



Lao PDR

Launch of the 4th National Human Development Report

**Opening remarks by Ms Sonam Yangchen Rana
UNDP Resident Representative**

28 July 2010

Your Excellency Vice-Minister Dr Bounthavy Sisouphanthong,

Excellencies,

Distinguished guests,

Colleagues, Ladies and Gentlemen,

Let me first warmly welcome you here today to the launch of the 4th National Human Development Report on employment and livelihoods.

Human development is about putting people at the centre of development. It is about people realizing their potential, increasing their choices and abilities to make informed decisions to live full and creative lives with freedom and dignity.

At its most basic level this means making it easier for people to lead long and healthy lives, by acquiring the knowledge and skills to engage in economic activities, having equal access to the resources needed for a decent standard of living and by

participating in their community. Only by investing in the abilities and potential of institutions and people can we bring about sustainable change.

UNDP, as an active member of the UN family in Laos, is committed to reducing poverty and promoting quality growth. To do this it is first important to understand the state of poverty in the country so that we can advocate for change from the government and society. UNDP informs decision-makers, raises public awareness and introduces the human development concept into policy dialogue through high-quality and independent analysis.

The National Human Development Reports are UNDP's primary tool for highlighting good policy. They are designed to measure human progress by analyzing both economic growth and social development, while at the same time strengthening the statistical and analytical capacity of the Lao institutions.

Ladies and gentlemen,

We are meeting here today to celebrate the launch of the 4th Lao Human Development Report on Employment and Livelihoods. The theme of this report could not be more relevant or timely to the development of Lao PDR today. The Government is formulating the next National Socio-Economic Development Plan for 2011 to 2015

and central to the achievement of the economic and social targets set out in the Plan will be tackling issues of employment, labour and livelihood improvements.

In this context, the fourth NHDR on Employment and Livelihoods in Lao PDR provides evidence based recommendations on how to improve human development through employment. As you know, the preparation of the 7th NSEDP is also significant given that heavy emphasis is put on achieving the MDGs. In a rapidly changing Lao society we need to think not only about economic growth but also about how it can be enjoyed by everyone.

For example, it is important to think how women can participate as productive members of society at their workplace on a par with men; how young people can gain skills for employment across all sectors; how the benefits of 8% GDP growth can also be shared by the vulnerable groups.

In Lao PDR, as in any society, this relies on the human capacities available to carry out quality work under decent conditions. To achieve this we must invest in people from the very beginning, through an improved formal and informal education system, and by promoting good health.

The agriculture sector still employs about three quarters of Lao PDR's total workforce, the majority of who are subsistence farmers. They produce just enough to support

their food and non-food needs. This system does not optimise production or even produce for exchange.

In fact per capita income in the agriculture sector is less than half the national average. Rural incomes must grow through improved agricultural productivity and market conditions. In addition we must address agricultural land issues where land inequality and landlessness threaten people's livelihoods.

To help diversify occupations the need for industry and non-farm sectors to grow is essential to creating more and better jobs. The private sector has the potential to achieve this and will help Lao PDR broaden the spectrum of its workforce. In addition the role of Laos' migrant workers must not be underestimated. About 8% of the workforce earns their income abroad, primarily in Thailand, and contributes to about 7% of Laos' GDP through their savings and remittances. Creating a legal framework for these workers is vital as there are few social safety nets available and they are often subject to poor working conditions.

In fact, the issue of migrant workers has become especially relevant in recent days, as Laos is experiencing severe and unnatural weather patterns across the country. In some places there are floods and in others severe drought. These natural occurrences are affecting the movement of people in and out of Laos who migrate for survival. I have been informed that this has increased the vulnerability of some people who may

be trafficked or taken advantage of in other ways. This seems to be especially true for women. What is telling about this is how issues of employment and livelihood cannot be contained as development issues alone; they are also humanitarian assistance issues linked with disaster management. In this respect, the topic of this year's National HDR is extremely important.

Ladies and gentlemen,

I would also like to draw your attention to the Global and regional Human Development reports. This year marks the twentieth anniversary since the publication of the first report. Over the past two decades the Human Development Reports have become essential literature in thinking about development all over the world and we should celebrate this fact.

Most recently the Global HDR investigated the theme of migration in the context of demographic changes and trends in both growth and inequality. The 2010 Asia-Pacific HDR focuses on the critical question of advancing gender equality. And now the National HDR covers employment and livelihood.

As you can see, these three Human development reports have many points in common. What this highlights is that development issues are all connected and so it's

vital that we look at these issues with flexible minds and think 'outside the box' in our approach.

Your Excellency Dr Bounthavy,

I would like to express my sincere appreciation to the Department of Statistics at the Ministry of Planning and Investment for taking the lead in preparing this National HDR, and also for your commitment and expertise. The success of this report is thanks to the excellent partnership between UNDP, Ministry of planning and Investment and the Department of Statistics, Ministry of Education, Ministry of Social Labour and Welfare, the National Economic Research Institute and the National University of Lao PDR to name just a few of the many partners that have been engaged in the development of the NHDR.

Finally, I also wish to reiterate UNDP's continuing support to the Government of Lao PDR for conducting high quality research, which is such an essential component for decision-making. The National HDR, developed by UNDP, will also act as an effective tool for all UN agencies to deliver as one. Ultimately this report should help further in providing more coherent policy advice to the Government on development issues.

Thank you.