



Lao People's Democratic Republic

# Accelerating Progress Towards the MDGs

*Innovative options for reaching the unreached*



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15 SEPTEMBER 2010

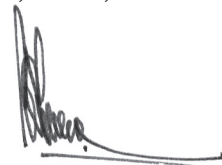
# Foreword

Lao PDR has made significant achievements in the Millennium Development Goals over the past years. Given a relatively high GDP growth rate of an average 7.9 percent over the past five years, the overall poverty rate has declined substantially. Progress in the social sector, such as education, health, and water and sanitation, has continued with improvements in selected indicators. While Lao PDR has been making considerable efforts to achieve both economic and human development objectives, the challenge for meeting the MDG targets is to sustain the high level of economic growth while enhancing equitable distribution to remote and rural areas, where poverty is almost twice the rate of urban areas.

In an effort to accelerate progress towards the MDGs, the Government of Lao PDR in collaboration with the United Nations Country Team has developed a framework to reach the most vulnerable population especially in the rural areas through innovative options. The MDG Acceleration Framework focuses on six priority areas where accelerated progress is required. It proposes innovative initiatives, interventions and technologies with proven experience and best practices across the country, as well as from other countries. The framework provides solutions in line with the Government's priorities to accelerate progress towards the MDG achievement with particular focus on the unreached – the people confronted with challenging outcomes due to the country's unique and diverse geographical and ethical features.

The MDGs are within reach if sufficient resources are allocated to accelerate the progress. Bringing all development partners within reach of the goals will require increased commitment at the national, regional and global levels. Using the framework, I hope that all development partners assisting Lao PDR will become a key resource in our efforts to achieve the MDGs.

The Government of Lao PDR remains strongly committed to the achievement of the MDGs. With the continued support and collaboration of the development partners, including the United Nations Country Team, private partners, and other development organizations, I believe Lao PDR can and will continue to make great strides towards the achievement of the MDGs by 2015 and graduation from Least Development Country status by 2020.



**Dr. Thongloun Sisoulith**

*Deputy Prime Minister  
Ministry of Foreign Affairs*

# Foreword

Lao PDR's new National Socio-Economic Development Plan (NSEDP) for 2011-15 provides a major opportunity to make even greater progress towards achieving the MDGs by 2015. This would in turn substantially advance the country towards its other long-standing goal of graduation from LDC status by 2020.

In the past two decades Lao PDR has achieved notable progress towards attaining its development targets. Poverty has declined significantly since early 1990s, access to safe drinking water is now widespread, infant and child mortality rates continue to decline, and many other social indicators are improving. Such progress has accompanied relatively high GDP growth, though the causality between the two is not always obvious. It is thus paramount that the Lao PDR creates an environment for inclusive and equitable socio-economic processes to blossom. By focusing more on the quality and sustainability of growth, the Lao PDR can truly enjoy stable and sustainable development with peace.

The challenge will be ensuring effective implementation of the new NSEDP including the further development of a supportive policy and institutional environment combined with allocating sufficient budgetary resources especially towards social investments aimed at achieving the most pressing MDGs. In this context, special efforts will be needed to reduce the still very high child malnutrition rates, maternal mortality, gender inequalities and environmental vulnerability/climate change.

So other innovative approaches will also be needed. *Accelerating Progress toward the MDGs* in Lao PDR complements the larger broader interventions outlined in the new NSEDP by providing a range of more *targeted innovative options to help reach the unreached* who are often in most need of assistance.

These innovative options will help further extend the reach of ongoing and planned efforts by Government, Development Partners and Civil Society, and hopefully provide the basis for even deeper partnerships. All of this will help deepen the underlying quality, equity and sustainability of growth, accelerate progress towards achieving the MDGs by 2015 and advance the country towards graduation from LDC status with greater prosperity for all Lao people.



**Sonam Yangchen Rana**

*UN Resident Coordinator  
Lao PDR*



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# Abbreviations

ADB	Asian Development Bank
AIDS	Acquired immunodeficiency syndrome
CBD	Community-based distribution
CCT	Conditional cash transfer
CEDAW	Convention on the Elimination of all forms of Discrimination against Women
CFSVA	Comprehensive Food Security and Vulnerability Assessment
CLTS	Community led total sanitation
EFA	Education for All
ESDF	Education Sector Development Framework
FTI	Fast Track Initiative
GDP	Gross domestic product
GoL	Government of the Lao People's Democratic Republic
HIV	Human immunodeficiency virus
ILO	International Labour Organization
IMF	International Monetary Fund
INGO	International non-governmental organization
ITN	Insecticide-treated bed nets
LDC	Least developed country
MDG	Millennium Development Goal
MNCH	Maternal, Neonatal and Child Health
MOE	Ministry of Education
MOH	Ministry of Health
NGO	Non-governmental organization
NGPES	National Growth and Poverty Eradication Strategy
NSAP	National Strategic Action Plan



NSEDP	National Socio-Economic Development Plan
ODA	Official development assistance
OECD	Organisation for Economic Co-operation and Development
PDR	People's Democratic Republic
PES	Provincial Education Services
PPP	public private partnership
PRSP	Poverty Reduction Strategy Papers
RDF	Revolving drug fund
RTM	Round Table Meeting
SBA	Skilled birth attendant
SEA	South-East Asia
STI	Sexually transmitted infection
SWG	Sector Working Group
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UN-HABITAT	United Nations Human Settlements Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UXO	Unexploded ordnance
VAT	Value added tax
WFP	World Food Programme
WHO	World Health Organization
WSP	Water and sanitation programme

# Executive summary

This framework of innovative options for reaching the unreached (Framework) builds on the findings and recommendations of the MDG Progress Report, the Mid-term Review of the 6th Plan, as well as consultations with various experts and officials of the Government of Lao PDR. It focuses attention on the off-track areas and identifies six priority areas where there is greatest need for renewed effort. It covers key sectors such as infrastructure, energy, sustainable agriculture, environmental management, education, gender, health, and water and sanitation. The Framework should help the Government accelerate and scale up proven initiatives, interventions and technologies to achieve the MDGs.

The intention of the Framework is to build on the initiatives being done or planned already in the country. Where appropriate, new innovative initiatives have been included to help close specific development gaps. Another intention is to propose a way forward that is a guide to and basis for actions rather than an all-encompassing blueprint.

This Framework recognizes that there is a need for a new accelerated approach to reducing poverty and attaining the MDG targets. It is to be seen as complementary to the work of the Government of Lao PDR and aims to ensure that socially and geographically disadvantaged communities are given the opportunity and capability to enter the development agenda. For this reason, it is not the purpose of this Framework to highlight the major

government funded programmes in the recommended areas of action. Rather, it builds on innovative initiatives and approaches to poverty reduction that has shown proven results internationally and locally and can be scaled up in Lao PDR. The Framework explores approaches such as conditional food and cash transfers, innovative employment schemes, and public-private partnerships for social marketing and service delivery.

The user of this Framework will also see a strong focus on addressing some of the preconditions for development such as reaching the underserved communities by providing basic infrastructure such as rural roads and electrification. Strong emphasis is on sustainability, and to this end innovative initiatives such as promoting and increasing the production of renewable energy crops, both for income and electricity, are included as recommended options for Lao PDR to help the country reach the MDGs.

## **Six priority areas to accelerate MDG achievement in Lao PDR**

The Framework advances clear recommendations in six priority areas. While these recommendations should serve as milestones to accelerate the progress of the MDGs, they should not be viewed in isolation; they must be viewed as complementary to ongoing efforts, initiatives and strategies by the Government of Lao PDR. It is also important to note that recommendations are based on the assumption that the government, with the support of its development

partners, will continue to move forward on development and implementation of sector strategies, taking structural reforms into account to ease systemic constraints to poverty alleviation. The six priority areas and their recommended strategic areas for action are as follows:

**I. Expanding the reach of the enabling infrastructure for MDG achievement**

- i) Community-based road construction and maintenance
- ii) Investing in improved town planning for poverty reduction
- iii) Extending sustainable energy services for poor and vulnerable households
- iv) Promoting increased participation of private sector for diversified renewable energy sources

**II. Sustainable practices for improved food security and environmental sustainability**

- i) Improving the incomes of the rural poor
- ii) Improving productivity and diversifying agricultural practices for smallholder farmers
- iii) Strengthening community-based food security and entitlements
- iv) Promoting safe and environmentally sustainable food production systems
- v) Increasing the adaptive capacity of the agriculture, forestry, water and water resources and public health sectors to climate change
- vi) Promoting biodiversity-compatible farming practices

- vii) Promoting production of renewable fuels and energy
- viii) Strengthening innovative financing mechanisms

**III. Universal Access to Basic Education and Gender Equity**

- i) Assuring equitable access to education services
- ii) Improving quality and efficiency of education services
- iii) Improving education sector governance and performance management
- iv) Ensuring equal access of girls and women to all levels of education

**IV. Women's Equal Participation and Empowerment**

- i) Sensitization to temporary special measures
- ii) Promoting gender equality in employment
- iii) Sensitization on domestic violence (violence against women)

**V. Improved Maternal and Child Health**

- i) Strengthening community involvement
- ii) Bringing MNCH services closer to the poor and most vulnerable
- iii) Improving quality of MNCH care and service delivery by health facilities
- iv) Reducing mother-to-child transmission of HIV
- v) Improving the nutrition of women and children
- vi) Reducing financial barriers to MNCH care for the poor

## **VI. Safe Water Supply and Improved Sanitation for all Rural Areas and Small Towns**

- i) Increasing the investment in physical infrastructure for water and sanitation, including operations and maintenance
- ii) Promoting integrated water supply and sanitation at central and local levels
- iii) Promoting community-based water supply and sanitation initiatives in rural areas and small towns
- iv) Promoting community-led total sanitation approach
- v) Providing training and awareness-raising campaigns for hygiene, water supply and sanitation for all sections of society

### **Localizing MDGs for targeted action**

To make progress on the MDGs quickly and comprehensively, across the six priority areas presented above, calls for a highly intensive programme of downstream activities that can be implemented by local administrations. Experiences from the Millennium Villages Project model can guide this approach. The commitment and participation of the communities form the bedrock of the Millennium Villages Project. By providing innovative investments in health, food production, education, access to clean water and essential infrastructure, these bottom-up interventions have enabled impoverished villages to escape extreme poverty.

In the Lao context, this approach can be used to draw in the district administrations to use the limited resources that can be made available to them

to identify locally appropriate investments from a list of suggested intervention areas which could be guided by the Framework, and pursue it with ownership and commitment. The core of the proposed approach is to leverage the limited available capacity in the state machinery, at the subnational level, in a manner that is consistent with and builds on current government initiatives to strengthen the subnational administration.

### **A coordinated approach**

The implementation of the strategies and interventions will be coordinated and monitored through the existing coordination structures set up through the Round Table Process in the Lao PDR. The Round Table process and the Sector Working Group mechanism has a shared intent to achieve the MDGs, identify financial gaps and delineate specific responsibilities for implementing the MDG-based National Socio-Economic Development Plan of the Government of Lao PDR. Through the Sector Working Group mechanism, the Government and development partners can aim for the targets with a common information base which helps their decision-making and resource management efforts. The actions under this Framework can guide the discussions between partners to ensure that key priorities are adequately addressed.

### **Financing and resource mobilization for MDGs**

Achieving the MDGs will require not only strong political commitment but also adequate funding. The MDG Costing conducted by the Ministry of Planning and Investment and line ministries in 2009 estimates

that \$6.32 billion, or an annual average of \$1.27 billion, is required to achieve the MDGs by 2015. This translates to about \$192.3 per capita per year, or about 53 cents per person/day. Out of this \$149 per capita is government expenditure. These estimates are based on a full needs assessment to achieve all MDGs. In a resource-constrained environment, prioritizations must be made, with weight given to low-cost/high-impact interventions. This Framework can help guide these prioritization discussions.

