

**FOR PARTICIPANTS ONLY
14 March 2017
ENGLISH ONLY**

**UNITED NATIONS
CENTRE FOR REGIONAL DEVELOPMENT**

In collaboration with

**Ministry of Public Works and Transport, Lao People's Democratic Republic
Ministry of the Environment (MOE), Japan
Partnership on Sustainable, Low Carbon Transport
United Nations Economic and Social Commission for Asia and the Pacific, and
United Nations Office for Sustainable Development**

**TENTH REGIONAL ENVIRONMENTALLY SUSTAINABLE TRANSPORT (EST) FORUM IN ASIA,
14-16 MARCH 2017, VIENTIANE, LAO PEOPLE'S DEMOCRATIC REPUBLIC**

Poverty Eradication in Lao PDR

(Presentation for EST Plenary Session 2 the Provisional Programme)

Final Draft

This presentation has been prepared by Mr. Chith Thavixay, Ministry of Agriculture and Forestry, Lao PDR for the Tenth Regional EST Forum in Asia. The views expressed herein are those of the author only and do not necessarily reflect the views of the United Nations.

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Rural Development and Poverty Reduction in the Lao PDR

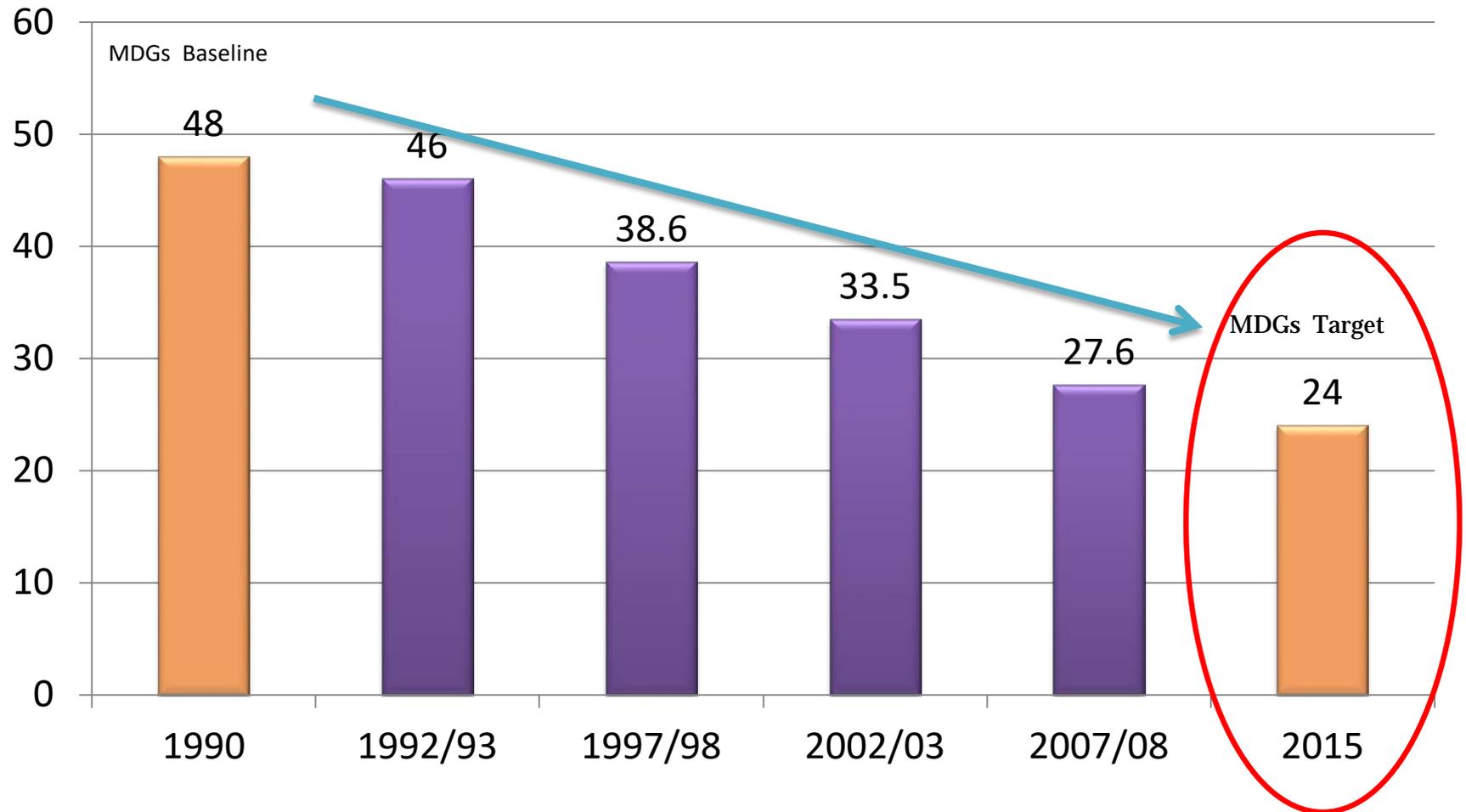
Presented 14/3/2017

Country profile

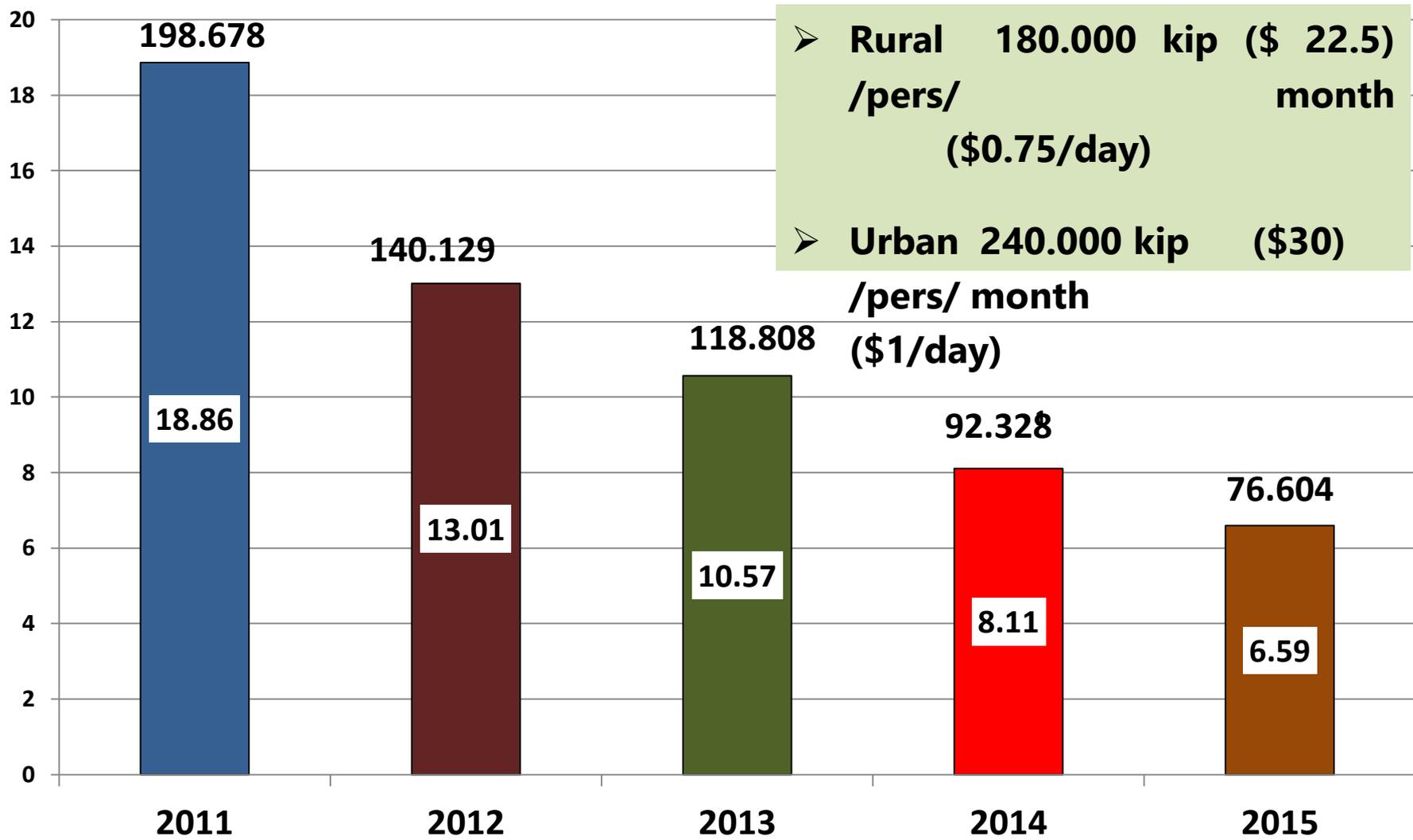
- 18 provinces, 148 districts, 8470 villages
- rural areas 75% of 236 800 km²
- Mountainous areas 60%
- Rural population 71% of 6.492.228
- Rural Scattered habitations
- Multi ethnic: 49 ethnic groups
- Density: 27
- GDP per capita: US\$ 1.947 (2015)

