

## **Closing Remarks**

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**UN Resident Coordinator Round Table Implementation Meeting Vientiane  
Capital, 3<sup>rd</sup> November 2009**



Lao PDR

**Your Excellency Minister Sinlavong Khoupaythoune,**

**Other Excellencies, Distinguished Participants,**

Let me start by saying that this day long consultation has been truly enriching and highly motivating. So I'd like to begin by thanking and congratulating all participants for their most valuable contributions throughout the day.

I also found quite remarkable the convergence of views expressed by government and development partners on critical issues throughout the day. Clearly this reflects very strong partnerships developed over the past decade.

Given the limited time available for this closing session, it would be impossible to adequately summarize all of the rich ideas, observations and suggestions offered throughout the day. I leave this for the full proceedings to be prepared following this meeting.

Instead, allow me to provide a brief overview of the day's dialogue, and offer a few perspectives on what I understood to be some of the most pressing priorities ahead and some of the related suggestions.

His Excellency Prime Minister Bouasone Bouphavanh opened with a succinct review of Lao PDR's many achievements since the last RTIM and outlined a number of the emerging challenges ahead. His Excellency The Prime Minister also invited participants to offer perspectives and suggestions based on best practices to help Lao PDR ensure sustainable development.

His Excellency the Prime Minister also highlighted the value of the Governmentled Round Table Process for indepth consultations for overcoming development challenges and realizing opportunities.

It was noted that RTIM 2009 takes place at an opportune time. The Government is in the process of drafting the country's new National SocioEconomic Development Plan (NSED) for 201115. This new NSED will provide Government and development partners with a common Governmentled framework for coordinating our collective efforts and financial assistance towards achieving the country's development goals.

Development partners consistently expressed high appreciation for the impressive achievements of Lao PDR over the recent past despite the global financial crisis as well as offered further strong support in the years ahead. Moreover, development partners responded with a wide range of suggestions and expressions of related assistance.

Participants expressed support for the Government's ambitious development goals, including strong growth policies, but also strongly encouraged a much greater focus on the quality and sustainability of growth and development.

In this regard, participants expressed strong support for Government's NSEDP goals including the achievement of the MDGs by 2015, and support to help the country graduate from LDC status by 2020.

Participants commended the government's maintenance of macroeconomic stability, but highlighted the need to protect and consolidate this achievement in the coming years by ensuring a sustainable budget deficit and reining in strong credit growth.

Participants felt that more efforts were especially needed to eliminate malnutrition, which would not only be good social policy, but also very smart economic policy as it would greatly increase productivity needed to accelerate progress towards the Government's most important development goals.

Similarly, strong support was expressed for urgently redressing the country's still high maternal mortality rate, as well as the achievement of gender equity and environmental sustainability.

Many participants supported the call for the country to urgently prepare for climate change by making it a crosscutting concern in the new NSEDP. In today's context of increasingly rapid climate change, there will likely be an increase in the number of natural disasters. Without adequate preparations, this will set back progress towards the Government's development goals including graduation from LDC status by 2020. Urgent preparations and meaningful measures are needed to reduce the country's vulnerability to the potentially devastating impact of climate change.

Participants agreed that considerable progress had been achieved in Public Financial Management, especially in the implementation of the budget law. More efforts would still be needed to strengthen fiscal sustainability, as well as expenditure efficiency and ensuring sufficient budget allocations for essential social sectors especially health and education are provided at the local levels.

Participants expressed very strong support for the further development of an indigenous domestic private sector including improving the business environment conducive to more investment (including legal framework, SME development etc.).

Trade reform was advancing with deeper integration into ASEAN/AFTA and planned accession to WTO accession, but closer coordination and collaboration among development partners under government leadership within the Integrated Framework was needed to accelerate progress.

Participants welcomed recent decrees that will improve the environment for civil society and enable the development of farmer associations needed to increase agricultural productivity.

The dialogue throughout the day also pointed to the urgent need to further improve governance in the areas of land, mining and forestry. Especially important will be further progress in accelerating land titling, especially in rural areas. A review of land management policy is needed to ensure efficient and equitable land use, and to ensure that the growth in contract farming and plantations are not inadvertently compromising the country's food security and threatening farmer livelihoods.

The critical importance of collecting and making available reliable and timely data in a range of areas was also again highlighted as critical to wellinformed development planning and decision making.

Greater transparency in the foreign investment approval process would also serve to attract high quality foreign investment that generates sustainable employment for Lao people, transfers valuable knowledge and skills to Lao workers, and safeguards the country's still highly valuable environmental assets, especially environmental assets that might be used for alternative sources of sustainable incomes and jobs for Lao people.

Lao PDR is well placed to accelerate implementation of its Vientiane Declaration on Aid Effectiveness and related Country Action Plan, especially with the increased assistance of the various Sector Working Groups.

Greater transparency in the natural resource sectors would help better ensure that Lao PDR avoids the kind of resource curse that has plagued so many other resource rich developing countries. To better ensure that Lao PDR enjoys a resource blessing, a top priority should be transforming natural resource wealth into human resource wealth in order to sustain the development process to increasingly higher levels well after the natural resources are depleted and/or commodity prices collapse further.

Excellencies, Distinguished Participants,

This is a very brief overview that attempts to capture at least some of the richness of today's dialogue.

A full proceedings of this Round Table Implementation Meeting will be drafted and distributed to all participants. So please provide the Secretariat with an electronic or hard copy of your official statement before departure.

Your proactive participation and valuable suggestions throughout the day will surely help the Government in the formulation of the new NSEDP in order to help the country meet its development goals.

Moreover, the preparations for and the convening of this meeting has laid out a valuable framework of opportunities and challenges within which we can all work together under Government leadership over the coming months to assist in the further development of the new NSEDP. The new NSEDP will in turn provide the common framework for mobilizing substantial new official development assistance at the Round Table Meeting in 2010 needed to support the implementation of the new development plan during 2011-15.

Before ending my remarks, I would like to thank the Chair of this meeting His Excellency Sinlavong Khouthaythoune for so effectively guiding this day long dialogue to such a successful conclusion.

Special thanks and congratulations are also owed once again to the Government of Lao PDR and especially Mr. Somchit and his great team at the Department for International Cooperation at the Ministry of Planning and Investment for organizing such an enriching and fruitful Round Table Implementation Meeting in terms of both the quality of the presentations and dialogue, and in terms of the strengthening of partnerships for the effective formulation of the new National SocioEconomic Development Plan. I also wish to thank the many other excellencies who provided enlightening presentations on the various subject of the agenda, as well as to development partners for their many helpful suggestions and offerings of support throughout the day.

Thank you all, and very best wishes in our collective effort under government leadership to followup on the many valuable proposals and suggestions offered throughout this remarkable day long consultation.