## Summary matrix: 6 priority areas, Accelerating progress towards Lao PDR framework of innovative

Priority area	MDG	MDG indicator
1 Expanding the reach of the enabling infrastructure for MDG achievement	Goal 1: Eradicate extreme poverty and hunger	1.1 Proportion of population below poverty line (percentage)  1.2 Poverty-gap ratio
	Goal 7: Ensure environmental sustainability	7.2 CO2 emissions and consumption of ozone-depleting substances (mt)

## 30 strategies, 99 indicative interventions the MDGs (2010–2015) options for reaching the unreached

Strategy		Indicative interventions 2011-2015	
1	<b>Community-based road construction and maintenance</b>	1	Develop and rehabilitate provincial roads
		2	Develop and rehabilitate district and rural roads connecting poor districts and rural villages, to the level of being passable all year round.
		3	Develop and rehabilitate roads for urban <i>kumbans</i>
2	<b>Investing in improved town planning for poverty reduction</b>	4	Develop integrated kumban plans that are linked to district plans
3	<b>Extending sustainable energy services for poor and vulnerable households</b>	5	Provide electricity to public facilities in rural areas (schools, health centres, government offices and community centres)
		6	Provide subsidies of 700,000 kip for household connection to the grid for poor households
		7	Promote modern cooking fuels including biogas
		8	Promote liquid fuel for end use
		9	Promote use of improved stoves using biomass and biomass derived fuels
4	<b>Promoting increased participation of private sector for diversified renewable energy sources</b>	10	Development of six local off-grid pico, micro and mini hydropower generators
		11	Expand pilot projects on solar power generation through public-private partnerships
		12	Pilot small-scale biofuel production models for end use by rural enterprises
		13	Capacity development of public and private sector for small-scale bioenergy systems

Priority area	MDG	MDG indicator
2 Sustainable practices for improved food security and environmental sustainability	Goal 1: Eradicate extreme poverty and hunger	1.1 Proportion of population below poverty line  1.2 Poverty-gap ratio  1.5 Employment-to-population ratio  1.8. Prevalence of under-weight children under-five years of age  1.8A. Prevalence of stunting in children under five years of age  1.9. Proportion of population below food poverty line
	Goal 7: Ensure environmental sustainability	7.1 Proportion of land area covered by forests (percentage)



Strategy		Indicative interventions 2011-2015	
5	<b>Improving the incomes of the rural poor</b>	14	Expand off-farm and non-farm activities that enable forward linkages and increased productivity
		15	Establish farm-to-market programmes, such as agro-industrial linkages and rural industrialization
		16	Improve access to formal credit through reform of banking loan structure (in particular to be non-discriminatory to women) and expansion of reach of service
		17	Implement a policy of community participation in issues related to land use
6	<b>Improving productivity and diversifying agricultural practices for smallholder farmers</b>	18	Enhance capacity of farmers in agro-forestry and production of agricultural products (cash crops and value-added)
		19	Provide seeds for farm testing and demonstration suitable to local area, including new and local varieties
		20	Develop and improve the irrigation system for smallholder farmers
		21	Provide extension services to local farmers, and create farmer learning networks
		22	Expand learning opportunities for farmers for efficient and sustainable farming systems.
		23	Improve household knowledge of healthy consumption requirements, and related to diversified farming practices
7	<b>Strengthening community-based food security and entitlements</b>	24	Establishing farmers' associations and related actor networks including for crop protection
		25	Expand budget and training on local capacity for self-managed microcredit schemes to include a minimum quota allocated for women
		26	Improve community knowledge on minimum levels and types of food to be grown for food security and general nutrition needs
8	<b>Promoting safe and environmentally sustainable food production systems</b>	27	Enhance use of agricultural standards in current production systems
		28	Increase market access to organic products, and develop institutional systems for certification
		29	Strengthen enforcement of agricultural law related to chemical and pesticide use
9	<b>Increasing the adaptive capacity of agriculture, forestry, water and water resources and public health sectors to climate change</b>	30	Strengthen national knowledge and information base on climate change to better plan for agricultural risks
		31	Enhance the capacity of sector planners and agricultural producers of new and traditional practices that are resilient to climate change
		32	Encourage public-private partnerships for new investments in R&D

Priority area	MDG	MDG indicator
		7.2 CO2 emissions and consumption of ozone-depleting substances (mt)
3 Universal access to education, and gender equity	Goal 2: Achieve universal primary education	2.2 Proportion of pupils starting grade 1 who reach grade 5  2.3 Literacy rate in the age group 15–24 years
	Goal 3: Gender equality and women's empowerment	3.1 Numbers of girls per 100 boys enrolled in primary, secondary and tertiary

Strategy		Indicative interventions 2011-2015	
10	Promoting biodiversity-compatible farming practices	33	Provide green incentives for the positive environmental practices from land through linkages with private sector and markets (shade-grown coffee, REDD, PES)
11	Promoting production of renewable fuels and energy	34	Reduce forest cutting for fuel wood and introduce smallholder forestry plots and use of tree species that coppice for charcoal production
		35	Increase investment in rural renewable energy production such as gasification of rice husks, biogas and solar energy
12	Strengthening innovative financing mechanisms	36	Create enabling policies and distribution mechanisms for PES mechanisms to involve communities in environmental management
13	Improving productivity and diversifying agricultural practices for smallholder farmers	37	Complete construction of classrooms in unfinished school buildings in 56 priority districts
		38	Promote multigrade teaching in schools that do not have adequate classrooms and/or teachers
		39	Adopt 'reaching the unreached' approach and links with non-formal education systems
		40	Promote improved education and training for people in life skills with disabilities
		41	Provide incentives to increase household demand for basic education, including school feeding programme and conditional cash transfers (CCTs)
14	Improving quality and efficiency of education services	42	Expand early childhood learning opportunities through the formal primary school settings and non-formal community-based play-groups in remote areas
		43	Scale up holistic Schools of Quality approach
		44	Expand successful programmes in multicultural and multilingual education
15	Improving education sector governance and performance management	45	Strengthen local management capacity
		46	Strengthen results-based sector monitoring through strengthening the EMIS and operationalizing the Education Sector Development Framework (ESDF) Performance Assessment Framework
16	Ensuring equal access of girls and women to all levels of education	47	Increase the number of women in management and decision-making positions at all levels in Education Sector and at Village Education Development Committees
		48	Expand life-skills-based adult literacy programmes and non-formal education to address gender disparity
		49	Extend teacher training opportunities to women coming from ethnic and remote areas into the teaching profession

Priority area	MDG	MDG indicator
4 Women's equal participation and empowerment	Goal 3: Promote gender equality and empower women	3.2. Share of women in wage employment in the non-agricultural sector  3.3 Proportion of seats held in National Assembly

Strategy		Indicative interventions 2011-2015	
		50	Provide gender awareness training to school staff, local authorities and communities
		51	Extend preparatory training opportunities to women and girls to be qualified for admissions to technical and vocational education programmes
		52	Explore and provide effective incentives including scholarships, school feeding, safe facilities etc., to enable girls to attend school and continue into professional and higher education
17	<b>Sensitization to temporary special measures</b>	53	Implement public, targeted awareness-raising activities about the importance and benefits of equal representation of men and women in decision-making for society as a whole, by working with high-level policy makers and the media
		54	Develop and implement targeted training and mentoring programmes for women candidates and women elected to office at all levels
		55	Develop and implement training programmes on leadership and negotiation skills for current and future women leaders
		56	Take measures to empower and enable women to take part in public life (including reducing their workload, introducing quality child care, and providing training opportunities)
18	<b>Promoting gender equality in employment</b>	57	Develop measures to provide increased opportunities for women to be working in the formal labor sector (child care facilities, possibility of part-time work etc.)
		58	Scaling up women's access to microcredit including savings groups
		59	Implement labor law and promote the right of non-discrimination and equal remuneration
		60	Through public awareness-raising, promote the avoidance of gender stereotyping in job selection, recruitment, employment and promotion
19	<b>Sensitization on domestic violence (violence against women)</b>	61	Enhance capacity of existing shelters for victims of violence
		62	Start dialogue on violence against women including domestic violence in order to develop a comprehensive response
		63	Sensitize the legal and justice system to the rights of victims of violence against women
		64	Develop a comprehensive communication and awareness campaign on violence against women involving men as role models to combat

Priority area	MDG	MDG indicator
5 Improvement of maternal and child health	<p>Goal 1: Eradicate extreme poverty and hunger</p> <p>Goal 4: Reduce child mortality</p> <p>Goal 5: Improve maternal health</p> <p>Goal 6: Combat HIV/AIDS, malaria and other diseases</p>	<p>1.8. Prevalence of underweight children under five years</p> <p>1.8A. Prevalence of stunting in children under five years</p> <p>4.1 Under five mortality rate</p> <p>4.2 Infant mortality rate</p> <p>4.3 proportion of one-year-old children immunized against measles</p> <p>5.1 Maternal mortality ratio</p> <p>5.2 Proportion of births attended by skilled birth attendants</p> <p>5.3 Contraceptive prevalence rate</p> <p>5.4 Adolescent birth rate</p> <p>5.5 Antenatal care coverage (at least one and four visits)</p> <p>5.6 Unmet need for family planning</p>

Strategy		Indicative interventions 2011-2015	
20	<b>Strengthening community involvement (MNCH SP SO3, ERs 3.1.1 &amp; 3.1.2)</b>	65	Provide Integrated Management of Child Illness (IMCI) at community level
		66	Expand and strengthen the role of village health volunteers and community-based distribution (CBD)
		67	Promote the nationwide expansion of the Model Healthy Village
21	<b>Bringing MNCH services closer to the poor and most vulnerable (MNCH SP SO2, ER 2.1.4)</b>	68	Improve outreach services for better delivery of the package of MNCH services
		69	Strengthen community midwifery services in accordance with Skilled Birth Attendant (SBA) Plan
22	<b>Improving quality of MNCH care and service delivery by health facilities</b>	70	Provision of basic and comprehensive emergency obstetric and newborn care in health facilities
		71	Strengthen the competence and motivation of health workers
		72	Strengthen MNCH health information system for improved planning, monitoring and evaluation
		73	Improve MNCH-related medical products and technology, particularly essential drugs, equipment and supplies (including family planning commodities)
23	<b>Reducing mother-to-child transmission of HIV</b>	74	The maternal and child health (MCH) centre to further implement the prevention of mother to child transmission (PMTCT) guidelines as part of the essential antenatal care package (including rapid HIV testing at antenatal service sites)
		75	Introduce HIV prevention interventions for sex workers and other most-at-risk women to incorporate family planning, reproductive health and PMTCT services
		76	The MCH centre to increase male involvement in PMTCT, and in antenatal care in general
24	<b>Improving the nutrition of women and children (MNCH SP SO2, ER 2.1.1)</b>	77	Improve the coverage and consistency of infant and young child feeding, maternal counseling for health and non-financing services (NFS) education and use of insecticide-treated bed nets (ITN) bed nets through behavior change communication
		78	Improve prevention and management of food and water-related diseases
		79	Improve prevention and treatment of micronutrient and macronutrient deficiencies in women and children
25	<b>Reducing financial barriers to MNCH care for the poor (MNCH SP SO1, ERs 1.2.1 &amp; 1.2.2)</b>	80	Develop of national health insurance (in line with the Decree on National Health Insurance, MOH, 2010)
		81	Promote health equity funds to the poor who cannot access insurance schemes

Priority area	MDG	MDG indicator
6 Safe water supply and improved sanitation for all rural areas and small towns	Goal 7: Ensure environmental sustainability	7.5 & 7.6 Proportion of population using an improved drinking source and improved sanitation facility



Strategy		Indicative interventions 2011-2015	
		82	Provide conditional cash and food transfers to encourage use of vital MNCH services
		83	Offer fee exemptions of MNCH services for targeted MNCH interventions and populations
		84	Promote Village Health Funds for emergency evacuation/transportation
26	Increasing the investment in physical infrastructure for water and sanitation, including operations and maintenance)	85	Construct NamPapa system for 72 poor districts and towns
		86	Construct simple sewage treatment plants especially targeting small towns
		87	Provision of improved sanitation facilities in small towns
21	Bringing MNCH services closer to the poor and most vulnerable (MNCH SP SO2, ER 2.1.4)	88	Provide suitable water sources and technologies for water supply in rural areas
		89	Promote suitable facilities and technologies for improved sanitation in rural areas including locally designed latrines
		90	Enhance technical capacities of NamPapa and NamSaat on survey, design and construction of GFS; water supply treatment system; ground water investigations; operation and maintenance
27	Promoting integrated water supply and sanitation at central and local level	91	Promote institutional partnerships and knowledge exchange for NamSaat and NamPapa staff at central, provincial and district levels
		92	Support the development of a national monitoring framework to inform the national strategy and the activities of both government agencies and development partners
		93	Provide support to the organizational reform of the state-owned NamPapa
		94	Promote public-private partnerships for water and sanitation services
28	Reducing mother-to-child transmission of HIV	95	Expand pilot projects promoting community-based water supply and sanitation initiatives in small towns and villages
		96	Promote life skills and human values-based water and sanitation and hygiene education and school water and sanitation
29	Promoting community-led total sanitation approach	97	Mobilization, education, communication, and social marketing for CLTS in 17 provinces
30	Providing training and awareness-raising campaigns for hygiene, water supply and sanitation	98	Awareness raising on links between sanitation, hygiene and health in rural and urban areas (17 provinces)
		99	Training of NamPapa and NamSaat technicians: Household water treatment and storage, arsenic mitigation options and financial and information management



CHAPTER 1:

**Progress and challenges  
in achieving the MDGs**

*Photo: UNDP Lao PDR/Harish Murthi*

*This section provides an overview of the major findings of the situation analysis and provides the rationale for the selection of priority areas. This reflects the outcome of a consultative process and builds upon lessons learnt from the implementation of the 6th NSEDP (2006–2010), the MDG Progress Report and the work of the government’s different partners.*

## **MDG status and trends**

Lao PDR has experienced many remarkable advances over the decades. Real GDP growth has averaged more than 7 percent during 2006 and 2007, and the country has achieved higher real GDP growth than any other landlocked, least developed country (LDC) in the Asia-Pacific region.