MDG Target hit with poverty rate 22,7%

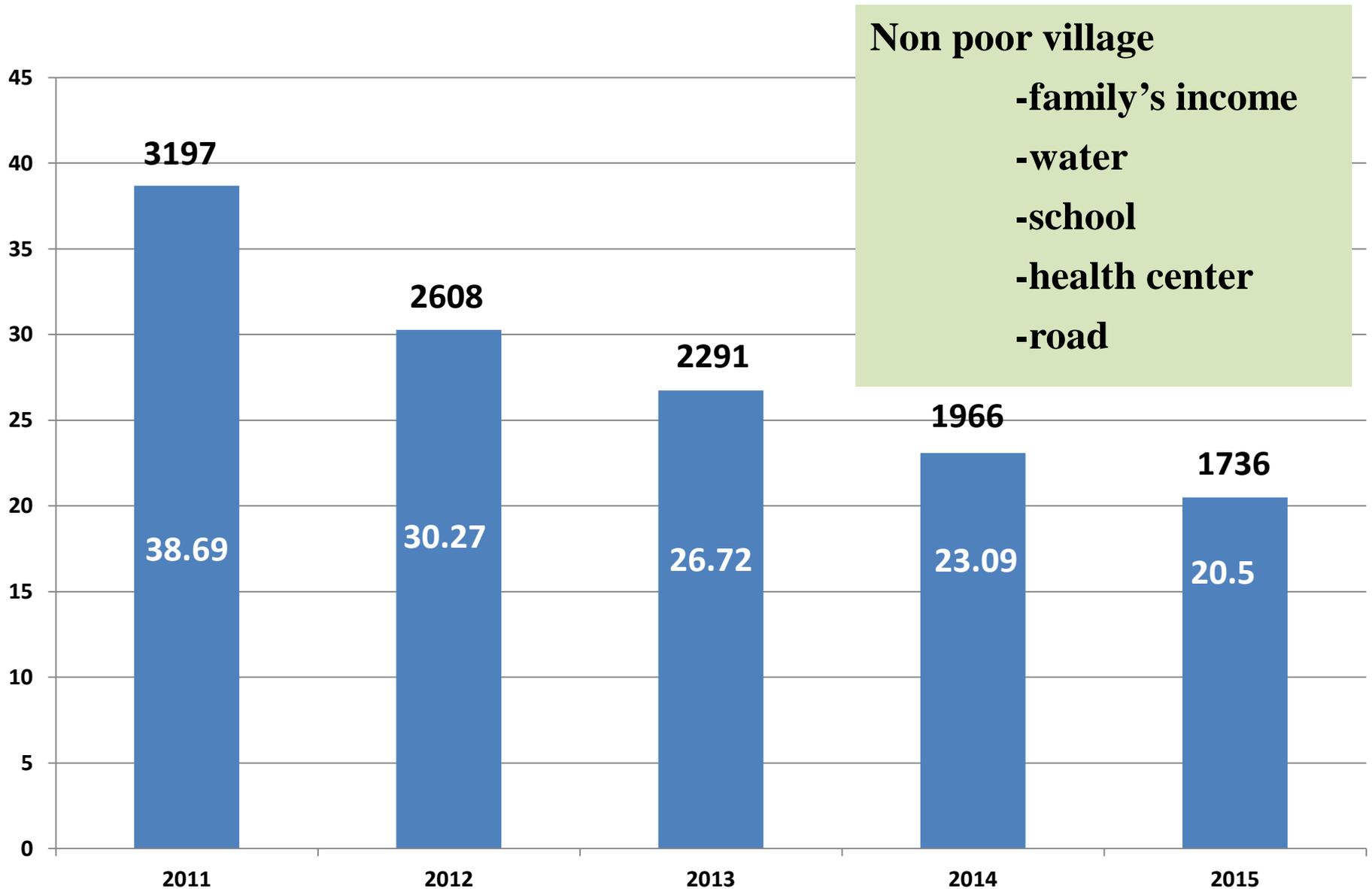
Poverty Rate



Poor families decreased by 122.074 (2011-2015)



