



# LAO PEOPLE'S DEMOCRATIC REPUBLIC



## PERMANENT MISSION OF THE LAO PEOPLE'S DEMOCRATIC TO UNITED NATIONS

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Statement by  
H.E. Mr. Bounhang VORACHITH,  
Prime Minister of the Lao People's Democratic Republic  
At the High-Level Plenary Meeting of the Sixtieth Session  
of the United Nations General Assembly

New York, 16 September 2005

Mr. President,

Since the Millennium Summit, now five years on after these commitments were made, the implementation of the Millennium Development Goals which set out concrete measures and actions, including time-bound targets has been far from satisfactory. In Africa, most countries have sunk deeper into poverty. In Asia and the Pacific, the region is still a home to two third of the world poor.

Mr. President,

Over the last decade, Lao PDR has recorded a number of significant achievements in its social economic development. With a sustained progress the country is currently ranked as 135th out of 177 countries in 2004 compared to 141st out of 173 countries in 1993 in the Human Development Index. From lessons learned, it is noted that those gains are attributed to the government's consistent policy of promoting the strength of all economic sectors according to the market based mechanism, coupled with the broadening of external cooperation so as to exploit untapped national potentials.

Despite the above-mentioned progress and achievements, the Lao PDR is still facing various challenges. These include poor socio-economic infrastructure and isolation from world markets as being a landlocked least developed country. The spread of infectious diseases such as malaria, avian flu and HIV/AIDS despite a low prevalence continues to impose a serious threat to the nation because of its land-linked position with countries in the Greater Mekong Sub-Region. The provision of permanent employment for the people practicing shifting cultivation and opium growing remains a daunting task, which needs to be addressed through integrated rural development project aimed at ensuring sustained livelihood and better alternatives for the people. Furthermore, the people's insufficient general knowledge and skilled labor limit our capacity to respond to the country's development needs with the introduction of modern and innovative technology.

Mr. President,

For the Lao PDR, the support and assistance of the international community in addressing the above-mentioned challenges are of utmost importance in order to achieve the Millennium Development Goals. We highly value the assistance from the donor community including grant aid, soft loans and foreign investment, for instance, the assistance of the World Bank in the construction of the NamTheun 2 Hydropower Dam. In terms of Official Development Assistance, the Lao PDR would like to see greater coherence among donors in keeping with the socio-economic development plan of the recipient countries. In addition, grant aid in the social sector is more preferable to loan as the latter would drive the nation into a heavy indebted country. Similarly, loans for economic development should be extended at a concession interest rate with a long-term payback schedule. Besides, maximum benefits for recipient countries should be ensured in the utilization of grant aid in various forms whereas avoiding high spending on international consultancy.

We welcome the recent developed countries' policy, particularly the European Union and G-8, in the area of ODA and debt relief in favor of the poorest countries. Moreover, we are encouraged by a number of initiatives on innovative sources of financing for development which were raised at a separate Meeting on financing for development. Likewise, the United Nations system plays equally vital role in assisting the vulnerable countries to meet their objectives and goals. However, the focus of this support should be placed on development projects corresponding to national development needs and priorities.

Mr. President,

Our High-Level Plenary Meeting is indeed of utmost importance. I do hope that the international community will further intensify their cooperation and deploy all their efforts to attain the Millennium Development Goals. However, to develop the nation and eradicate poverty, it requires an environment of durable peace and dynamic international cooperation. In this spirit, the Lao PDR reaffirms its commitment to further cooperate with the international community in the fight against terrorism in all its forms and manifestations, and in the promotion of development cooperation.

I thank you, Mr. President.