Poverty declined steadily from 46 to 26.9 percent according to the latest figures, and the country is on course to achieve the MDG target of halving poverty by 2015. Between 1991 and 2005, net primary school enrolment rose from 58 to 84 percent. Child mortality indicators are also improving satisfactorily; the under-five mortality shows a decrease from 170 to 98, and the infant mortality from 104 to 70, which indicate a strong potential of Lao PDR to achieve the target by 2015. The country has also made considerable progress in the fight against malaria and tuberculosis. Between 1990 and 2006, the death rate from malaria fell per 100,000 from 9 to 0.4. Two indicators related to tuberculosis were achieved by 2005 — 72 percent of tuberculosis was successfully detected and 90 percent cured under Directly Observed Treatment Short Courses (DOTS). While these accomplishments demonstrate that some goals are within reach in Lao PDR, it also illustrates that the country must continue to provide a focus to further efforts to achieve other goals. There has, for example, been little reduction in child malnutrition since 1990. Despite considerable efforts, 38 percent of children under five years of age are underweight and 41 percent suffer from chronic malnutrition. Al-

though access to education has improved, there are concerns over the lack of equitable access to quality education across the population. The gender gap in education is still evident — fewer girls than boys are enrolled at all levels. In spite of progress made in the area of gender equality, the MDG targets for elimination of gender disparity require a better understanding at all levels of the dynamics that sustain and/ or create gender inequalities.

Health concerns persist, and access to and quality of health care varies significantly by location and among income groups. The improvement in mortality indicators is not matched by continued progress in the immunization of one-year-old children against measles. Prospects for reducing maternal mortality have not significantly improved — the proportion of births attended by skilled birth attendants increased only marginally between 1994 and 2005. As world leaders have been demonstrating their contributions to environmental improvements, Lao PDR needs more commitments to tackle its emerging environmental concerns; by 2002, Lao PDR’s forest resources, which once covered about 70 percent of the total land area, covered only 42 percent. In addition, challenges remain in ensuring access to safe drinking water and basic sanitation. A summary of progress is given in table I-1.

Indicators can be classified into two categories: category 1 shows indicators where progress has been slow and more resources are required and/or service delivery needs to become more efficient and better coordinated (table I-2); category 2 includes indicators

**Table I-1:** MDG Progress in Lao PDR

MDGs	Target	Seriously off track	Off track	On track	No target
Goal 1: Poverty and hunger	Reduce extreme poverty by half			●	
	Reduce hunger by half	●			
	Achieve full and productive employment and decent work for all				●
Goal 2: Universal primary education	Universal primary schooling		●		
Goal 3: Gender equality and women's empowerment	Eliminate gender disparity at all levels of education		●		
Goal 4: Child mortality	Reduce child mortality under five years of age by two thirds			●	
Goal 5: Maternal health	Reduce maternal mortality by three quarters		●		
	Universal access to reproductive health	●			
Goal 6: HIV/AIDS, malaria, and other diseases	Halt and reverse the spread of HIV/AIDS			●	
	Achieve universal access to HIV/AIDS treatment			●	
	Halt and reverse the spread of malaria			●	
	Halt and reverse the spread of TB			●	
Goal 7: Environmental sustainability	Reverse the loss of environmental resources	●			
	Reduce rate of biodiversity loss				●
	Halve the number of people without safe drinking water in rural areas		●		
	Halve the number of people without safe drinking water in urban areas			●	
	Halve the number of people without sanitation in rural areas		●		
	Halve the number of people without sanitation in urban areas			●	

**Table I-2:** Category 1 indicators, accelerated progress needed

MDGs	Indicator	Baseline	Current status	2015 target
1: Eradicate extreme poverty and hunger	1.5 Employment-to-population ratio	47	49	No target
	1.8. Prevalence of underweight children under five years of age	44 (1993)	37 (2006)	22
	1.8A. Prevalence of stunting in children under five years of age	48 (1993)	40 (2006)	34
2: Achieve universal primary Education	2.2. Proportion of pupils starting grade 1 who reach grade 5	48 (1991)	62 (2005)	95
	2.3. Literacy rate in the age group of 15–24 years	71 (1991)	84 (2005)	99
3: Promote gender equality and empower Women	3.1. Number of girls per 100 boys enrolled in	(all 1991)	(all 2006)	
	- Primary	77	86	100
	- Lower secondary	66	78	100
	- Upper secondary	56	74	100
	- Tertiary	49	62	100
	3.2 Share of women in wage employment	38 (1995)	50 (2006)	No target
4: Reduce child mortality	4.1. Under-five mortality rate	170 (1995)	98 (2005)	55**
	4.3. Proportion of one-year-old children immunized against measles	41.8 (2000)	40.4 (2005)	90
5: Improve maternal Health	5.2. Proportion of births attended by skilled birth personnel	14 (1994)	21.1* (2005)	50
	5.4 Antenatal care coverage rate			
	- at least one visit	-	28.5* (2005)	60*
	- at least four visits	-	-	40
7: Ensure Environmental Sustainability	7.1 Proportion of land areas covered by forests (percentage)	70	42 (2002)	60***
	7.2. CO <sub>2</sub> emissions and consumption of ozone-depleting substances (mt)	50 (1999)	18 (2006)	No target

Source: MDG Progress Report 2008, unless otherwise specified.

\* As reported in MoH-MNCH Strategy (2009-2015).

\*\* MoH has changed the target from 80% to 55% in the MNCH Strategy (2009-2015).

\*\*\* Ministry of Agriculture and Forestry, GoL Forestry Sector Strategy.

where progress is satisfactory and the target is likely to be met by 2015 (table I-3).

It is important to note that even where overall indicators are satisfactory, aggregate figures can hide considerable regional, ethnic, gender and rural-urban variations. For example, while 84 percent of

the population in urban areas uses improved sanitary facilities, only 38 percent of the population in rural areas does. For indicators where no target has been set, or indicators that are difficult to measure, the MDG goal may still be lagging in progress. For example, the poverty target on achieving full and productive employment for all is a very important

**Table I-3:** Category 2 indicators, satisfactory progress

MDG	Indicator	Baseline	Current status	2015 target	
1: Eradicate extreme poverty and hunger	1.1. Proportion of population below poverty line	46 (1992)	26.9* (2007/08)	24	
	1.2. Poverty-gap ratio	11(1992)	8 (2002/03)	6	
	1.9. Proportion of population below food poverty line	32.5 (1997/08)	19.8 (2002/03)	19	
2: Achieve universal primary education	2.1. Net enrolment rate in primary school	58 (1991)	84 (2005))	98	
3: Promote gender equality and empower women	3.3 Proportion of seats held in National Assembly	6 (1991)	25 (2008)	30	
4: Reduce child mortality	4.2. Infant Mortality Rate (IMR)	104 (1995)	70 (2005)	45**	
5: Improve maternal health	5.1. Maternal Mortality Ratio (MMR)	650 (1995)	405 (2005)	260	
	5.3 Contraceptive prevalence rate	20 (1994)	38 (2005)	55***	
6: Combat HIV/AIDS, malaria and other diseases	6.1 HIV prevalence among general pop. (percentage)	0.06 (2001)	0.2	<1	
	6.2 Men who have sex with men who are HIV infected, 15–49 yrs (percentage)	2.8 (2008-09)	2.8	<3	
	6.3 HIV prevalence among service women, 15–49 years old (percentage)	0.9 (2001)	1.2	<2	
	6.4 Condom use among service women with their most recent client (percentage)	54.4 (2004)	94,7	95	
	6.5 Adults and children with advanced HIV infection receiving antiretroviral therapy (percentage)	48 (2006)	92	>90	
	6.6. Death rates associated with malaria (per 100,000 population)	9 (1990)	0.4 (2006)	0,2	
	6.8. Proportion of children under five sleeping under bed nets	82 (2000)	87 (2006)	95	
	6.9. Prevalence and death rates associated with TB (per 100,000)	472 (1990)	306 (2005)	240	
	6.10. Proportion of TB cases under DOTS	- detected	24 (1995)	72 (2005)	70
		- cured	72 (1995)	90 (2005)	85
7: Ensure environmental sustainability	7.5 Proportion of population using an improved drinking water source (percentage)	38 (1990)	57 (2008)****	69****	
	- urban		72		
	- rural		51		
	- small towns		51		
	- schools		25		
	7.6 Proportion of population using an improved sanitation facility (percentage)	8 (1990)	53 (2008)****	54****	
	- urban		84		
- rural		38			
- schools		24			

Source: MDG Progress Report 2008; LECS (2007/2008); MNCH Strategy (2009-2015).

\* LECS (2007/2008).

\*\* MoH has changed the target from 49% to 45% in the MNCH Strategy (2009-2015).

\*\*\* As reported in MNCH Strategy (2009-2015).

\*\*\*\* Joint Monitoring programme Estimate for 2008.

issue for the development of Lao PDR although no target has yet been set in relation to the MDGs.

MDG progress is non-linear, and achieving the MDGs gets more difficult as it reaches closer to the goals. While countries can successfully reach the 50 percent to 80 percent levels, they generally find it much harder to move through the final leg of progress to 100 percent of the target coverage. This often requires further inputs that a country might not be in a position to finance or address, including cross-cutting challenges like population dispersal and poor service delivery caused by weak institutions. In addition, the country is required to have additional capacity to absorb unpredictable external shocks such as the economic crisis and climate change that demand greater efforts and investments.

There is no single grand strategy for achieving the MDGs. Rather, this Framework proposes a number of sub-strategies that respond to specific requirements for each category. Sustained attention is needed to maintain progress on category 2 indicators and make them more broad-based, and to speed up progress on category 1 indicators.

## Existing strategies

Lao PDR aims to meet the MDGs by 2015 and graduate from LDC status by 2020 (box I-1). In 2003, the National Assembly approved the National Growth and Poverty Eradication Strategy (NGPES). In 2004, the NGPES was accepted as the Poverty Reduction Strategy Paper (PRSP) by the Bretton Woods institutions, and has been serving as the main vehicle for achieving the MDGs.

The NGPES highlights four priority sectors: agriculture and forestry, education, health, and infrastructure. It also proposes complementary actions in several supporting sectors, including energy, agro-forestry, manufacturing, tourism, mining and construction, along with cross-sectoral priorities, such as gender,

the environment and governance. In addition, the NGPES pays a particular attention to a number of national programmes, including unexploded ordnance (UXO), drug control and HIV/AIDS. In order to facilitate effective and efficient poverty reduction in the country, the NGPES identifies the 47 poorest districts and another 25 poor districts, where investments are made first.