Poor villages decreased by 1.439

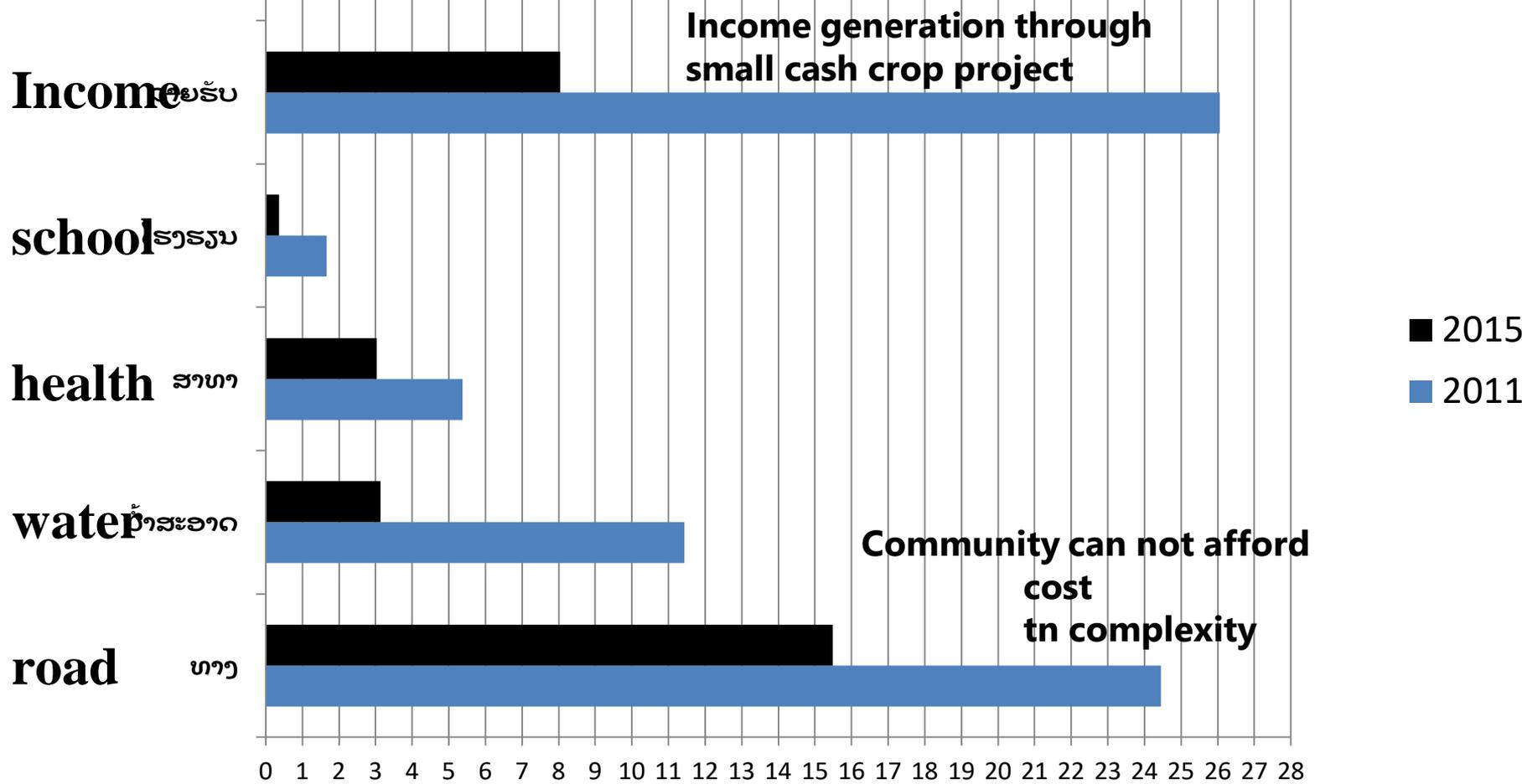


2011-2015

Criteria	Village No	%	Decrease
• Low income	673	7,75%	-1.582
• No school access	31	0,37%	-113
• No basic health care	254	3%	-220
• No clean water	266	3,14%	-724
• No road access	1.312	15,49%	-804

