

2022 Meeting with Chairs and Co-chairs of Sector Working Groups

Meeting Minutes

Date and time: 16 November 2022, 08:30 hrs -12:00 hrs

Venue: Second-floor meeting room, Muong Thanh Hotel, Vientiane



The 2022 Meeting with Chairs and Co-chairs of Sector Working Groups Meeting was chaired by the H.E. Mme. Phonevanh Outhavong, Deputy Minister, Ministry of Planning and Investment, and the Co-Chair, Ms. Sara Sekkenes, UN Resident Coordinator.

The objective of the meeting was to explore ways forward to improve the functioning of the SWGs based on the experiences of the SWG chairs and co-chairs and the SWG review conducted in 2022.

1. Background

The Round Table Meeting is an inclusive forum for discussing and exchanging views on the implementation progress of the National Socio-Economic Development Plan (NSED) between the Government and development partners. Taking place every five years, High-Level Round Table Meetings (HL-RTMs) guide the design and implementation of the country's NSEDs. RoundTable Implementation Meetings (RTIMs) are held every year to take stock of progress made in the past year and set joint priorities for the coming year.^[4] The process includes 10 Sector Working Groups (SWGs), brought together under a chairs and co-chairs structure (national leads and international support to the leads).

2. Objective

The 2022 meeting of the SWG Chair and Co-Chairs aimed to explore ways forward to improve the functioning of the SWGs based on the experiences of the chairs and co-chairs and the SWG review conducted in 2022. The participants of the meeting included representatives of organizations Chairing and Co-Chairing the SWGs. This included Government and development partners (including bilateral, and multi-laterals).

3. Opening remarks

H.E. Mme. Phonevanh Outhavong, Deputy Minister, Ministry of Planning and Investment.

In the opening remarks, H.E. Mme. Phonevanh Outhavong, expressed honor to convene the important meeting of the Chairs and Co-Chairs of the sector working groups. The chair acknowledges the efforts of the government to ensure continuous development of the country and expressed appreciation for the support of development partners and stakeholders at all levels during the challenges encountered due to Covid-19. Following on from the 2021 HL-RTM, this meeting is an opportunity to collectively hear more from the representatives of the SWGs on progress and challenges in light of the review of the Vientiane Declaration Country Action Plan (VDCAP) and SWG mechanism. The chairs stressed that Lao PDR has managed to make important progress on various national development agendas which we would discuss at the RTIM within the framework of the 9th NSED.

Ms. Sara Sekkenes, UN Resident Coordinator.

Ms. Sekkenes as a Co-Chair of the meeting raised points that in preparation for the upcoming RTIM, rather than the regular round of updates from the groups on what has been achieved in the past year, the meeting would open the opportunity for us to engage in a frank, open exchange on how we could maximize the effectiveness of development cooperation through a review of the processes. The meeting of the Chairs and Co-Chairs of the SWGs would provide an accurate review and perspective on what is seen as working well, areas that have been raised as potentially benefitting from strengthening, and ideas on possible ways ahead. The Co-Chair encouraged all stakeholders to actively and constructively engage in the discussion session during the meeting and to continue engagement in ongoing national efforts to strengthen development coordination going forward.

This was followed by two technical presentations. These included:

Presentation 1: VDCAP implementation and way forward

The first presentation was delivered by Mr. Vanpheng Sengmanothong, Deputy Director General, Department of International Cooperation, Ministry of Planning and Investment. The presentation aimed to inform participants about the VDCAP implementation. This included a history and

timeline of VDCAP implementation. Moreover, the eight guiding principles of effective development cooperation for VDCAP were presented, including:

1. Host government ownership of development priorities and plans
2. Alignment
3. Harmonization and simplification
4. Inclusive partnership for development results
5. Transparency, Predictability, and Mutual accountability
6. Domestic Resource Mobilization
7. South-South cooperation, Granular cooperation, and knowledge sharing
8. Business as a partner in the development

The presentation concluded with the key action areas and indicators of the VDCAP Action Plan and highlighted the mid-term review of the VDCAP implementation.