In 2005, the government integrated the NGPES in its 6th Five-Year National Socio-Economic Development Plan (NSED) 2006–2010. The 6th NSED set country-specific targets and indicators that coincide with most of the MDGs; the Government has successfully shown its commitment to national development and the achievement of the MDGs by incorporating the MDGs elements in NSED. While the 6th NSED is MDG-oriented, it is not MDG-based, and lacks clear strategies on how to meet the set targets by 2015.

The 7th NSED, which outlines an overall picture and direction for national development over the period of 2011–2015, focuses more on the strategies that correspond to the achievement of the MDG targets.

The 7th NSED 2011–2015 sets out its overall objectives as follows:<sup>1</sup>

1. Reduce poverty and strive to achieve the MDGs by 2015, lead the country out of LCD status by 2020.
2. Ensure economic stability, sustainability and growth at the rapid pace, develop self-reliance and align with the direction of industrialization and modernization.
3. Ensure that development is aligned, harmonized and sustained — economic development must be appereled with social development and environmental protection.
4. Enhance efficiency, effectiveness, swiftness and transparency of public management and social protection.
5. Continue to expand the cooperation and develop necessary capacity for regional and global integration.

1 *The Instructions of the Prime Minister on the Preparation of the Seventh National Socio-Economic Development Plan (2011-2015).*

In addition, sector plans have been developed that are aligned with the priorities of the national development plan. Four examples of comprehensive and costed sector plans are the Education Sector Development Framework (2009–2015); the National Strategy and Planning Framework for the Integrated Package of Maternal, Neonatal and Child Health Services (2009–15), known locally as the 'Pink book'; the National Nutrition Strategy and Action Plan (2010–2020); and the National Climate Change Adaptation Strategy (2009–2020).

The implementation of the 7th NSEDP should be assisted by this Framework, ensuring that critical MDG targets, especially relating to disadvantaged regions and groups, are not left by the wayside when priorities are made within a resource-constrained environment.

#### Box I-1

#### CRITERIA FOR GRADUATING FROM LDC STATUS

The United Nations Economic and Social Council has established a number of criteria for graduating from LDC status. These include the following:

1. *Income*: based on a three-year average estimate of the gross national income (GNI) per capita (under \$750 for inclusion, above \$900 for graduation);
2. *Human resources*: involving a composite human assets index based on indicators of nutrition, health, education and adult literacy;
3. *Economic vulnerability*: involving a composite economic vulnerability index based on indicators such as (a) the instability of agricultural production, (b) the instability of exports of goods and services, (c) the economic importance of non-traditional activities, (d) merchandise export concentration, (e) the handicap of economic smallness and the percentage of population displaced by natural disasters.<sup>2</sup>

Source: <http://www.un.org/special-rep/ohrlls/ldc/E-2004-33.pdf>.

<sup>2</sup> For further details see E/2004/33, available at: <http://www.un.org/special-rep/ohrlls/ldc/E-2004-33.pdf>.







CHAPTER 2:

**The way ahead**

*Photo: UNDP Lao PDR/Harish Murthi*

*In this section, recommendations are advanced in six priority areas. These recommendations should serve as milestones to accelerate the progress of the MDGs, and should not be viewed in isolation. They must be complementary to ongoing efforts. Furthermore, the recommendations are based on the assumption that the Government, with the support of development partners, will continue to move forward on development and implementation of sector strategies, taking structural reforms into account to ease systemic constraints to poverty alleviation.*

## Using the Framework

This Framework builds on the findings and recommendations of the MDG Progress Report, the Mid-term Review of the 6th Plan as well as consultations with various experts and Government officials. It focuses attention on the off-track areas and identifies six priority areas where there is greatest need for renewed effort. The Framework should help accelerate and scale up proven initiatives, interventions and technologies to achieve the MDGs.

The intention of the Framework is to build on the initiatives being done or planned already in country. Where appropriate, new innovative initiatives have been included to help close specific development gaps. Another intention is to propose a way forward that is a guide to and basis for actions rather than an all-encompassing blueprint for work.

## Six priority areas to accelerate MDG achievement in Lao PDR

The six priority areas are:

- I. Expanding the reach of the enabling infrastructure for MDG achievement
- II. Sustainable practices for improved food security and environment

- III. Universal access to basic education and gender equity
- IV. Women's equal participation and empowerment
- V. Improved maternal and child health
- VI. Safe water supply and improved sanitation for all rural areas and small towns

Each of the six sectors needs investments on a national scale, as well as improvements in public policy and planning. Physical investments such as roads, and policy reforms such as financial sector modernization or public-sector pricing, must be made simultaneously. Physical investments need not, however, await full policy reform. Some investments may occur immediately because actual projects can overcome narrow interests in the policy domain.

## I. Expanding the reach of the enabling infrastructure for MDG achievement

Lao PDR currently lacks the complete infrastructure to achieve its MDG goals. The road network is limited; while the primary roads are mainly in good condition, others are unpaved and not well maintained. Other modes of transport such as water and air are also limited. The road network in rural areas is par-

ticularly limited, and villages far from major roads can be reached only through unpaved roads that may not be accessible year-round due to seasonal rain and floods. Rural electrification in remote areas is still a challenge.

The link between rural infrastructure and poverty is straightforward: people cannot benefit from services and employment opportunities if they have limited access, and their goods and products cannot reach the market. Also, as a landlocked country, Lao PDR faces higher transport costs due to limited market access, which affects its competitiveness and the potential for diversifying local production.

National-scale infrastructure programmes will continue to rely on government resources and donor financing — the country needs the large amount of investments to fill up critical gaps for country development though the role of the private sector; hence public-private partnerships should be considered and encouraged.

The master plans for infrastructure development should envision a nationwide road network in a strategic way, addressing how infrastructure will effectively contribute to the country's development. Likewise, the master plans for power supply and water and sanitation should address the need for national access. Examining access to market, job, and growth hubs by the rural poor, farmers, laborers, businessmen and companies, would help the plan to incorporate extensive needs of infrastructure, including logistic services, cross-border arrangements and regulations, in addition to its physical development.

Because of the need to subsidize access for the poor in rural areas, these investments will not fully recover all financial costs; however, considering the role of infrastructure as one of the important driving forces of the country's economic growth, the investments are still both viable and necessary. Costs for both power supply and water supply and sanitation can be gradually recovered through market-based rate tariffs.

Market-based pricing should be combined with subsidies such as lifeline tariffs, with cross-subsidization that guarantees access for the poor. The government might consider covering the cost of some of these investments, to subsidize access for the poor.

Energy services for household, productive and social sector uses should take into account the distinct ways in which their availability affects men and women in economic and social terms. Women should therefore be included both as energy providers and users in all stages of project, policy and development planning. For example, in Lao PDR, women are often responsible for gathering firewood, which greatly adds to their workload. Interventions should target special needs of women and result in lessening of burden.

Investments in the nation's physical infrastructure, particularly its road network, has linked Lao PDR with its neighbors and has increased the role of cities and towns along the development corridors and Vientiane in the regional trade. These cities are emerging as important centres of distribution and logistics activities, and locations of higher value processing and production. These trends are complemented by attendant growth in information and technological linkages, and growth of migrant labor. As such, its border cities and towns in particular are attracting large numbers of new population, mostly the rural poor.

The impact of this development is seen in the increased urban growth of Lao PDR (4.9 percent) which is significantly higher than all its neighbors including Thailand (2.0 percent), Cambodia (4.3 percent) and Viet Nam (3.6 percent). If the present trends continue, its share of urban population is expected to grow from its current levels of 25 percent to nearly 40 percent in 2030. This rapid growth poses some immediate and longer term challenges, and is becoming an area of concern for poverty reduction efforts, as much of the population movement is made up of the rural poor.

## A four-fold strategy to accelerate progress towards improved infrastructure for MDG achievement

The focus of this Framework is to reach the un-reached 20 percent of the population that will not be connected to the electricity grid and the 20 percent of villages that are not connected to a road and can therefore not access MDG services. To address the infrastructure challenges of the rapid urbanization in Lao PDR, this Framework proposes that urban kumban plans are targeted to ensure that there is no regression of development results as rural communities transition to small town status.

Strategies to accelerate progress towards the MDGs through the provision of the necessary infrastructure should include the following:

1. community-based road construction and maintenance
2. investing in improved town planning for poverty reduction
3. extending sustainable energy services for poor and vulnerable households
4. promoting community-level public-private partnerships for diversified renewable energy sources

## 1. Community-based road construction and maintenance

The road network in Lao PDR is inadequate, and maintenance is to a large extent focused on the primary roads. Rapid economic development and increased traffic with overloaded vehicles are accelerating the deterioration of the road network. The rural road network is falling further into disrepair due to inadequate resources. Major public investments are needed for construction, rehabilitation and maintenance of all categories of the road network both in urban and rural areas. The network expansion should be considered by fully resourcing the existing road funds to cover required maintenance costs.

The MDG costing for Lao PDR, coordinated by the Ministry of Planning and Implementation, proposes that in the next five years (2010–2015) a total of 1,606 km of new national roads, 5,107 km of provincial roads, 8,542 km of rural roads and 10,000 km of roads connecting kumbans (clusters of villages located relatively close to each other) will be required to achieve the MDGs. Priority should be given to provincial roads followed by roads connecting kumbans. In addition, urban infrastructure

### Box II-1

## PROVIDING BASIC ACCESS INFRASTRUCTURE IN LAO PDR

The Basic Access Component of the Lao-Swedish Road sector project (LSRSP3) has focused on capacity-building for planning, construction and maintenance of basic accessibility infrastructure in 26 of the 37 priority districts selected from the NGPES in the eight northern provinces of Lao PDR. The aim of the project is to provide access to social services and markets to rural communities who do not have access to roads. Over the past four years, around 400 villages and approximately 180,000 people have been provided with improved access. The budget ceiling per km of road is \$6,000, which does not allow for high-quality roads. Rather, the focus of the project has been on providing large coverage.

The road maintenance is organized through Village Maintenance Committees. Two hundred and seventy-five VMCs have been trained to carry out routine maintenance through the project. The impact study report of the project finds that improved access has impacted very positively on the lives of villagers mainly from a significant increase in income.

One of the key features of the project is the introduction of the Participatory Rural Transport Planning (PRTP) tool for the selection of interventions. Another key feature is the Community Road Model (CRM) which together with the PRTP has included the participation of communities in the process of planning, implementation and maintenance.

Source: Sida/Ministry of Public Works, LSRSP3/Basic Access Component, Impact Study Report, December 2009.

also needs attention. Urban infrastructure can still be rather small scale as the definition of an urban centre in Lao PDR is a total population of over 2,000 people and a density of over 30 people per hectare.<sup>3</sup> In accordance with this definition, many kumbans will in fact become reclassified as small towns. Expansion of the road network in urban areas should be facilitated to strengthen the linkages with rural areas.

#### Box II-2

#### FOOD FOR WORK (FFW)

FW has been identified as an effective means of engaging local labor in community-based activities, particularly in remote areas that are poor and food insecure. Activities such as road construction, paddy expansion, terracing and setting up irrigations and water systems are done by the villagers in exchange for food. Community participation in the selection of the activity, and its design and implementation are key to ensure its sustainability and its contribution to the livelihoods of the villages involved.

Cash for work has also been piloted as a payment modality for similar activities and found to be effective. In food insecure areas it has proven to reduce household debt burdens associated with accessing food during the lean season.

*Source: World Food Programme.*

To ensure that maximum benefits in terms of poverty alleviation are derived from the investments the works on local road networks and routine maintenance should be labor intensive to create employment and minimize the adverse impact on the environment.

## 2. Investing in improved town planning for poverty reduction

Cities are the principle generators of a nation's wealth, and wealth when fairly distributed helps in eliminating poverty. Although poverty in Lao PDR is predominantly rural, the war on poverty is not necessarily in the villages alone. Urbanization

is a positive process that could bring with it significant development benefits to both urban and rural economies. Sharper policy responses are therefore needed to enhance the role of cities in economic growth, and to create opportunities for both the rural and urban poor to participate in and benefit from the growth economy.

