

MACROECONOMICS WORKING GROUP

Panel 1. Sustainable Economic and Financing for Development Priorities

Concept Note**Background**

The upcoming RTIM 2024 is scheduled for 14 November 2024 at the National Convention Centre. This year marks an important milestone for Lao PDR as they report and assess progress to date under the current 9th NSEDP and focus on the identification of priorities for the drafting of the next 5-year development cycle, the 10th NSEDP (2026-2030).

The agenda for the RTIM 2024 will include two parallel panel discussion sessions aimed at creating space for substantive exchange between stakeholders on high-priority development issues for Lao PDR.

1. Economic and Financial Situation and Way Forward for Environmental Sustainability and Resilient Economy;
2. Short- and long-term recommendations to support Lao PDR's human capital development and how to realise the full potential of its youthful population to drive sustainable and inclusive national development.

The results of these panel discussions will feed into a subsequent plenary discussion. The plenary discussions will culminate in instructions to be issued by the Prime Minister following this high-level meeting.

Objectives

The stocktaking exercise of progress to date under the 9th NSEDP together with the identification of future priorities, will provide critical contributions towards the construction on the next 10th NSEDP for the period 2026-2030.

The panel discussions will focus on how recommendations could be carried forward, building on existing national policy frameworks and progress to date.

This will complement the discussions that take place within the individual SWGs by providing a space for discussion of key issues that cut across sectors and providing a direct channel for recommendations to reach senior national policymakers.

Discussions are intended to generate specific recommendations that could be included into work plans for the Roundtable Process Secretariat, SWGs, and feed directly into the drafting of the 10th NSEDP.

Structure

The two panel discussions will be conducted simultaneously in separate rooms at the National Convention Centre. All RTIM participants are invited to join the discussions.

Stakeholders with two or more delegates joining RTIM 2024 are welcome to split participation across both panel discussions. There is no restriction on making interventions in both panel discussions.

Each panel discussion will begin with short welcoming remarks provided by the moderator (maximum 3 minutes), followed by a series of questions to each of the panelists. Panelists will keep their answers crisp and concise (3 minutes for the opening round and not more than a minute or two for subsequent questions). There will be no power point presentation during the panel discussions. It is suggested that panelists and moderator for each discussion panel meet prior to the event to discuss and have prior common understanding for more coherent and interactive discussions.

Panelists will be identified based on their leadership of relevant SWGs or national policy areas.

Following these questions, the moderator will lead a plenary discussion with the panelists and all participants joining the discussion.

Given limited time, participants are encouraged to limit interventions to a maximum of 3 minutes. Time keeping will be used to support panel discussions.

Pre-registration to make interventions during the discussions is not required.

Draft Meeting Flow

Moderator: Ms. Shanny Campbell, Country Director, Asian Development Bank.

Co-Moderator: Ms. Martine Therer, UNDP Resident Representative.

Panelist:

1. Mr. Phailert Phoneboulom, Director General, Planning Department, Ministry of Planning and Investment;
2. Mr. Thammaroth Rasphone, Director General, Department of Fiscal Policy, Ministry of Finance;
3. Mrs. Fongchinda Sengsourivong, Director General, Monetary Policy Department, Bank of Lao PDR;
4. Mr. Pheutsapha Phoummasack Board of Director, Lao National Chamber of Commerce and Industry;
5. Mr. Sebastian Eckardt, Practice Manager for Economic Policy Global Department, World Bank.

10.30-10.40	<p>Moderator (10 minutes)</p> <ul style="list-style-type: none">• Introduce objective of the panel discussion: To review progress of 2023 RTIM implementation and identify policy priorities for 2025 in order to address macroeconomic challenges and build foundation for more sustainable and inclusive growth.• Introduce the 5 panelists.• Introduce agenda of the panel:<ul style="list-style-type: none">○ First round of questions to the panellists (3 min ask, 7 min response)○ Open for discussion with audience in group 1 (25 min)
10.40-10.50	<p>Moderator to DG, MPI (3 mins, Response 7 mins)</p> <ul style="list-style-type: none">• ADB and the World Bank prepared a note on ‘Linking Strategic and Fiscal Planning in the 10th NSEDP’. The recommendations identified measures to strengthen fiscal planning and budgeting and highlighted good international practices, designed to improve, compared with previous plans, the alignment of budgetary and NSEDP priorities and the financial realism of the NSEDP.• As the GOL implements the final year of the 9th NSEDP in 2025, what concrete steps are being taken to ensure that national planning addresses core economic concerns including environmental sustainability and supports/policy measure prioritization for macroeconomic stabilization?
10.50-11.00	<p>Moderator to DG, Fiscal Policy Department (3 mins, Response 7 mins)</p> <ul style="list-style-type: none">• The ADB and World Bank prepared the Reform Roadmap to support implementation of the National Agenda, with specific targets set to 2023.• Revenue mobilization and debt sustainability was a concern even before the covid-19 pandemic. Tax policy reforms and broadening the tax base is critical for revenue mobilization. The VAT was restored to 10% and exemptions were reduced, and es-services have been broadened.• What fiscal policy measures have already been taken in 2024, their results and what are the priority measures to be taken in 2025?