Presentation 2: Recommendations from the SWG review

The presentation was delivered by Mme. Sisomboun Ounavong, Director General, Department of International Cooperation, Ministry of Planning and Investment. The presentation introduced the SWGs as part of the national aid architecture. The presentation highlighted the background and timeline of the SWGs. The presentation stated the nine key recommendations made in the independent review of the SWG report and ended with the three potentials to be considered for the next step.

Summary of statements and discussion

The discussion segment of the meeting included interventions by Development Partners and Government representatives. Participants reflected on the points highlighted in the technical presentations including the recommendations made in the independent review of the SWGs carried out in 2022. The following summarizes some of these discussion points:

World Bank, Country Manager, Mr. Alex Kramer

expressed appreciation for the technical presentations to ensure that the SWGs serve the purpose of promoting the development of Lao PDR. To support arrangements for the SWGs to be as productive as possible, he highlighted three words from the technical presentation: “Critical” in the situation, “Constructive” suggestion on how we can progress, and “Revitalization” of the SWGs.

Based on World Bank experiences and his personal experiences of development coordination in many countries, effective SWGs should have three main functions. Firstly, it is a place - where

partners can exchange views, for example, where the government representative can explain their plan and priorities while the development partners can respond and provide advice, so that consensus can be reached on priorities. Secondly, it is a forum as a place where the government representative can express their needs for cooperation and the development partner can express their support; where demand and supply could be interacted. The third is a place, as a micro-level for day-to-day operational aspects are discussed and resolved.

He also suggested four words for the constructive suggestion to make effective progress of SWGs:

- Decentralize – in line with recommendation number five of the independent review. It should be sector ministries level and their development partners who agree on the ToRs for the SWGs. It could be simple and should not try to standardize the ToRs. ToR design should be detailed bottom up, on the basis of demand.
- Reconfigure – look at areas of topics of discussion on exactly what we need. For example, there is significant cooperation taking place in the field of energy, which is not covered by any SWGs. Unfortunately, we do not have a forum for that. On the other hand, there is a group that has a board coverage such as the Macro-economic Working Group, which may not be realistic in terms of scope. It would be more appropriate to discuss on fiscal policy, fiscal allocation, and public revenue because it is closely linked to the 6th Principle of VDCAP on the mobilization of a public resource.
- De-formalize – moving the meeting to an atmosphere that is more conducive to a substantive discussion among different participants. The meetings could be smaller with a maximum of 20 participants who are not necessarily to be vice ministers or heads of agency, but junior or technical officers. He suggested that the meeting could be held in the government meeting room or development partner offices to give everybody a sense of a more day-to-day working process.
- Operationalize – it is about the agenda. If the agenda is only based on the presentation, it is unlikely to reach a two-way discussion to make decisions. It is a good practice that all items of the agenda include questions to stimulate dialogue for the results of productive discussions.

EU Delegation, Head of Cooperation, Mr. Vincent Vire

noted that the two presentations are useful to inform the discussion, and acknowledged that there is something that is not working 100% in the SWG structure and we need to improve it. As per the discussion with the Europe Team in the previous days, feedback is similar to that shared last year, and we hope that some recommendations could be taken into action. Eight points were mentioned:

1. SWGs should not only meet once before the RTM. It needs to commit Chair and Co-chairs to meet much more regularly. A good example is the Education SWG, for which the executive level has meetings twice a year and with a lot of working group meetings. It is a good practice to have development partners meet every month to build cooperation and coordination.
2. Flexibility of ToRs. For example, there should be a rotation of development partner co-chairs. There should be flexibility for creating new groups.
3. There is a need for more responsibility for Co-Chairs by providing some technical assistance and financial support for the SWGs. A good example is from the EU as Co-Chair of the Education SWG that provided a local consultant supporting the SWGs Secretariat to prepare the agenda, circulate the documents, prepare the minutes, etc. Development partners as co-chairs have to commit more.
4. The report of the first nine months of the 9th NSEDP report would be very useful if this could be shared to inform the discussion of SWGs (ideally digitized).
5. The ODA-MIS digitalized database is not user-friendly. It should be made more efficient and effective so that DPs and each sector can share information and coordinate, etc.
6. Transparency principle – The government must share information as much as possible. The decision not to consent to the publication of the most recent IMF Article IV report has been perceived as a negative signal by the private sector and development partners. Government has to commit to full transparency in such an important document.
7. Length of the MoU of NGO projects' approval is too long, often one to two years. The approval process should be a maximum of 6 months. The long length of approval contributes to the delays in NSEDP implementation, and again it sends a negative signal to decision-makers in donor countries to allocate resources. This is very linked to ODA effectiveness.
8. Domestic resource mobilization principle – This is a support point of the macroeconomic working group. Government should support domestic revenue collection and accelerate reforms to improve responsiveness and quality investment. Investment and export revenue is a more sustainable revenue source than aid.