poor villages

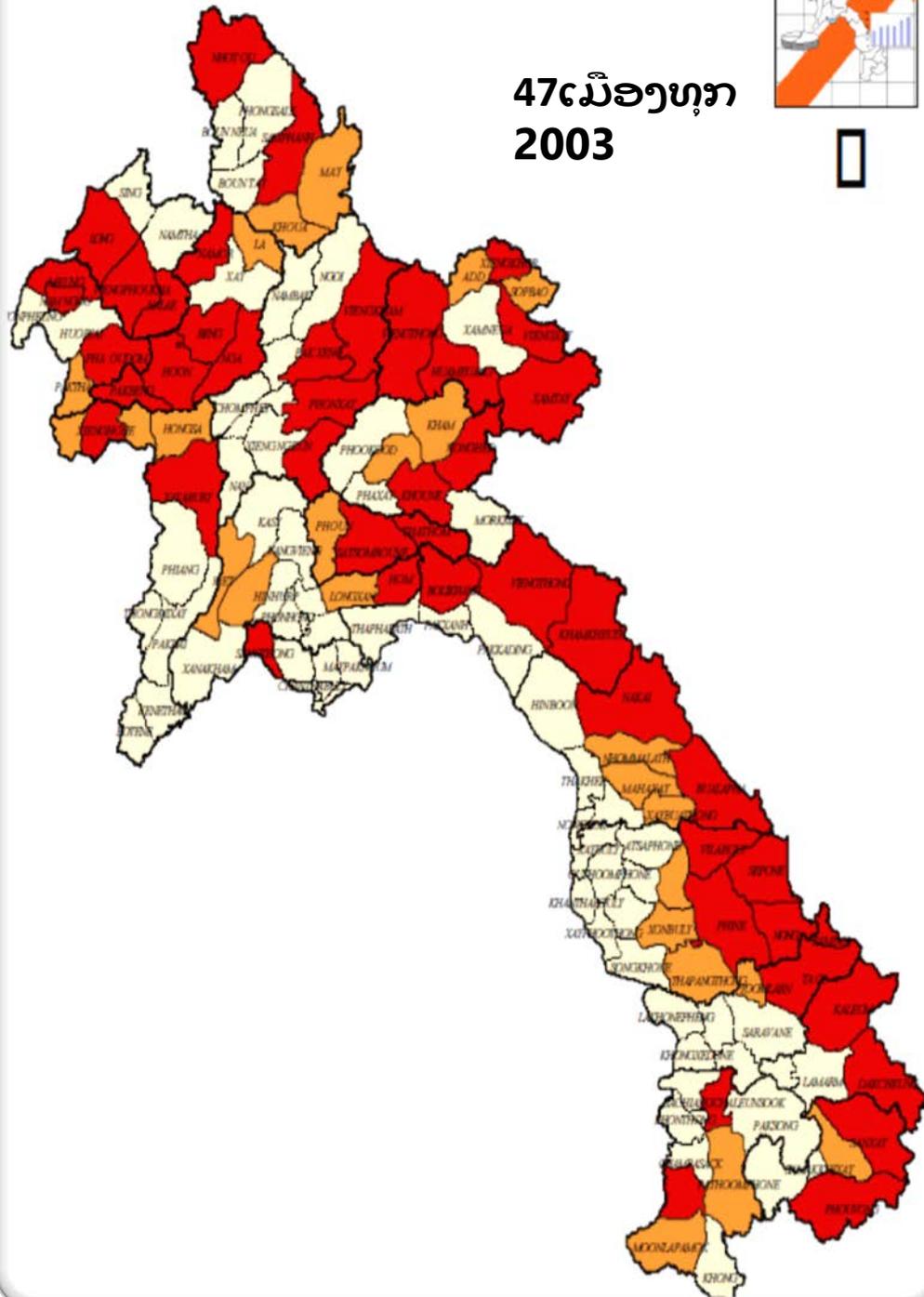
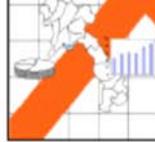
Road access: the most critical factor



