

PRESS RELEASE



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Assessing linkages between Poverty and the Environment in Savannakhet and Saravan provinces

Directly and indirectly, biodiversity contributes almost three quarters of per capita GDP and more than 90% of employment in Lao PDR. Almost 60% of Foreign Direct Investment in Lao PDR is related to natural resources. The natural resource base is particularly critical to the poorest people whose livelihoods rely on it most.

The joint UNDP-UNEP Poverty Environment Initiative (PEI) facilitated a participatory assessment of the complex inter-linkages between poverty, environment and natural resources in Savannakhet and Saravan provinces on 15 and 16 January 2009. Around 60 participants took part in this consultation held at Savannakhet's Department of Planning and Investment, including central government authorities representing Ministry of Planning and Investment (MPI), National Leading Committee for Rural Development and Poverty Eradication, Ministry of Agriculture and Forestry, Ministry of Energy and Mines, Water Resources and Environment Administration, provincial authorities from Savannakhet and Saravan, as well as development partners such as the United Nations and IUCN.

Savannakhet and Saravan provinces are facing critical challenges and opportunities related to poverty reduction and sustainable natural resource management. Industrial plantations including rubber, sugar cane, cassava and eucalyptus are rapidly expanding in this southern part of Lao PDR. While recognizing the importance of foreign investment for the country's economic development, participants expressed concerns with respect to certain investments which have caused a decline in forest cover and farming land, biodiversity loss, and forest and soil degradation. Other environmental issues that are affecting poor people's livelihoods include mining and hydropower activities and infrastructure development such as the Greater Mekong Sub-region East West Economic Corridor. Despite the increased influx of foreign investment, poverty persists in the two provinces and many people are facing challenges related to food security, access to improved water sources and sanitation, education and employment opportunities. Provincial authorities explained their needs in addressing these issues. These included technical expertise and financial resources for: social and environmental impact assessments and monitoring & evaluation, rural development activities, cross-sectoral coordination, and appropriate land use planning and land allocation. Participants also indicated the importance of effective coordination of planning processes at different levels – national, provincial, district and khumban levels.

This consultation was organized as part of the PEI preparatory phase by MPI, Savannakhet and Saravan provincial Governors' Offices and the joint UNDP-UNEP PEI programme. The Asia-Pacific PEI programme is being developed in ten countries including Cambodia, Thailand and Vietnam. The PEI aims to integrate poverty-environment issues into key development planning and budgeting processes and their implementation – including national and sub-national plans, sectoral strategies, and economic decision making.

Following the two sub-national workshops for Oudomxay, Phongsaly, Saravan and Savannakhet, a national consultative workshop will be held in March 2009. Based on the results of these consultations, PEI programmes will be developed to contribute to enhanced environment and natural resource management for poverty reduction in Lao PDR.

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Notes for editors:

UNDP is the UN's global development network, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. We are on the ground in 166 countries, working with them on their own solutions to global and national development challenges. As they develop local capacity, they draw on the people of UNDP and our wide range of partners.