Embassy of Germany, Head of Development Cooperation, Dr. Christina Seeberg-Elverfeldt

Supported previous speakers and emphasized three more points:

1. Content of SWG – SWGs are a fantastic tool to coordinate development partners within the country to see if progress has been made in respect of the 9th NSEDP. Currently, the SWGs meeting is operating in a 'procedural' way which is fine and understandable to prepare for the RTIM, but there is a need for the improvement and technical exchange of

ideas, the purpose of the SWGs meeting, and concepts. Within the Natural Resources and Environment sector, the sub-sector working groups serve as very good tools for exchanging technical levels.

2. Flexibility – It is not only about co-chairing rotation, but also looking for new important topics for the country. For example, Energy is a topic that has been raised several times to include in the system of discussion of SWGs.
3. Roadmap as a way forward. It would be very valuable to put a date for the RTIM at the beginning of the year or in advance of setting the dates for the meeting. It is very difficult to manage the meeting on short notice. She suggested that planning jointly and taking responsibility for Co-Chairs for working jointly on fruitful exchanges will serve all members of the meetings.

USAID, Country Representative, Mr. Michael Ronning

Mentioned the US Government's support toward the Government of Lao PDR (GoL) efforts to implement the NSEDP across many sectors. Several points to be considered:

1. SWGs need to take a hard look at what is necessary to support the GoL regarding global economic challenges and climate change.
2. Commending the Government and development partners for the action taken. Including the 9th NSEDP Financing strategy and plans and recent MOFA-facilitated dialogue with INGOs, SWGs, and the RTM. All of these are creating momentum to address the challenges ahead.
3. A relevant concept to consider is focusing on progress beyond specific development programs, to avoid losing sight of the Government's plan to advance the country's progress.
4. Each SWG should have its tailored way of operating and coordinating. There is 'no one size fits all.'
5. Noted the experience in Health SWG from COVID-19 quick response, including the outstanding cooperation between the government sectors and the development partners.
6. As co-chair of the UXO SWG with Government and UNDP, NRA, and others involved, some efficient things that work well in this group are pre-meetings / preparations. Preparation is key to effective SWG pre-meetings, including involving leadership, not just the sub-sector technical staff. Moreover, ensuring support through the government counterparts, in this case, the NRA, is essential.

7. Inclusivity: ensuring that everyone who has a stake in the working group has an opportunity to participate or to get the information that they might need. Access to information is the key. For example, digitizing SWG minutes to NRA websites that everyone can access would be an important improvement.
8. Considering the link between the UXO SWG to SSWGs, the connection between them should inform each other. For example, the high-level sector working group could ask specific questions of the sub-sector working group to create better dialogue and coordination.

Embassy of Australia, Deputy Head of Mission, Mr. Dan Heldon

The representative added several points:

1. SWGs need to move in the same direction to get the best result in helping GoL achieve its objectives. The best outcomes will be made when development partners work closely with the GoL.
1. Regarding technical support, a critical mass of work needs to be tackled in the Energy sector. Harness all the efforts toward helping the GoL achieve its objectives in the Energy Sector.
2. The Co-Chair must be accountable to the group members. We should have a clear mandate for our purpose. We need to ensure the group's viability, capacity, and effectiveness. Moreover, group members should be active participants and be more innovative with approaches.

UNDP, Resident Representative, Ms. Ricarda Ringer

Reflected on the inclusivity of the groups, noting that several SWG ToRs do refer to the engagement of the private sector and civil society. But, it seems that there is unequal across sectors that the SWGs need to re-consider in the next step since effective development solutions require many actors' involvement beyond development partners and the Government.

As co-chair of Governance SWG, in the meeting, it has been said that there is a preference to start by mapping what is happening in order to decide what to focus on going forward.