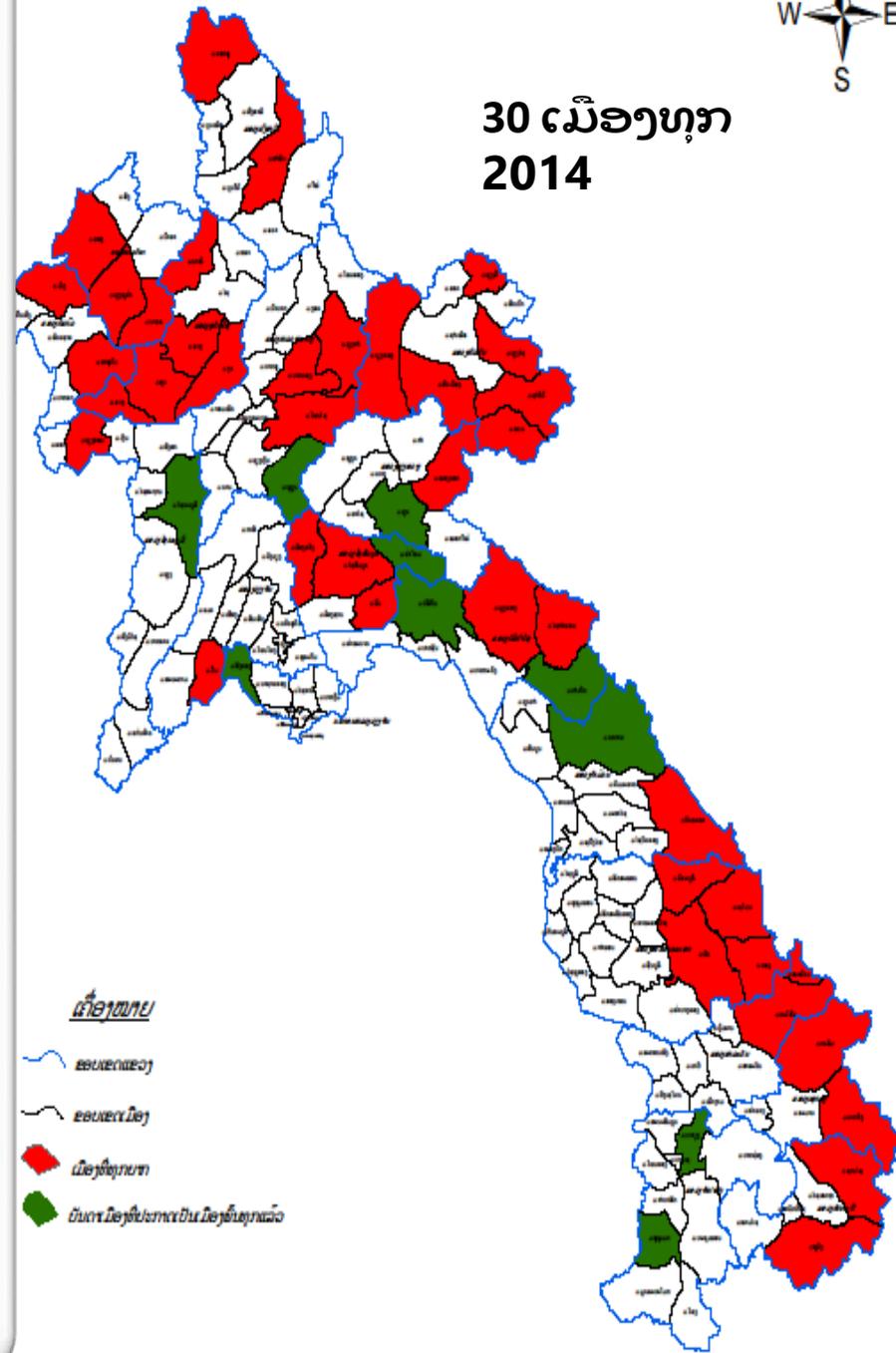
No access to road

- **8.9 % live in rural areas without road access**
- **Small change in livelihood pattern “farm households”: 84 % (1999) to 77% (2011), (North 89%).**
- **Household cut off from national market 30%: sell product, 2/3: livestock (2011).**
- **Slash and burn cultivation**
- **Very critical in the globalisation and international integration era.**