**Need to manage the urbanization process.** The country needs to capture the generative benefits of urbanization for its economic growth. This would require strategic policy focus on urban growth and better management of the urban growth process. However, cities and towns are not often equipped to rise to this challenge. Often limited institutional capacities, person skills and competencies make them unable to cope with the demands placed on them. The cities often have insufficient resources to increase either the coverage or the quality of their services. For the Lao economy to expand, urban growth is necessary, and for it to remain competitive, urban growth must be proactively managed.

**Partnership building and poverty reduction.** The city administrations need orientation and experience and, therefore, capacity and confidence in addressing participatory upgrading and environmental planning.

**Urban poor and growth of underserved settlements.** The rising importance of border cities in making the regional trade links operational is contributing to the rapid growth of secondary cities, particularly those located along the strategic border points. As experienced elsewhere, the new urban populations are largely the rural poor migrants who are least equipped with skills or resources, and poorly supported by institutions to integrate into their new life. The demand for services adds further stress to the already limited capacities of existing infrastructure. The unmet demand is invariably met through higher prices paid for services from alternative sources or by enduring unsanitary living conditions in overcrowded under-served settlements.

<sup>3</sup> ADB, March 2010, *Report and Recommendation of the President to the Board of Directors on a proposed ADB Grant to the Lao PDR for the Northern and Central Regions Water Supply and Sanitation Sector Project.*

### 3. Extending sustainable energy services for poor and vulnerable households

If the MDGs are to be attained, Lao PDR must provide appropriate energy solutions for the poor at prices they can afford. Energy solutions include efficient lighting, cooking, refrigeration, telecommunications, education, transport, and water pumping and agro processing. Interventions should also involve providing electricity in rural communities for public facilities — health clinics, schools, government offices and community centres.

Location of these services at some central point within rural communities, rural or urban kumbans can lead to greater aggregation of demand for small businesses, further lowering unit costs as well as unlocking local private capital. Energy services in rural areas may use low-cost transitional technologies that can be upgraded as demand and incomes rise.

#### Box II-3 BIOGAS IN LAO PDR

The Netherlands Development Organization (SNV) has committed to scaling up and expanding biogas development in Asia. SNV's work in Lao PDR focuses on domestic biogas digesters, improved cooking stoves and carbon credit projects. Biogas digesters provide modern, convenient and healthy energy in the form of natural gas for cooking and lighting. They offer a safe and hygienic way to dispose of human and animal waste materials, and as a result produce rich compost that can boost crop yields and household income. Improved cooking stoves reduce harmful emissions and improve the health of users. Pro-poor carbon credit projects generate financial revenue, and can therefore support a range of projects that improve access to basic services. Lao PDR is in a position to benefit from the conventions on climate change through the selling of carbon credits on the international market.

Source: ADB, 2009, *Building Climate Change Resilience in the Agriculture Sector of Asia and the Pacific*; <http://www.adb.org/Documents/Books/Building-Climate-Resilience-Agriculture-Sector/Building-Climate-Resilience-Agriculture-Sector.pdf>.

Extending energy services to poor communities through investments in the handling, transport and distribution of fuels provides an opportunity for incorporating low-carbon and energy-efficient technologies, as well as renewable and decentralized energy sources. Elimination of energy poverty would thus have only a marginal effect on national carbon emissions. It is estimated that even in areas where the grid is established, over 40 percent of households are still not connected to the grid due to prohibitive connection costs. Subsidies targeting poor households to connect to the grid at about 700,000 Kip per household are one viable solution to reducing energy poverty.

Firewood should, wherever possible, be replaced by modern cooking fuels and biogas as an energy source and, where this is not possible, used in a more sustainable way focusing on processing of biomass waste. Communities can be encouraged to switch to liquefied petroleum gas, kerosene or biogas by subsidies to reduce the cost of the initial investment especially in urban and peri-urban areas where traditional biomass and charcoal are used. At the same time, there should be greater use of sustainable biomass and biomass-derived fuels, improved stoves and practices that reduce exposure to harmful emissions. In urban areas, it is also important to set basic consumption standards and adopt energy efficiency policies. Cross-subsidies and reduced rates for the poor should be considered as one of the policy options.

### 4. Promoting community-level public-private partnerships for diversified renewable energy sources

Lao PDR should aim to increase the sustainable production of biomass. This would have benefits for agriculture, agro forestry, animal husbandry, waste treatment, ecosystem services, forestry, carbon credits and income generation. The development of local off-grid pico, micro and mini hydropower generators

**Table II-1:** Summary table for accelerating progress towards the MDGs through infrastructure development

MDGs	MDG indicator	Strategy	Indicative interventions 2010-2015
Goal 1: eradicate extreme poverty and hunger	1.1 Proportion of population below poverty line (percent)	Community-based road construction and maintenance	Develop and rehabilitate provincial roads Develop and rehabilitate district and rural roads connecting poor districts and rural villages, to the level of being passable all year round
	1.2 Poverty-gap ratio		Develop and rehabilitate roads for urban kumbans
		Investing in improved town planning for poverty reduction	Develop integrated kumban plans that are linked to district plans
Goal 7: ensure environmental sustainability	7.2 CO2 emissions and consumption of ozone-depleting substances (mt)	Extending sustainable energy services for poor and vulnerable households	Provide electricity to public facilities in rural areas (schools, health centres, government offices and community centres)
			Provide subsidies of 700,000 kip for household connection to the grid for poor households
			Promote modern cooking fuels including biogas
			Promote liquid fuel for end use
			Promote use of improved stoves using biomass and biomass derived fuels
		Promoting increase participation of private sector for diversified renewable energy sources	Development of six local off-grid pico, micro and mini hydropower generators
			Expand pilot projects on solar power generation through public-private partnerships
	Pilot small-scale biofuel production models for end use by rural enterprises		
	Capacity development of public and private sector on small-scale bioenergy systems		

and use of solar energy should be supported to ensure that the goal of the Government of Lao of providing electricity to 80 percent of the population by 2015 and 90 percent by 2020 is met.

Opportunities for increasing the welfare benefits to the poor may arise through small-scale biofuel production models that convert feedstock locally into fuels to satisfy a number of rural applications, including electrification, small machinery power, irrigation

pumping and food processing. These can offer new sources of energy and electricity and encourage enterprises making products such as soap and organic fertilizer. Bioenergy development for clean-burning fuel for domestic uses, such as ethanol-based gelfuels, can provide significant time-saving benefits for women and children who spend long hours collecting fuel wood. Furthermore, the use of clean-burning reduces health risks while the use of fuels that produce smoke is extremely toxic and damaging to their health.

4 ADB, 2009, *Building Climate Change Resilience in the Agriculture Sector in Asia and the Pacific*.



## PILOTING PUBLIC-PRIVATE PARTNERSHIPS FOR HYBRID VILLAGE GRIDS IN LAO PDR

A large number of villages in Lao PDR will not be connected to the main grid for many years to come. Small village grids fed by decentralized local energy sources are an option to be explored and developed to overcome this lack of energy supply. In some places it is feasible to consider hydro-electric solutions. During the dry season, in most areas, stream flows are considerably reduced. Hence, a feasible small grid has to be boosted with solar energy or a diesel generator. In the future, once its commercial viability can be proven, the diesel can be substituted with biofuel.

Insular village grids with their low load factor and the required infrastructures at the village level are an unattractive investment for private investors. Against this background, an innovative operative set-up was tested where public investors (in this case a cooperation of the villagers of Nam Kha and Helvetas) pay for the fixed assets to build up the infrastructure, such as dams, intakes, channels, housings, grid and supporting structures. The private investor pays for the movable assets, i.e., turbines, generators, solar panels and controllers, batteries, etc., operated by a Private Energy Provider (PEP), in this case Sunlabob, which also trains and coaches the village energy committee to operate the village-owned grid. Energy then is sold into the village grid, and the village committee sells it to the households and small rural enterprises.

Like many rural infrastructures, off-grid village electrification is notorious for its lack of sustainability. However, Nam Kha is an example where private investors remain owners of their earning assets and therefore have a stake in maintaining the system to keep it operational. On the public side, a trained village energy committee has a stake in ensuring efficient use of the public assets. The combination of these two stakeholders results in a sustainable strategy that is innovative and replicable. Furthermore, public investments into the fixed infrastructures can leverage more private investments.

Nam Kha is the very first hybrid village grid that has been installed and launched with public-private interaction in Lao PDR. With the success of this pilot project the concept of private-public Partnership has proved to be feasible for rural electrification.

Source: <http://www.sunlabob.com>.

Yet, challenges remain; some of the barriers to development of small-scale bioenergy systems include lack of technical capabilities, lack of initial investments, low capacity of the private sector, poor market development, and insecure land tenure. These barriers should be eliminated by developing capacity of both public and private sector, and increasing investments in renewable energy. In addition, production systems must be designed to enable smallholders to benefit directly.<sup>4</sup>

## II. Sustainable practices for improved food security and environmental sustainability

It is recognized that different regions of rural Lao PDR are experiencing varying rates of development, and that a variety of strategies will be required. It is

further recognized that food security is both a stated target and a prerequisite for sustainable achievement of the MDGs. Supporting durable food security for all citizens of Lao PDR will ensure that progress made in attaining the MDGs is not lost. Equally, those provinces and districts which have high levels of food security should be set on the path of economic development.

In targeting future programming to service the MDG goals, it is recognized that critical research on the locations of the poor and food insecure has been conducted, and is fully articulated in the Comprehensive Food Security and Vulnerability Assessment (CFSVA) published by WFP in 2007. As a result of the CFSVA, the geographic distribution and scope of food insecurity is well understood, and it is proposed that the districts designated as food-insecure in that document be the focus of food security specific programming, to ensure that the day-to-day food needs

of these districts are met. Food-insecure areas are often subject to a wide range of risk factors, including floods, droughts, rodent infestation, unexploded ordnance and former opium cultivation. Work in the food security sector should focus on improving the ability of communities to cope with shocks and increase their resilience.

Districts which are relatively food secure should be prioritized for economic development. As agriculture and livestock remain the cornerstones of the rural economy, programming in food secure areas should concentrate on developing locally appropriate strategies improving food production, increasing access to markets, and reinforcing the strong social and cultural role that agriculture has to play in the Laotian context.

The focus of the interventions in the field of land management and sustainable agriculture in Lao PDR have been to intensify agricultural production, attain food self sufficiency and ensure food security, while simultaneously conserving biodiversity and using it sustainably. These interventions range from land management such as land distribution, land titling, management, conservation and sustainable use of forest resources and the management of inputs in agricultural production, to developing irrigation and streamlining agricultural markets.

### ***An eight-fold strategy to accelerate MDG progress through agriculture and environment***

The challenges for the government is to accelerate progress towards the MDGs, while putting in place the longer term investments required to sustain progress. Suggested key priorities include the following:

1. Improving the incomes of the rural poor
  - a. Expand off-farm and non-farm activities that enable forward linkages and increased productivity
  - b. Establish farm-to-market programmes, such as agro-industrial linkages and rural industrialization

- c. Improve access to formal credit through reform of banking loan structure (in particular to be non-discriminatory to women) and expansion of service reach
    - d. Implement policy of community participation in issues related to land use
  2. Improving products and diversifying agricultural practices for smallholder farmers
    - a. Enhance capacity of farmers in agro-forestry and production of agricultural products (cash crops and value-added)
    - b. Provide seeds for farm testing and demonstration suitable to local area, including new and local varieties
    - c. Develop and improve the irrigation system for smallholder farmers
    - d. Provide extension services to local farmers and create farmer learning networks
    - e. Expand learning opportunities for farmers for efficient and sustainable farming systems.
    - f. Improve household knowledge of healthy consumption requirements, and those related to diversified farming practice
  3. Strengthening community-based food security and entitlements
    - a. Establish farmers associations and related actor networks including for crop protection
    - b. Expand budget and training on local capacity for self-managed micro-credit schemes to include minimum quota allocated for women
    - c. Improve community knowledge on minimum levels and types of food to be grown for food security and general nutrition needs
  4. Promoting safe and environmentally sustainable food production systems
    - a. Enhance use of agricultural standards in current production systems
    - b. Increase market access to organic products, and develop institutional systems for certification.
    - c. Strengthen enforcement of agricultural law related to chemical and pesticide use.