Embassy of Japan, First Secretary, Mr. Koga Toshimishi

Agreed with the points mentioned by colleagues on what should be improved to enhance the effectiveness and productivity of the RTIM.

Japan co-chairs the Infrastructure and Health SWGs and felt the representatives from the local government are active and the documents have been well prepared, even if there are not yet clear concrete outcomes.

Japan contributes to the health sector through JICA experts for the preparation of SWG with the WHO co-chair and through a continuous exchange of views in the infrastructure sector.

The representative emphasized information sharing in terms of which donor provides which kind of assistance. He stressed the importance of discussing more how to reach a tangible outcome on information sharing on assistance across the SWGs.

There's a need to increase the predictability of meetings because notification of organizing SWG meetings is usually short notice. The representative requested the summary of the SWGs meeting to be prepared and circulated with other sectors.

Ownership is the key to the operationalization of the SWGs. Thus, he mentioned that the proactive role of development partners is welcome, but we should not undermine the discussions from the representatives of the GoL.

WHO, Coordinator, Health Systems, Ms. Yu Lee Park

agreed with the previous points raised. She mentioned several points in supporting the Ministry of Health for the Health SWG.

1. Expectation from SWG - During the COVID-19 pandemic, over the past 2 to 3 years, have experienced a decline in partners in their involvement through the GoL-led coordination mechanism.
2. Project-based coordination and Government coordination need to be integrated. The health sector is facing a donor transition from GAVI and Global Fund. Many partners from the global level want to see how development partner coordination can be integrated into the GoL's coordination mechanism.
3. Technical-level discussions are essential to support the SWG policy dialogue, which requires the support of small-group meetings at the technical level to discuss in-depth issues and priorities. These can be reported to SWG and higher levels for senior management decisions.

4. RTM – important to update on each sector's progress and coordinate across sectors in terms of priorities to improve the implementation of the 9th NSEDP and to secure co-financing commitment. At the same time, there are competing priorities/budget allocations across the sectors, including health, education, and other sectors. The RTM can be the platform to discuss through preparations /internal discussion among relevant line ministries, GoL, and development partners to understand the situation and discuss cross-cutting and cross-sectoral areas.

ADB, Mr. Good mans

Supported previous suggestions from colleagues. There is a need to re-collaborate for productive results and efficiency.

The ADB welcomes the review and assessment of SWGs and, agrees that SWGs have provided input to advancing the development discussion for the annual RTIM. However, the Macroeconomic SWG has met only once a year right before the annual RTIM.

Emphasized the need for each SWG to revisit their respective function. We agree to revisit the TORs of the Chairs and co-Chairs to maximize the support of the co-Chair.

The representative suggested that more informal groups could have been invited as participants. For example, the gender network led by the UNFPA, EU, and ADB is an informal group meeting that has multiple participants from GoL and civil society. We also would like to encourage private sector participation to discuss issues of investment plans and policy issues for business development. We encourage more frequent policy dialogues with the GoL.

The ADB would encourage full-time GoL officials to work with SWG secretariats to prepare for the annual meeting plan such as contents, agenda, invitation, and meeting to ensure that the SWGs carry out the necessary function more effectively.

Suggested that the Chair and co-Chair lead the secretariat of the groups to develop sector development frameworks with clear outlines for good outcomes and impacts, resources and measurable goal indicators in line with NSEDP, SDGs, and LDC graduation sphere plans. This is to ensure the good monitoring and evaluation of sector progress that contributes to effective planning and an efficient implementation process.

H.E Dr Sanong Thongsana Vice Minister of Health, Chair of Health SWG

The Vice Minister agreed with comments from other speakers to improve the capacity of the process of the annual RTIM and agreed that the GoL should encourage more contributions from the private sector and civil society organizations in the national development.

The Vice Minister reported the progress of the working group and the challenges:

1. The health sector received support at the technical level from Japan and WHO. He emphasized that proactive engagement by the co-chairs and the ownership is very important for the development process.
2. The meeting of the Health SWG was held by our ministry and the co-chair from the Japan embassy, JICA, and WHO to reflect the progress of the working group concerning the report of the 13th high-level RTIM in 2021. The contents of the meeting were prepared to report in this year's RTIM.
3. Regarding the instruction of PM, the health sub-sector working groups were reformed by changing from 6 sub-SWGs to 5 sub-SWGs to increase the effectiveness of the working coordination and reach the 11 indicators for sustainable development set out by the national assembly.
4. The 9th-month sector progress reports were done at the sector level through various consultations such as the use of digitalization to support the working in the health sectors and the strategy to handle the covid 19 pandemic for 2022, and the better service for maternal and child health.
5. The challenges are the impacts of covid 19 on the SWGs meeting, and on providing good services in the center and local hospitals. Moreover, the budget was limited and further reduced for the health sector.