47 ເມືອງທຸກ
2003



30 ເມືອງທຸກ
2014



Progress has been made. Still huge challenges

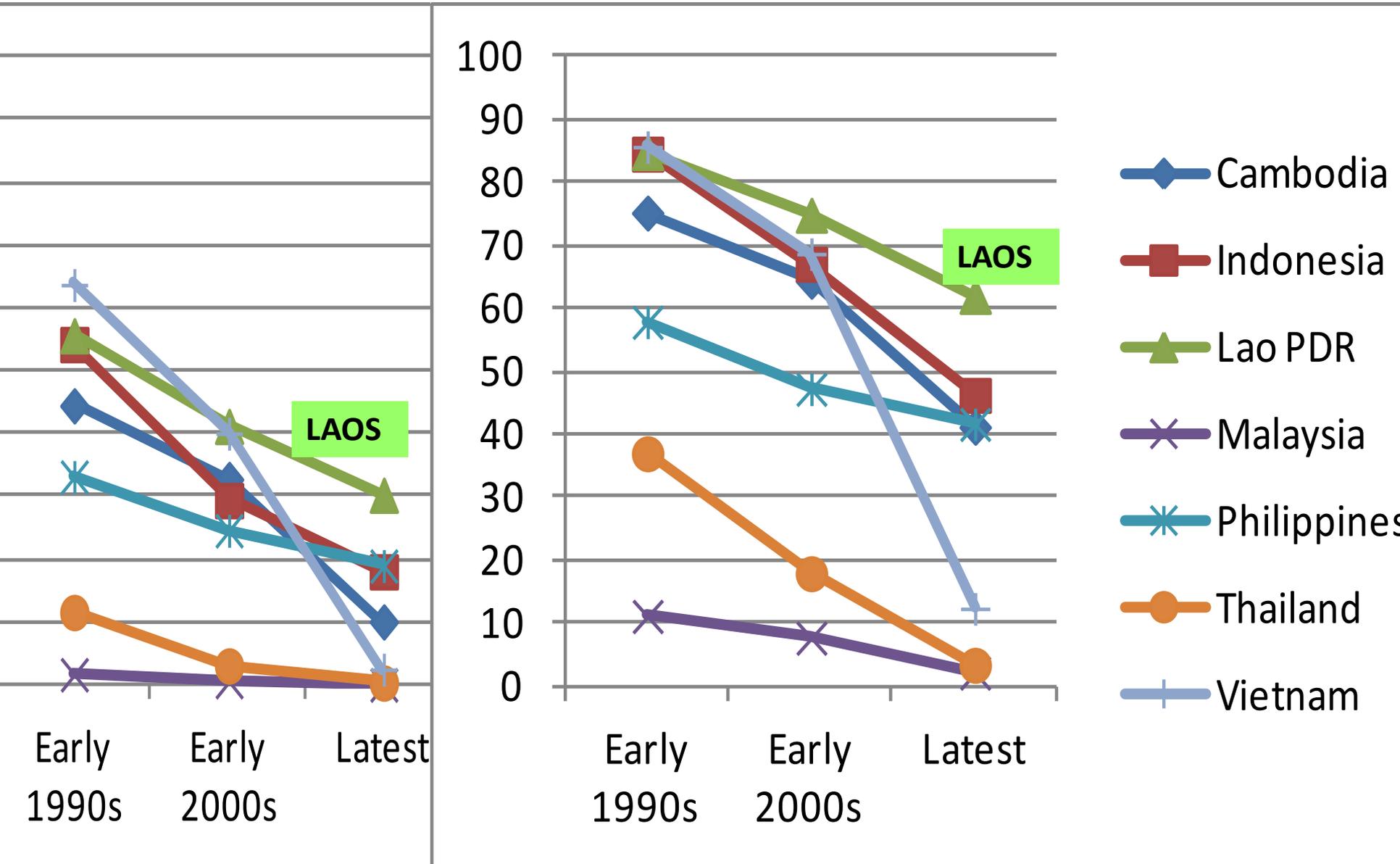
- **Along with ASEAN, poverty incidence decreased.**