11.00-11.10	<p>Moderator to DG, Monetary Policy Department, BOL (3 mins, Response 7 mins)</p> <ul style="list-style-type: none"> In 2022, the kip lost half its value against the US dollar and another 16.3% in 2023. It also fell against regional currencies in 2023, including 21.3% against the Thai baht and 15.6% against the Chinese yuan. It continued its downward slide, depreciating by 6.1% against the baht and 7.5% against the US dollar in the commercial market in the first 8 months of 2024. This contributed to persistently high inflation. Official figures show an improvement in inflation from 26.09% in end-July to 20.73% end-October. What key monetary and exchange rate policy measures have been taken to mitigate the exchange rate volatility and reduce inflation since the RTIM 2023, and what key measures are envisaged for the coming year?
11.10-11.20	<p>Moderator to SG, LNCCI (3 mins, Response 7 mins)</p> <ul style="list-style-type: none"> The Reform Roadmap talks of export promotion by improving the business environment and investment in labor-intensive sectors. It also underlines the rule of law which encapsulates confidence of agents especially with respect to contract enforcement, property rights, the courts etc. How has the private sector experienced government economic policy measures and what policies would the private sector like government to change or improve to help enable the private sector contribution to the economy?
11.20-11.30	<p>Moderator to Mr. Sebastian Eckardt, World Bank (3 mins, Response 7 mins)</p> <ul style="list-style-type: none"> Given Laos' economic challenges and this critical moment in NSEDP formulation, can you elaborate on some of the international good practices linking planning and budgeting, that enable the achievement of development goals under resource constraints and economic challenges such as fiscal and debt unsustainability.
11.30-11.55	Moderator opens the floor for Q&A from the audience (25 minutes)
11.55-12.00	Moderator to end by saying the summary of discussions will be presented by the Vice Minister in the post-lunch session (5 minutes)
12:00-13:30	Lunch Break (1 hour)
13:30-13:50	<ul style="list-style-type: none"> Results of the Panel 1: H.E. Dr. Sthabandith Insisienmay, Vice Minister, Ministry of Planning and Investment (10 minutes) Results of the Panel 2 H.E xxx, Vice Minister, Ministry of Education and Sport or Vice-Minister of Public Health and Other (TBC) (10 minutes)
13:50-14:45	<p>Open Discussion (55 minutes) Interventions during plenary discussions will be limited to a maximum of 7 minutes and should be coordinated with the Round Table Process (RTP) Secretariat</p>
14:45-15:00	Coffee Break (15 minutes)
15:00-15:20	<p>Presentation on Development Cooperation: The 4th Round of Global Partnership for Effective Development Cooperation and Result of Vientiane Declaration on Partnership for Effective Development Cooperation (2016-2025) Review</p> <ul style="list-style-type: none"> H.E. Mme. Phonevanh Outhavong, Vice Minister, Ministry of Planning and Investment (20 minutes)
15:20-15:40	Open Discussion (20 minutes)

	Interventions during plenary discussions limited to 7 minutes, coordinated with the Secretariat <ul style="list-style-type: none"> • ADB and World Bank invited to speak (3 minutes each)
15:40-16:00	Closing Session (20 minutes) <ul style="list-style-type: none"> • Remarks: Mr. Bakhodir Burkhanov, UN Resident Coordinator (10 minutes) • Closing Remarks: H.E. Dr. Phet Phomphiphak, Minister of Planning and Investment (10 minutes)
16:00-16:30	Press Conference to brief on outcomes of the RTIM 2024 (30 minutes) <ul style="list-style-type: none"> • H.E. Dr. Phet Phomphiphak, Minister of Planning and Investment • Mr. Bakhodir Burkhanov, UN Resident Coordinator

Contacts

<p>Mr. Santi SONGNAVONG Acting Director Division International Organization Division, MPI Tel: +856 20 2222 3989 Email: songnavong@gmail.com or songnavongs@gmail.com</p>	<p>Mr. Viriya PHOUNSIRI Deputy Director Division International Organization Division, MPI Tel: +856 20 5655 9655 Email: Viri.P9899@gmail.com</p>
--	---