H.E Mr. Padermphone Sonthany Vice Minister of Labour and Social Welfare, Chair of UXO SWG

The Vice Minister agreed with the two presenters from the Ministry of Planning and Investment and other commenters.

1. Typically, in his sector, the Executive SWG meetings will be held two times a year. One session has already taken place, and another will be held soon.
2. In each meeting, there is participation from the co-chairs' support (UNDP and US in the case of UXO SWG) and the development partners. The discussion mainly focuses

on the development partners' engagement and SDG 18, which focuses on the UXO sector.

3. Agreed with the SWG Review on the need to increase the participation of various types of stakeholders. The time taken to process MoUs for implementing partners should be accelerated.

H.E Mr. Thongphat Vongmany Vice Minister of Agriculture and Forestry, Chair of Agriculture and Rural Development SWG.

Several points should be considered in the SWGs, including the positive outcomes and improvement.

1. SWGs need to strengthen their capacity to adapt to an uncertain situation. On behalf of the Ministry of Agriculture and Forestry and as chair of Agriculture and Rural Development SWG, several challenges, especially food security, are an immediate priority / global priority given the conditions of climate change.
5. The SWG is crucial to the development of the agriculture sector. Issues that need attention include climate change, green growth, research, innovation, and technology, and focusing on clean agricultural activities, organic and environmentally friendly.
6. The SWG needs to be robust and more dynamic, and the Ministry is looking forward to revitalizing the sector in terms of cooperation and coordination.
7. There is a need for the involvement of the private sector in agriculture development.
8. Vice Minister attended the Food System Dialogue in Rome and discussed with various private sectors for their investment in agriculture in Lao PDR.
9. The Ministry of Agriculture and Forestry will continue to monitor the work of the SWGs.

H.E Mr. Phouvong Luangxaysana Vice Minister of Natural Resources and Environment, Chair of Natural Resource and Environment SWG

The Vice Minister agreed with the comments from the representative of the World Bank on making changes for a more productive implementation of the RTIM process. He expressed gratitude toward the DIC/MPI for being the national secretariat to take care of every process of the annual RTIM together with other development partners and thanks to donors to support the development of Lao PDR.

The Vice Minister stated that since the process of RTIM in Lao PDR was established, the Ministry of Natural resource and Environment has worked closely with all development partners and realized the importance of the SWGs as a platform for consultation, discussion, and information sharing for development cooperation.

The vice minister shared the suggestion that the meeting minutes and RTIM reports need to reflect the work of each sector. He mentioned that the pre-consultation meeting, especially at the technical level, needs to be prepared in advance and more regularly. The Vice Minister proposed to the national secretariat for RTIM to share advance notice at least two months before the meetings.

H.E Mr. Sirioudong Soundara Vice Minister of Education and Sports, Chair of Education and Sports SWG

The Vice Minister expressed gratitude to the meeting organizers and thanked the co-chair of the education working group from the EU and Australia for their support and cooperation. The vice minister reported that there are meetings at the administration level in the sub-SWGs twice a year and at the technical level 4 times a year to ensure the work progresses.

The Vice Minister noted the importance of the science and technology sector in the Ministry of Education and Sports. Every year 1% of the government investment is provided to support the work in science and technology. The social science area plays a role to study the policies and strategies for social-economic development, while the natural science plays a role in innovation in productivity.

H.E Mr. Nisith Keopanya Vice Minister of Home Affairs, Chair of Governance SWG

The Vice Minister agreed with previous comments to improve the work implementation of SWGs.

He briefly presented the importance of national administration in human rights and the core of development cooperation.