Lao PDR is still behind among
ASEAN

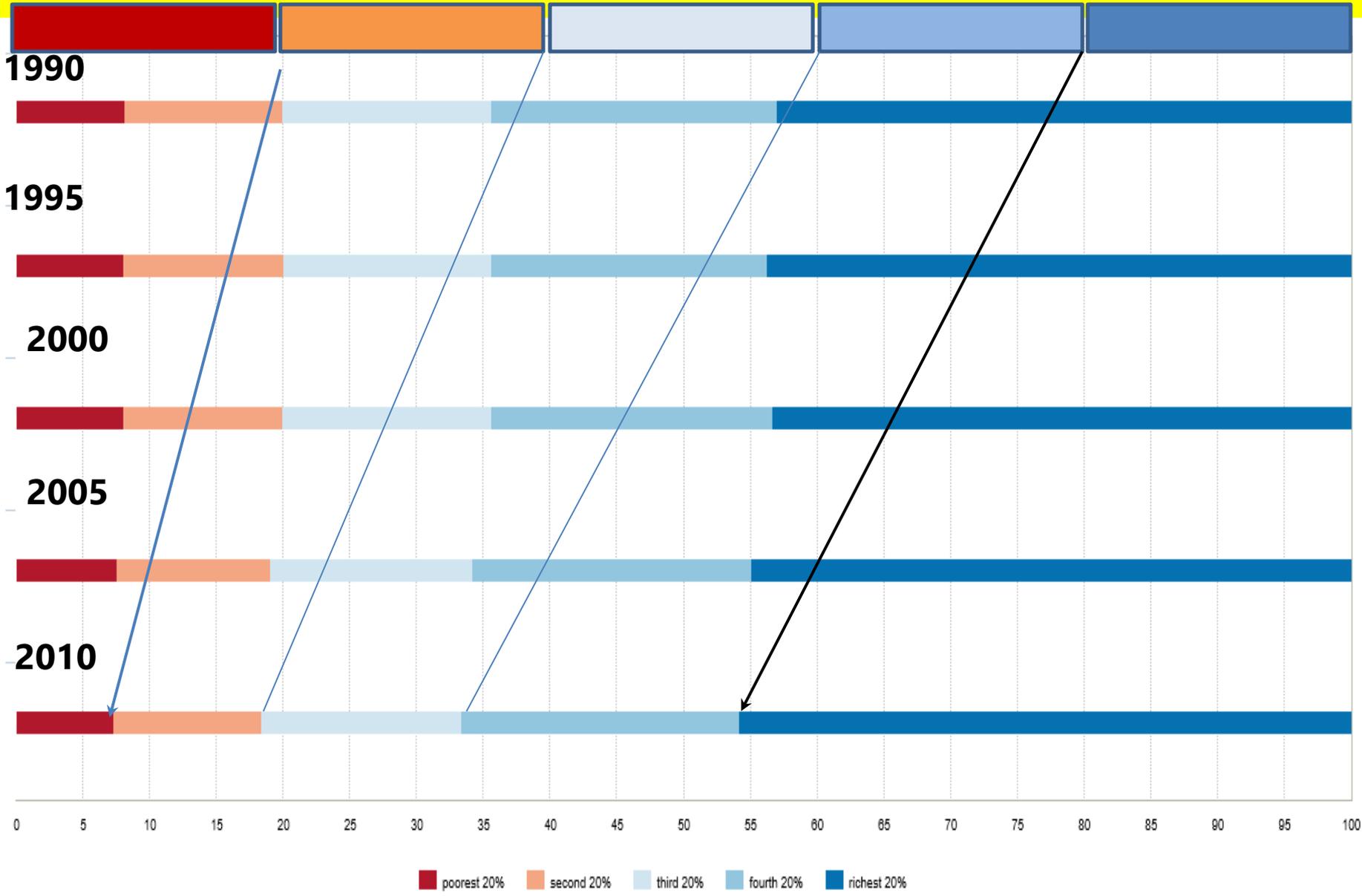
ADB: poverty in ASEAN

1.25\$ /day

2\$/day



GAP GINI: 36



vision 2030

- 1. Poverty eradicated**
- 2. Stable settlement and income source, accessibility to good quality public**
- 3. Urban-rural gap minimized**
- 4. Contribution to the national competitiveness in the international integration, and industrialisation and modernisation;**
- 5. Capable community's authorities accordingly to three builds;**
- 6. Social security and orderliness.**

strategy (2016-2025)

- 1. Family's poverty eradicated**
- 2. Most people have secured income source and accessibility to public services**
- 3. Sustainable rural development, urban-rural gap reduced**
- 4. Rural as a more effective production factors-labor supplier for the industrial and service sector.**
- 5. More modernised Production patterns**
- 6. Strong community's authorities**
- 7. Demining (UXO) targets reached.**

Five year plan (2016-2020)

1. Poverty reduction targets reached, unmanaged internal migration phased-out
2. Settlement basically stabilised
3. Rural infrastructure developed
4. rural and urban development Pace
5. Cash crop promotion
6. Community capacity building,
7. Strong community's authorities.

targets 2020:

- | | |
|------------------|-------|
| 1. Poverty rate | <10% |
| 2. Poor Family | <5%, |
| 3. Poor Village | <10%, |
| 4. Poor District | < 10% |

Challenges

- **Limited human resources**
- **Weak rural infrastructure and facilities**
- **Insufficient funds for the project implementation**
- **Unsmooth Coordination among stakeholders**
- **Environment issues still challenges in the process of development.**

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