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**Opening Remarks by
Mr. Minh Pham
UN Resident Coordinator, UNDP Resident Representative
At the
Round Table Implementation Meeting (RTIM) 2012
23rd November 2012 – Don Chan Palace Hotel**

- His Excellency Dr. Thongloun Sisoulith - Deputy Prime Minister and Minister of Foreign Affairs
- His Excellency Somdy Douangdy – Minister of Planning and Investment
- Excellencies Ministers, Ambassadors, Head of Development Organizations
- Representatives from Civil Society Organizations
- Distinguished Participants
- Colleagues
- Ladies and gentlemen

Introduction

I am very pleased to have this opportunity to co-chair the RTIM for a second time. I look forward to building on the success of our dialogue last year to make this meeting even more memorable in the annals of our development cooperation.

I believe our solid partnership experience will enable us to find practical and effective ways of reaching a consensus on how to resolve what might otherwise become persistent challenges to achieving our valuable development goals.

On behalf of the Development Partner Community, I would like to express our sincere appreciation to the honourable Deputy Prime Minister for opening our meeting today and contributing important perspectives to focus our dialogue.

I would like to express our gratitude also to the honourable Minister of Planning and Investment for chairing our meeting. His guidance last year was critical in establishing an open and productive dialogue.

I am confident he will provide similar support this year and encourage his colleagues Ministers and Vice-Ministers of the Government to have another very productive and friendly exchange of views.

In that context also I am pleased to welcome for the first time in our deliberations a number of participants from the Non Profit Associations (NPAs), representing a significant expansion in the range of stakeholders joining in our dialogue.

I believe we all appreciate the contribution that civil society, national and international, makes to our development efforts and I look forward to your constructive contributions today.

Another first for our RTIM today will be the presentation by the Governor of Xieng Khouang Province, deepening further our dialogue on engagement at the local level. May I at this point also thank him for so graciously and effectively hosting the Round Table Local Consultation on the Northern Region in May.

Focus of dialogue

This RTIM comes one year before the next High Level Round Table Meeting, which is aligned with the mid-term review of the 7th NSEDP in 2013. In that context I think it is important to focus our dialogue today on a few critical areas of national development that require our concerted attention in the coming months if we are to make more rapid progress towards achieving the MDGs by 2015 and LDC Graduation by 2020.

The background document for this Meeting provides details of progress on many subjects but I would like to focus on five issues, namely growth and FDI, land management, the MDGs, Governance, and our Development Cooperation.

Before turning to those issues I would like acknowledge the Government's achievements overall, as reflected in the background document, in sustaining sound macro-economic management in a difficult global setting, as well as continuing to realize high levels of economic growth associated with FDI.

Accession to WTO is another signal of the government's seriousness in being a responsible international partner, as evidenced also in the highly successful ASEM meeting held here just a few weeks ago.

The first of my five issues is the challenge raised at last year's RTIM of how to further **diversify the economy** and also assure increased benefits to the people from foreign investments and trade, to reverse the increasing income inequalities across the country.

In this context I am pleased to note that the Road Map produced by the new Trade and Private Sector Working Group seeks to achieve results from diversification and integration from a pro-poor perspective. I look forward to more intensive stakeholder engagement as this work progresses over the next year.

For my second issue, I turn to a related topic from last year's discussion which concerned **land management**, in relation especially to the impact of FDI. I am pleased that such issues have been under review in the new land policy being prepared by MONRE for consideration by the National Assembly.

It is vital that this policy review process reflects all opinions and concerns from a pro-poor perspective, given the cultural, social and economic importance of land to the people especially in rural areas.

For example the consultations with farmer's organizations sponsored by the ARD SWG highlighted the land titles issue and the sometimes negative impact of FDI in particular on small farmers. I look forward to further productive discussion on the vital subject of land policy.

For my third issue, **achieving the MDGs**, the status of progress is reflected in some detail in Chapter 3 of the background document. There continues to be solid and steady progress against a number of important indicators, but I am concerned that the off-track indicators we discussed last year, as well as some new ones, do not appear to have moved enough in a positive direction. This is reflective also of widening inequalities across the country.

In this context it is encouraging that the Government continues to invest overall more in the health and education sectors. The reality, however, is that

- without more of existing sector budget resources being allocated to preventive and pro-poor priority initiatives,
- without allocating more human resources to those priorities, and
- without coordinated efforts to overcome the very real constraints we know of in each sector,

it is likely that the MDG targets set for 2015 will not be reached.

Therefore I encourage the Government to further prioritise budgets within these sector allocations so that more resources go to sound and practical programmes that we know will have an impact on reaching MDG targets. We are ready to cooperate in such an effort and to engage with you on dealing with the most seriously off-track MDGs.

We have started already discussions on how to address food and nutrition security, and we would welcome the designation of a lead institution with the authority and mandate to coordinate intensive efforts across government on a common agenda to which development partners can contribute.

The Government supported by the United Nations is preparing the next national MDG report, to be presented to the United Nations General Assembly special session in 2013. Any improvements we make in dealing with these off-track MDGs could then be reflected in that report.

The fourth issue concerns **governance**. I would like to congratulate the government in putting in place in 2012 high level coordination arrangements for Governance reform.

There has been significant progress also in developing programme based approaches to such important areas as public administration reform, legal and justice sector, and the national assembly. I encourage my development partner colleagues to contribute further to such collective efforts.

It is encouraging also that the government has increased the rate of approval of NPAs, reaching recently a total of about 100 compared to only 10 when we met last year.

Perhaps the most far reaching governance reform this year was the pilot effort 'Sam Sang', or the 'three builds', to devolve more specific development responsibilities and resources to provinces, districts, and villages. This initiative is likely to have implications across almost all of our work together in building necessary capacities at those levels to achieve the MDGs. The Governor of Xieng Khouang will lead us in discussions later this morning on the implications for our cooperation.

Finally and for my fifth issue I wish to address areas where we can improve our partnerships for more effective **development results**. I would like to congratulate the government on its effective leadership and intense efforts to incorporate the results of last year's Fourth High Level Forum on Aid Effectiveness in Busan into national mechanisms of cooperation focused on development results.

For example changes to the functioning of the SWGs have been implemented successfully with each of the ten providing reports for our meeting today. I would urge chairs and co-chairs to ensure that we intensify and deepen participation of the wider range of stakeholders called for by Busan, including the private sector and civil society.

Equally most development partners have joined in the tremendous effort of the government to input data into the ODA database called the Aid Management Platform (AMP). As a result we have an excellent analysis of ODA flows presented in the draft Foreign Aid Implementation Report (FAIR). In this regard I encourage all partners, including those from the South, to contribute information about their support to Lao PDR development efforts.

As mentioned in chapter 5 of the background document, these improvements are reflected also in a draft of a new compact between government and development partners, the Vientiane Declaration Country Action Plan, which I encourage you to review and provide contributions to in order to make it into an effective framework for our collaboration over the next few years.

In preparing for the high level RTM next year I would suggest that we take time to reflect further over the next few months on how to make these high level interactions more significant events in furthering our partnership for development results.

Thank you very much.