5. Increasing the adaptive capacity of agriculture, forestry, water and water resources and public health sectors to climate change
  - a. Strengthen the national knowledge and information base on climate change to better plan for agricultural risks
  - b. Enhance the capacity of sector planners and agricultural producers of new and traditional practices that are resilient to climate change
  - c. Encourage public-private partnerships for new investments in R&D
6. Promoting biodiversity-compatible farming practices
  - a. Provide green incentive for the positive environmental services from land through linkages with private sector and markets (shade-grown coffee, REDD, PES)
7. Promoting production of renewable fuels and energy
  - a. Reduce forest cutting for fuel wood and introduce smallholder forestry plots and use of tree species that coppice for charcoal production
  - b. Increase investment into rural renewable energy production such as gasification of rice husks, biogas and solar energy
8. Strengthening innovative financing mechanisms for environmental management
  - a. Create enabling policies and distribution mechanisms for Payment for Environmental Service (PES) mechanisms to involve communities in environmental management

## 1. Improving the incomes of the rural poor

- **There is an urgent need to expand off-farm and non-farm activities.** These would provide the drive for linking farms to markets (transport), creating forward linkages (agro-processing), raising productivity (retailing modern farming inputs), and improving local incomes through reducing wast-

age (storage). These off/non-farm activities fall into two categories: self-employment through concessional loans and technical advice in transport, food storage, livestock, etc., and wage employment including seasonal wage employment schemes for job creation for the needy to create public assets useful to the local economy.

### Box II-5 ADB-SUPPORTED SMALLHOLDER DEVELOPMENT PROJECT

Farm to market linkage remains one of the main bottlenecks of expanding agriculture production. To address this, ADB has been working with the Ministry of Agriculture in Lao PDR to establish sustainable smallholder commercial agriculture and associated agribusiness in the provinces of Vientiane, Savannakhet, Khammouane and Champasak.

Agricultural demonstrations, study visits and training of farmers with technology has helped the farmers to increase the competitiveness of their products and market accessibility. The introduction of contract farming into the project area has helped the farmers in gaining easy access to supply chains and increasing their economic opportunities. Smallholders in about 180 villages have been assisted to gain access to credit while collaboration with other relevant agencies is being assessed to improve further access to financial services.

Source: <http://pid.adb.org/pid/LoanView.htm?projNo=31351&seqNo=01&typeCd=3>.

- **Establishing farm-to-market programmes** could expand opportunities for agricultural producers to respond to market opportunities and have better access to market information. A greater forward linkage of farm products within localized neighborhoods could help in creating and retaining a larger component of value added within the farming communities. Agro-industrial linkages and rural industrialization are the two most common approaches.
- **Improving access to formal credit** could be one of the keys to enhancing economic opportunities

for the poor. Institutional finance is paramount for modern farming, however, this cannot be done through microfinance alone. Crop loans or loans for land development/capital equipment purchase are longer term propositions (at least five to six months for crop loans, two to five years for equipment loans). Several countries like Indonesia, Malaysia and Thailand have set up agricultural development banks, which could provide clues on how to go about it. Priority should be given to the reform of the banking loan structure, particularly to be non-discriminatory to women and to expand service reach.

- **Implementing a policy of community participation in issues related to land use** is a long-term sustainable practice. Land reforms imply land consolidation and redistribution, and in Lao PDR this has also included the conversion of community land into commercial crop plantations. Of critical importance to local food security, land reforms should include a process of land titling to local communities to ensure that sustainable agricultural practices can be enhanced. It is also important to note that land ownership is often demanded as collateral to obtaining formal credit, and security of land ownership is often integrally connected to investments for increasing agricultural productivity and sustainable land use management. Although land reform, titling and consolidation is a long-term activity, it will have significant impacts on agricultural productivity, community security, and beyond. In the interim, greater emphasis should be on enhancing the participation of local communities in decisions related to concession allocation and land use change.

## **2. Improving productivity and diversifying agricultural practices for smallholder farmers**

Agricultural production is an important source of livelihood. Improving and diversifying agricultural

practices for smallholder farmers can help to increase the amount and diversify of food that is available to the population. In addition, the diversification of crops and livestock is also basic to increasing efficiency of land use, improving soil fertility, creating more jobs, and increasing income for both smallholder farmers and for society as a whole; in other words, it can accelerate the achievement of the MDGs.

The demand for food and foodstuff is diversified, in terms of quantity and variety. It has an effect on quality standards and processing technology. However, low agricultural productivity and the risky nature of farming are the main constraints to increase food production and availability at the household level. Hence, improving and diversifying agricultural practices for smallholder farmers will help to increase the amount and diversify the food available to the population.

- **Enhance capacity of farmers in agro-forestry and production of agricultural products (cash crops and value-added).** Crop rotation and agro-forestry can provide smallholder farmers with job opportunities and harvests at different times of the year, as crops ripen in different seasons. Agro-forestry systems incorporating fruit trees, annual crops and medicinal plants can provide long- and short-term food security as well as cash income. Medicinal plants as cash crops that can be grown with either fruit trees or biodiesel producing trees include Aloe vera L. Burm. F., a sought after ingredient in the cosmetics industry, used in manufacturing skin care products. Trees on farms also provide livestock with shade, and the leaves of nitrogen-fixing trees (NFTs) used in agro-forestry systems can provide continuous organic fertilizing material to the crops grown in conjunction with them, either in hedgerows, clumps or individually. Many NFTs also provide fuel wood, fodder and food (e.g. Sesbania grandiflora and Cajanus cajan), and can act as soil improvers. Cash crops can help poor smallholders incur revenue to purchase rice and other food items needed season-

ally, relieving pressure on wild harvested NTFPs, hence ameliorating biodiversity. Ecotourism and agro-tourism are potential sources of income in the naturally beautiful setting of Lao PDR. Suggested interventions include training farmers and relevant Government staff about the potential of agro-forestry systems, especially cash crops and NFTs, providing equipment and machinery needed to process biofuels and cash crops, such as oil presses, as well as tools and storage systems for aloe gel and bio-oils, and creating market linkages for smallholder farmers to value-add to their products at their farm or village, stopping the flow of unprocessed raw material for value-adding out of the country or region.

- **Provide seeds for farm testing and demonstration suitable to local area, including new and local varieties.** Seeds are a main issue of concern for smallholders in Lao PDR, especially the lack of quality seeds. Providing good and appropriate seeds in each specific area will help smallholder farmers increase the yield. Care should also be taken to ensure that the local agro-diverse systems are not replaced by high intensity monocropping, as agro-diversity can potentially play an important role for enhancing resilience to pests and other risks.
- **Develop and improve the irrigation system for smallholder farmers. Cultivation needs water.** But since four fifth of the land in Lao PDR is mountainous, some areas lack water. Irrigation systems play an important role for smallholder farming. Suggested interventions include building and improving the irrigation system for smallholder farmers, improving target irrigation development on reservoir and system management, developing/expanding irrigation that could be managed by community people from the sloping land, and training farmers in irrigation system management.
- **Provide extension services to local farmers and create farmer learning networks.** Agri-

cultural extension has a key role to play in the human development process. Farmers who are changing their production system from subsistence to commercial farming need to learn many new things: new ideas, new technology and new ways of organizing their work. In Lao PDR, 70 to 80 percent of the population is farmers. Horticulture and livestock are basic sources of work in the remote area. Hence, agricultural extension is very important for smallholder farmers because it can improve their farming practices and yield more. Extension services should also go beyond agricultural practices to strengthening natural resource management practices, possibly in coordination with forestry extension services. In particular, this may include setting sustainable use levels for both timber and non-timber forest products, management of forest and stream buffer zones, soil maintenance and maintenance of important ecosystems.

- **Expand learning opportunities for farmers for efficient and sustainable farming systems.** One of the most impressive track records in South-East Asia is that of farmer field schools in Indonesia, which have successfully promoted integrated pest management practices since 1989. The schools' estimated 2 million graduates have, for example, cut pesticide use with no decline in yields. The same approach is being used to promote soil and water management, enhance the sustainability of crop and livestock farming systems, and address socio-economic issues such as nutrition, microfinance and business management, preventing HIV and AIDS, and achieving financial sustainability through income generating activities. The IPM Farmer Field School is supported by FAO, and Lao PDR is a member country.
- **Improve household knowledge of healthy consumption requirements, and related diversified farming practices.** Lao households rely on a wide variety of food items, but access to

many of these items is seasonal and the quantities may be limited. Especially in rural areas, most people eat rice, or rice coupled with other staples, seven days a week. Consumption of vegetables is very seasonal. Fruit consumption, is very low, but this could be due to seasonal availability. Dietary intake of fat is generally too low. The use of oil in the diet is rare and most of the fat comes from wild meat and fish. Households who have livestock tend to sell it or eat it only for special occasions. Improving household knowledge of healthy consumption and related diversified farming practices will make farmers eat healthier food, and this also encourages them to look for diversification of food and food production for household consumption.

### 3. Strengthening community-based food security and entitlements

The use of Disaster Risk Reduction approaches and techniques will help reducing farmer's potential vulnerability and directly strengthen the national poverty reduction process. Particular areas for attention are the following:

- **Establishing farmers' associations and related actor networks including for crop protection and technology exchange.** This would strongly help in securing villagers' livelihoods through improved quality, quantity and marketability of existing production.
- **Expanding budget and training on local capacity for self-managed microcredit schemes, which should also include a minimum quota allocated for women.** These schemes have shown important success in promoting livelihood diversification and the use of **saving groups and rice banks** offers very good short-term opportunities to cope with external shocks and unexpected hardships. Crop insur-

ance schemes to mitigate costs incurred during unexpected events (such as extreme weather events) are another potentially important form of support to cope with shocks.

- **Improving community knowledge on minimum levels and types of food to be grown for food security and general nutrition needs.** The geography of Lao PDR is varied, ranging from mountainous to plains. This creates limitations to agriculture and livestock which has an impact on the variety of food, food security as well as nutrition needs. Therefore, improving community knowledge on minimum levels and type of food to be grown for food security and general nutrition needs will help the community see the options needed to improve food security and meet household nutrition needs.

#### Box II-6

#### UNODC-UNIDO CORE COOPERATIVE MECHANISM IN THE LAO PDR

The Post-opium Surpass Poverty (PSP) project is the first UN joint project to be implemented following the Paris-Vientiane declaration. This project is assisting the Government of Lao PDR in the identification and propagation of alternative livelihoods for former poppy growing farmers to reduce poverty in former opium growing areas.

In the field, the project works in 20 target villages, where both organizations set up their own community groups. UNODC establishes Village Savings and Credit Fund (VSCF) whereas UNIDO establishes Village Productivity Groups (VPG). The link between these two groups represents the core cooperation and mutual advantages of a joint implementation for viable development.

While UNODC provides training on financial management and supports the establishment of Micro insurance and Savings Loans schemes, UNIDO provides technology, technical skills and marketing opportunities to restock the same funds and create benefits at the household level. In this perspective, the expertise and inputs of both organizations allow rural communities to gain complimentary tools and life skills for social and economic rehabilitation to reduce poverty in Lao PDR.

#### **4. Promoting safe and environmentally sustainable food production systems**

- **Enhance use of agricultural standards in current production systems.** Beyond the legislative control mechanisms, there are voluntary standards and production systems for safer and more sustainable food production. While the main objective of such standards is usually to improve the food safety and quality of agricultural produce, there is a direct implication on environmental sustainability and commercial competitiveness of producers as well. Currently implemented systems in Lao PDR are Organic Agriculture and Integrated Pest Management (IPM), but the Government has also initiated the adaption of Good Agriculture Practices (GAP) standards for fresh fruits and vegetables production in Lao PDR. International agricultural standards for commercial crops should also be applied to commercial plantations (e.g., pesticide and fertilizer use, stream buffer management, erosion control, waste management and recycling, and the maintenance of important ecosystems) and strictly enforced.
- **Increase market access to organic products and develop institutional systems for certification.** While organic, chemical-free agriculture is suitable for certain crops, IPM is an ecological approach to crop protection that combines different management strategies and practices to grow healthy crops and minimize the use of pesticides. Common to each system is the controlled use and reduction of agro-chemicals and greater focus on certified supply chains. In addition to global growing demand for organic foods, GAP-certified products may also become more popular after the introduction of the ASEAN free trade area, since many of the neighboring countries already implement ASEAN GAP-based systems. To capitalize on Lao PDR's already extensive practice of organic farming systems to access niche regional or international markets, a national institution for certification will

be needed to meet internationally recognized standards.