Closing remarks

Concluding remarks were delivered by Ms. Sara Sekkenes, UN Resident Coordinator. Ms. Sekkenes expressed gratitude to all development partners, Ambassadors, Vice Ministers, and all participants for joining the meeting and being willing to engage in a constructive discussion on the process to constantly ensure effective development cooperation in Lao PDR.

The review of SWGs and the principles for practical development cooperation set out in VDCAP presented by MPI colleagues remain as relevant as ever. However, from the comments of participants in their capacities as SWG chairs and co-chairs, there is clearly a need to revisit the framework and explore ways that the structure could be more efficient and effective. Effective development cooperation needs to evolve with time and changes on the ground.

It was proposed to establish a practical roadmap for early 2023 on how to update the SWGs through a consultative process. This would include the formation of a task force with representation from GoL, development partners, civil society, and the private sector to put forward a detailed proposal to the SWG chairs and co-chairs. This would address potential restructuring, upgrading, and bringing more flexibility to the work of SWGs.

This progress will be noted in the Global Effective Development Cooperation Submit this coming December in Geneva.

This was followed by closing remarks from the H.E. Mme. Phonevanh Outhavong, Deputy Minister, Ministry of Planning and Investment.

Closing remarks were provided by H.E. Mme Phonevanh, the chair of the meeting acknowledging useful suggestions from development partners and all participants to make improvements in the work implementation of SWGs.

The Vice Minister emphasized the need to work closely together with development partners and expressed gratitude for the cooperation and supports from all donors and development partners during the COVID-19 pandemic. The chair admitted that COVID-19 has undermined fiscal space and recognized the need to work closely with the Ministry of Finance and development partners to mobilize domestic resources including resources for investment in the human capital and health sector.

The chair supports the ideas of working more flexibly and takes note of all comments and suggestions to systematically report the results of today's meeting to the national steering committee and the GoL for further guidance for effective implementation of the NSEDP and other agendas.

The Chair highlighted that the date for the RTIM will be changed to January 2023 to allow time for preparation and to accommodate priorities around the National Assembly sessions.

Agreed Actions:

1. **MPI to commission the formation of a taskforce led by MPI with the support of the co-chair of the RC to develop a detailed proposal on restructuring and revitalizing the SWGs.** This taskforce is to include representation from the GoL, development partners, the private sector, and civil society.
2. **The taskforce will report back to a meeting of the SWG chairs and co-chairs with a detailed proposal in Q2 2023.**

Annexes

Annex 1: Agenda

2022 Meeting with Chairs and Co-chairs of Sector Working Groups

Muong Thanh Luxury Vientiane Hotel, Luang Prabang Room, 3rd Floor
16 November 2022, between 09:00 – 12:00 hrs

Zoom link:

<https://undp.zoom.us/j/87434330894?pwd=TFpLazJXRHpyRnlreFNhMCtmYzdoZz09>

(Meeting ID: 874 3433 0894, Passcode: 604826)

AGENDA

08:30 – 09:00	Registration
09:00 – 09:10	Opening remarks <i>H.E. Mme. Phonevanh Outhavong, Deputy Minister, Ministry of Planning and Investment</i>
09:10 – 09:20	Remarks <i>Ms. Sara Sekkenes, UN Resident Coordinator</i>
09:20 – 09:35	Presentation: VDCAP implementation and way forward <i>Mr. Vanpheng Sengmanothong, Deputy Director General, Department of International Cooperation, Ministry of Planning and Investment</i>
09:35 – 10:00	Presentation: Recommendations from the SWG review <i>Mme. Sisomboun Ounavong, Director General, Department of International Cooperation, Ministry of Planning and Investment</i>
10:00 – 10:30	Coffee Break
10:30 – 11:40	Discussion <i>Chairs and Co-chairs of the SWGs are invited to reflect on the presentations and share experience on what has worked well and highlight what can be done to make SWGs work better. This is followed by an open discussion.</i>
11:40 – 11:50	Remarks <i>Ms. Sara Sekkenes, UN Resident Coordinator</i>
11:50 – 12:00	Closing Remarks <i>H.E. Mme. Phonevanh Outhavong, Deputy Minister, Ministry of Planning and Investment</i>
12.00 – 13.00	Lunch

Annex 2: List of participants

Annex 3: Presentation 1: VDCAP implementation and way forward

Annex 4: Presentation 2: Recommendations from the SWG review