Expert	Vientiane, Lao PDR

Vientiane, 08 November 2007

World Food Programme (WFP)			
103	Ms. Christa Räder	Representative	Vientiane, Lao PDR
World Health Organization (WHO)			
104	Dr. Dong-il AHN	Representative	Vientiane, Lao PDR
Mekong River Commission (MRC)			
105	Mr. Phetsamone Southalack	Natural Resources Planner	Vientiane, Lao PDR
International Non - Governmental Organizations (INGO)			
106	Mr. Frank Reimann	Country Director	Vientiane, Lao PDR
International Center for Tropical Agriculture (CIAT)			
107	Dr. Keith Fahrney	CIAT-PRDV Project Leader	Vientiane, Lao PDR
108	Dr. Thiphavong Boupha	Economist	Vientiane, Lao PDR
International Rice Research Institute (IRRI)			
109	Dr. Gary Jahn	Representative	Vientiane, Lao PDR
Mekong Private Senior Development Faculty (MPDF)			
110	Miss. Pascale Rouzies	Lao Business Forum Coordinator, IFC-MPSF	Vientiane, Lao PDR
UN-HABITAT			
111	Mr. Avi Sarkar	Regional CTA	Vientiane, Lao PDR