#### **Strengthen enforcement of agricultural laws related to chemical and pesticide use.**

The Government has been continuing to make efforts to improve pesticide use and management systems to prohibit pesticides from being illegally imported and distributed. In accordance with the WHO recommended classification of pesticides by hazard and guidelines to classification 1994-1995, the Regulation on Use and Management of Pesticides for Agricultural Production in Lao PDR No 0886 was introduced by the Ministry of Agriculture and Forestry on 10 March 2000 with support from FAO. The objective was to manage all kinds of pesticides in the country. This has been used as the reference for pesticides management. In 2002, a plant protection centre was established for the purpose of testing pre- and post-harvest agricultural inputs, testing of chemical residues in agriculture products, testing of imported pesticides, and monitoring and diagnosis of insects and their outbreak. Due to the lack of technical staff and equipment, the work in the centre is on a limited scale. Recommendations on control, management, and the use of pesticides were issued by Ministry of Agriculture and Forestry through decree, No. 0620, Date 13 Jul 2005. Farmers who are aware of pesticide hazards, especially farmers who attended the Farmer Field School, and had the benefit of the IPM experience, have followed the techniques. However, some farmers are not aware enough of chemical or pesticide application, the dangers of too many kinds of chemical or pesticides applied together, and early harvesting of their crops, all of which negatively impact their production as well as consumers.

#### **5. Increasing the adaptive capacity of agriculture, forestry, water and water resources and public health sectors to climate change**

Climate change is a cross-cutting issue that will affect progress towards achieving the MDGs and the pros-

pects of exiting LDC status. Extreme climatic events and changing climate patterns will test the coping capacity of rural households, pushing the poorest into situations of extreme vulnerability. Changes in disease dynamics will affect the health of the population which in turn has implications for productivity and education.

- Adaptation will involve **strengthening the national knowledge and information base on short-term climatic events and longer term climate change impacts** so as to better understand its impact on agricultural production and food security. Essential data collection systems to ensure more timely and reliable data, such as simple early-warning systems, could be established to react more quickly to the failure of agricultural production and the associated food crisis. Developing the national capacity to identify resilient varieties of crops and trees and the areas best suited for these varieties, develop systems of farming such as agro-forestry that meet these new demands, and identify farming methods that will require less of potentially scarce resources, such as drip irrigation, are important to strengthen adaptation to longer-term impacts of climate change.

- The Government will need to **enhance the capacity of sector planners and agricultural producers** so that they understand the related risks and opportunities of new and traditional practices that are resilient to climate change. An important part of these activities must be to demonstrate and promote diversified and adaptive agricultural practices at the community level.
- **Encourage public-private partnerships for new investments in research and development that place Lao PDR at the forefront of technology development for this region.** Climate change is a recognized threat, but for countries such as Lao PDR could also be an opportunity. Innovative public-private partnerships can boost new investments in green R&D and in technology transfer. Cooperation R&D centres can expedite the spread of green technologies.

## 6. Promoting biodiversity-compatible farming practices

- **Provide green incentives for positive environmental practices through linkages with private sector and markets.** Protected areas and natural habitats are often embedded within

### Box II-7

#### THE NATIONAL ADAPTATION PROGRAMME OF ACTION TO CLIMATE CHANGE (NAPA) AND THE NATIONAL CAPACITY NEEDS SELF ASSESSMENT (NCSA) FOR GLOBAL ENVIRONMENT MANAGEMENT IN LAO PDR

On May 21 2009, the Water Resource and Environment Administration (WREA) and UNDP launched the National Adaptation Programme of Action to Climate Change (NAPA) and the National Capacity Needs Self Assessment (NCSA) for Global Environment Management. The NAPA reviews the predicted impacts of climate change on Lao PDR, and also assesses and prioritizes possible adaptation options. It has identified 45 project proposals that are key to adapting to climate change, with a focus on the four sectors of agriculture, forestry, water and water resources and public health. The NCSA provides concrete recommendations for strengthening cross-cutting capacity needs of Lao PDR to take appropriate decisions and actions to address key biodiversity, climate change and land degradation issues.

Source: UNDP Press Release, *Launch of the National Adaptation Programme of Action to Climate Change (NAPA) and the National Capacity Needs Self Assessment (NCSA) for Global Environment Management, 21 May 2009.*



Coffee farming is a highly economically important activity in Northern Sumatra (Indonesia), a region also renowned for its high levels of biodiversity which are critically threatened by large-scale land clearing and illegal logging. The diverse coffee production systems with native leguminous shade trees such as the *Gliricidia* and *Leucaena* were found to be highly compatible with biodiversity and forest restoration. Collaboration between local coffee cooperatives, an international conservation NGO and the Starbucks Coffee Company has supported organic and fair-trade certification that enables farmers to achieve significant margins above local prices that are direct incentives for production methods which are consistent with local biodiversity goals.

Source: <http://www.starbucks.com/SHAREDPLANET/ethicalInternal.aspx?story=conservationInternational>.

human dominated and agricultural land uses. The design of these production landscapes to fit both biodiversity conservation and food security or livelihood goals will require land use practices that can be both compatible for biodiversity and meet livelihood needs. An often cited land use practice that fits these requirements is the agro-forestry system that uses native tree species and replicates structure of the original habitat to allow for species dispersal, soil conservation and other environmental services important to humans.<sup>5</sup> For these agro-forestry systems to exist in a market system, when the productivity potential is much lower as compared to more intensive agricultural alternatives, landholders will require some type of green incentive for these positive environmental practices. An example of a green agricultural incentive is presented below.

### 7. Promoting production of renewable fuels and energy

- **Reduce forest cutting for fuel wood and introduce smallholder forestry plots and use of tree species that coppice for charcoal production** Fuel wood in the form of wood or charcoal remains the dominant energy for the rural population in Lao PDR. As an urgent and immediate plan of action to avoid further deforestation in the country, smallholder forestry

(woodlots and coppicing) and the use of tree species that coppice (re-grow after cutting) for charcoal production offer a promising alternative. Timber operations leave great amounts of wood residue in the forest, a resource which could be harnessed and processed into wood pellets, providing an easily transportable form of bio fuel.

- **Increase investment in rural renewable energy production such as gasification of rice husks, biogas and solar energy.** Another possible solution to generating renewable energy is the gasification of rice husks, which are a waste product of the rice milling process. Given the large expanse of rice fields in Lao PDR, converting waste to a sustainable energy source in the rural areas may be economically feasible. The technology currently exists to generate two valuable products from rice husks, namely electricity and waste ash that can be sold as an ingredient for cement, and it will also result in a reduction in carbon emissions.

### 8. Strengthening innovative financing mechanisms for environmental management

Another important mechanism to involve communities in environmental management activities is the

**PES mechanisms on a national scale:** The government of Ecuador recently introduced the Socio Bosque programme, which is designed to reduce the current rate of deforestation by 50 percent as laid out in the National Development Plan. Socio Bosque aims to protect 4 million hectares of native forest, reduce greenhouse gas emissions caused by deforestation, and improve living conditions of the poor by prioritizing areas that were identified as having the highest deforestation threat, being the most important for environmental services, and having the highest levels of poverty. Through a trust fund created by the government, an annual economic incentive per hectare of forest has been provided to individuals or indigenous communities that voluntarily decide to protect forests on their land. **PES mechanisms at the watershed scale:** The town of Pingwu in Szechuan province, China, has established a water and conservation trust fund that supports conservation of the Yujiashan Nature Reserve, which contains the only source of drinking water for the 28,000 people in Pingwu, and is an important habitat for the Giant Panda (*Ailuropoda melanoleuca*). The trust funds supports local farmers in the surrounding areas to reduce use of pesticides, fertilizers and firewood harvesting, and involves the community in monitoring activities to protect the watershed function of the nature reserve.

Source: ([http://www.ambiente.gov.ec/paginas\\_espanol/sitio/elprograma.html](http://www.ambiente.gov.ec/paginas_espanol/sitio/elprograma.html).)

creation of financial incentives that compensate the poor to conserve or manage natural resources important to others. Such mechanisms are now widely practiced throughout the developing world and can be designed to achieve both poverty reduction and environmental goals.

- **Create enabling policies and distribution mechanisms for Payment for Environmental Service (PES) mechanisms** to involve communities in environmental management. The PES schemes can operate at the national level as in Costa Rica and Ecuador and at smaller regional or watershed scales (see box II-9 below for examples). Funding for such mechanisms could be obtained through an environmental tax on private investments, as direct transfers from industry or beneficiaries of the environmental benefits, or through donor funds that are targeted for biodiversity conservation and green development. Adequate policies and distribution mechanisms will have to be in place before such schemes can be practically implemented.

### **Gender considerations**

Interventions should target the special needs of women. There is a constant need to improve ac-

cess for women to agricultural services, technology, information, credit, credit services and entrepreneurship, and to increase gender awareness in the commercialization of agriculture. One big challenge is to achieve the greater participation of women in assessing what is important to them, setting the priorities for research and influencing whatever form of extension services are available. Agricultural research and extension programmes should be gender sensitive. Also, targets should be set for the participation of women farmers in extension activities and meetings be held at convenient locations, at times when women can attend them. It is also important to continue helping women advance in key areas within all the agencies with responsibilities for rural development and to ensure that agricultural policies and programmes are sensitive to gender differences in roles and activities. Women are also in a unique, more vulnerable role when it comes to climate change, as their lives often depend on the natural environment and in case of humanitarian disaster they often are often more disproportionately affected than men.

5 Schroth, G., Fonseca G. A. B, Harvey C.A., Gascon C., Vasconcelos H.L., and Izac A.N., 2004, *Agroforestry and Biodiversity in Tropical Landscapes*, Island Press.

**Table II-2:** Summary table for accelerating progress towards the MDGs through improved food security and environmental sustainability

MDGs	MDG Indicator	Strategy	Indicative interventions 2010-2015		
Goal 1: Eradicate Extreme Poverty And Hunger	1.1 Proportion of population below poverty line	Improving the incomes of the rural poor	Expand off-farm and non-farm activities that enable forward linkages and increased productivity		
	1.2 Poverty-gap ratio		Establish farm-to-market programmes, such as agro-industrial linkages and rural industrialization		
	1.5 Employment-to-population ratio		Improve access to formal credit through reform of banking loan structure (in particular to be non-discriminatory to women) and expansion of service reach		
	1.8. Prevalence of underweight children under five years of age		Implement a policy of community participation in issues related to land use		
	1.8A. Prevalence of stunting in children under five years of age		Improving productivity and diversifying agricultural practices for smallholder farmers	Enhance capacity of farmers in agro-forestry and production of agricultural products (cash crops and value-added)	
				Provide seeds for farm testing and demonstration suitable to local area, including new and local varieties	
	1.9. Proportion of population below food poverty line		Improving productivity and diversifying agricultural practices for smallholder farmers	Develop and improve the irrigation system for smallholder farmers	
				Provide extension services to local farmers, and create farmer learning networks	
				Expand learning opportunities for farmers for efficient and sustainable farming systems	
				Improve household knowledge of healthy consumption requirements related to diversified farming practices	
				Strengthening community-based food security and entitlements	Establishing farmers' associations and related actor networks including for crop protection
				Expand budget and training on local capacity for self-managed microcredit schemes to include a minimum quota allocated for women	
	Goal 7: Ensure Environmental Sustainability		7.1 Proportion of land areas covered by forests (percentage)	Increasing the adaptive capacity of the agriculture, forestry, water and water resources and public health sectors to climate change	Improve community knowledge on minimum levels and types of food to be grown for food security and general nutrition needs
					Promoting safe and environmentally sustainable food production systems
7.2 CO2 emissions and consumption of ozone-depleting substances (mt)		Promoting biodiversity-compatible farming practices	Increase market access to organic products, and develop institutional systems for certification		
			Promoting production of renewable fuels and energy		Strengthen enforcement of agricultural law related to chemical and pesticide use
					Strengthen national knowledge and information base on climate change to better plan for agricultural risks
			Strengthening innovative financing mechanisms		Promoting production of renewable fuels and energy
Encourage public-private partnerships for new investments in R&D					
Strengthening innovative financing mechanisms	Promoting production of renewable fuels and energy	Provide green incentive for the positive environmental practices from land through linkages with private sector and markets (shade-grown coffee, REDD, PES)			
		Reduce forest cutting for fuel wood and introduce smallholder forestry plots and use of tree species that coppice for charcoal production			
Strengthening innovative financing mechanisms	Promoting production of renewable fuels and energy	Increase investment in rural renewable energy production such as gasification of rice husks, biogas and solar energy			
		Create enabling policies and distribution mechanisms for PES mechanisms to involve communities in environmental management			

### III. Universal access to education and gender equity

The education sector has made significant strides in policy and sector reform in recent years. An Education Sector Development Framework (ESDF) (2009–2015) was endorsed as official government policy for the sector in April 2009, and provides a fully-costed overarching policy framework to guide domestic and external investments through a more coordinated, programmatic approach to planning for the whole sector, outlining key goals and targets in terms of education access, quality and management.

With this strong policy framework, the Ministry of Education is well placed to accelerate progress towards achieving MDGs 2 and 3 under the 7th NSEDP. Strengthened inter-ministerial dialogue with the Ministry of Finance will be essential to ensure that ESDF policy priorities are fully incorporated into the budget process and can be implemented.

For MDG 2, Lao PDR has made steady progress on primary enrolment, though challenges remain. Primary net enrolment rates have increased from 80 percent in 2001 to 91.6 percent in 2009, significantly closer to the target of 98 percent by 2015, but national averages mask significant disparities in educational outcomes between geographical areas, urban and rural areas, and between girls and boys.

With regard to geographical disparities, the MoE has recently undertaken a gender-focused analysis and identified 56 most educationally disadvantaged districts as priority areas. Key indicators are lower than national average enrolment rates for girls, and completion rates only to grade 5. Seventy-five percent of the children not enrolled in school are located in these 56 priority districts, even though they account for only one third of the total primary school population. The completion rate is less than half, compared to 72 percent in other districts.<sup>6</sup> Accelerated and targeted efforts in these priority districts will be needed to reach the MDG targets by 2015.

While enrolment rates generally are higher in central urban districts, outside these areas, enrolment of girls is consistently lower than that of boys, with disparities highest in the north, and in rural off-road areas, where less than half of girls aged 6–10 years are enrolled compared to 55.6 percent of boys.<sup>7</sup> At the primary level, the net enrolment ratio for girls ranges from 49 percent in rural areas without road access to 72.2 percent in rural areas with road access, and to 90.5 percent in urban areas.<sup>8</sup>

Completion rates are also a significant gender issue. More than half of the primary schools in the country do not offer the full five grades, leading to high drop-out rates particularly of girls, who are less likely than boys to travel longer distances or become informal boarders to attend schools in villages further away. There are strong links between girls' drop-out rates and the percentage of school construction completion in the districts. In Xayaboury province, for example, over 80 percent of the schools are complete, with a female drop-out rate of only 2.9 percent, compared to Phongsaly province, where the percentage of incomplete schools is 19.9 percent and completion rates are 15.2 percent.<sup>9</sup>

Nationwide, almost 10 percent of children are still out of school and unable to enjoy their rights to a quality education. An urgent priority for the sector is to take steps to 'reach the unreached', or those marginalized populations who are largely scattered among ethnic groups in remote, rural communities where lack of road access and infrastructure presents particular logistical and service delivery challenges.

With regard to MDG 3 targets for education, gender parity in enrolments has increased steadily across all levels, though disparities widen at each stage of the educational ladder, reflecting the still great hurdles girls face to complete a full cycle of education to tertiary level, though the fastest rate of progress towards parity has been made at the higher levels.

6 EMIS data 2008-9. 7 EMIS data 2008-9. 8 ADB, August 2009, *Country Strategy and Program Mid-Term Review*.

9 EMIS data 2008-9.

Recently, the CEDAW Committee<sup>10</sup> also noted concern at the very high illiteracy rates among women (37 percent) and the large discrepancies between male and female literacy rates and between urban and rural women's levels of education respectively. The Committee noted in particular the extremely low literacy rate among women belonging to certain ethnic groups.

An Inclusive Education Policy recently drafted by MoE and linked to the ESDF, offers an opportunity to take steps to address these issues. An Action Plan to be developed to support implementation of the Policy should take account of lessons learned and good practices from existing small-scale programmes which have been successful in bringing more young people, especially women, from ethnic groups into the teaching profession, and piloting approaches for education of children from different ethnic groups, and children with disabilities.

#### ***A four-fold strategy to accelerate MDG achievement on education and gender parity***

The following recommendations are based on the ESDF<sup>11</sup> and aim to highlight the most strategic areas for building on existing strengths and maximizing the benefits to be gained from recent developments over the next five years within a realistic funding envelope.

A holistic, multisectoral approach to education is the key to achievement of the MDGs and leveraging impact, with equity and efficiency the key priorities. This integrated approach should promote linkages with the water and sanitation sector to provide hygiene facilities in schools, and with the health, nutrition, HIV/AIDS and UXO sectors. It should also link participation from a broad range of partners, including communities and private sector. As an overarching principle, MoE should promote and support gender equality by paying careful attention to gender issues across the full range of its operation.

The four elements of the strategy, based on the three ESDF pillars and a specific cross-cutting focus on gender issues are outlined below, with further elaboration provided in the following section.

#### **1. Assuring equitable access to education services**

- Complete incomplete schools
- Promote multigrade teaching
- Adopt 'reaching the unreached' approach and links with non-formal education systems
- Promote life skills for people with disabilities
  - o Vocational training for people with disabilities for employability
  - o Development of Lao curricula for the visually/hearing impaired
  - o Training of teachers for students with disabilities
- Increase household demand for basic education
  - o School Feeding Programme
  - o Conditional cash transfers

#### **2. Improving quality and efficiency of education services**

- Expand early childhood learning opportunities
- Scale up holistic Schools of Quality approach
  - o Inclusivity
  - o Training of teachers
  - o Healthy, safe and protective environments
  - o Gender-responsive environments
  - o Participation of pupils, parents and community members
  - o School management and leadership
- Expand successful programmes in multicultural and multilingual education

#### **3. Improving education sector governance and performance management**

- Strengthen local management capacity
- Strengthen results-based sector monitoring

#### **4. Ensuring equal access of girls and women to all levels of education**

- Increase the number of women in management and decision-making positions at all

<sup>10</sup> *Concluding Observations of the Committee on the Elimination of Discrimination against Women, Forty-fourth Session reviewing the combined 6th and 7th Report of Lao PDR, July 2009.*

<sup>11</sup> *These recommendations are also informed by the draft Inclusive Policy, which is awaiting government approval*

levels in Education and Village Education Development Committees

- Expand life skills-based adult literacy programmes and non-formal education to address gender disparity
- Extend teacher training opportunities to women coming from ethnic and remote areas into the teaching profession
- Provide gender awareness training to school staff, local authorities and communities
- Extend preparatory training opportunities to women and girls to be qualified for admissions to technical and vocational education programmes
- Explore and provide effective incentives including scholarships, school feeding, safe facilities etc. to enable girls to attend school and continue into professional and higher education

## 1. Assuring equitable access to education services

The key strategy in the ESDF to achieve EFA/MDGs 2 and 3 is to reduce cost barriers for the poor and ensure that basic education is free through the abolition of formal and informal fees, and provision of block grants to offset school running costs for quality inputs, including maintenance of buildings, hiring of teachers and provision of materials.

- **Complete incomplete schools.** Acceleration of efforts to enable each primary school to offer the full five grades of primary education to boost completion rates, including through expansion of classroom construction, with an initial focus on the 56 most educationally disadvantaged districts as outlined above.
- **Promote multigrade teaching** in incomplete schools where additional classrooms and teachers are unavailable, to enable all five grades to be offered.

- **Adopt 'reaching the unreached' approach and links with non-formal education systems.**

Strengthening of the policy framework to admit students with a non-formal education certificate into the formal education system, and full linkage of non-formal education with the formal education system, to improve the transition between the two systems. Despite the great need for alternative delivery systems of primary education, the non-formal education sector has been relatively underfunded to date. About a quarter of all villages do not have a school, most of which are in remote and inaccessible ethnic communities too small to sustain a viable school. This has resulted in insufficient physical, human and financial capacities to reach the disadvantaged (see box II-10).

- **Promote improved education and training in life skills for people with disabilities.**

With the exception of people disabled as a result of UXO explosions, there is limited reliable information on the number of people with disabilities in Lao PDR. However, estimates made by the UN Economic and Social Commission for Asia and the Pacific (ESCAP) suggest that as much as 8 percent of the national population could be disabled. Applying this estimate to the 2005 population census for Lao PDR (approximately 5 million) would indicate that there may be some 400,000 people with disabilities in the country. In a small economy, this is a large demographic that is outside the workforce. People with disabilities have access to limited training opportunities. Some have benefited from income-generating programmes and community-based rehabilitation projects. However, overall, there is a shortage of dedicated training programmes for people with disabilities, and limited access to mainstream training centres. Ensuring that people with disabilities, including the visually and hearing impaired, have access to schools and vocational training centres should be promoted and supported. Programmes that should be considered include:

**Box II-10****NON-FORMAL EDUCATION**

It is widely known that a mother's education is strongly linked to school enrolment of the children, especially girls. In Lao PDR, women have a significantly lower literacy rate than men (82.5 percent for men, 63.2 percent for women).<sup>12</sup> Non-formal education (NFE) and literacy programmes can play a crucial role in closing this gap.

#### Life skills in non-formal education

The role of non-formal education in Lao PDR is to improve literacy skills of the people, widely promote equitable access to basic and continuing education especially among disadvantaged communities including ethnic and remote communities, and focus on girls, who will contribute to the development of the country by creating trainable, skilful citizens with good behaviour and high morality.

To help provide life skills to NFE learners, a project on life skills through NFE utilizing Community Learning Centers (CLCs) was designed and implemented from 2005 to 2008 with support from UNESCO. The project carefully analysed life skills needs of youth and adults and developed learning packages and a training handbook. The life skills programmes under this project integrated three components — literacy skills (the '3Rs'), contextual skills (livelihood skills) and generic skills (negotiation skills, problem solving, critical thinking). The learners of the programme, the majority of them women from disadvantaged groups, enjoyed the learning sessions because of the highly participatory and interactive methods and gained knowledge, skills and changed attitudes and behaviour on HIV/AIDS, environmental protection and communication. It was realized that integration of life skills through NFE contributed to making the programme more effective and increased the participation of the learners in the programme. The programme was piloted in some of the CLCs and the Government is now planning to expand it to all 340 CLCs.

Source: UNESCO.

- o Vocational training for people with disabilities for employability
- o Development of Lao curricula for the visually and hearing impaired
- o Training of teachers for students with disabilities

- **Increase household demand for basic education through incentives.** Expansion of the

School Feeding Programme as a demand-side intervention would increase school enrolment and attendance, especially of girls, as well as quality of learning. This should be in line with the 56 most educationally disadvantaged districts, and include pre-primary as well as primary students. Strengthening government systems for management of the programme will be a priority to ensure sustainability over the longer term

**Box II-11****PRIMARY EDUCATION CONDITIONAL CASH TRANSFERS FOR GIRLS IN RURAL AREAS**

Girls from poor families in rural areas are particularly vulnerable with respect to primary school enrolment and completion. Given that Lao PDR is off-track to meet the MDGs in these sectors, social assistance to support those girls, particularly in primary school where no such assistance exists, should be considered. Conditional Cash Transfers (CCTs) targeting girls from poor households in rural area, for example, could help poor households cope with the costs of schooling, including uniforms, text books and transportation, boost overall primary enrolment and completion rates, and close gender gaps. In several countries, CCTs have served as an effective tool increasing primary school enrolment of children who lack interest in schooling and are engaged in work rather than school.

Source: UNDP.

<sup>12</sup> *Global Education Digest 2009, UNESCO Institute of Statistics.*

## Box II-12

### THE SCHOOL FEEDING PROGRAMME PROMOTES BETTER ACCESS TO BASIC EDUCATION, BETTER ATTENDANCE AND GENDER PARITY IN LAO PDR

The School Meals Programme in Lao PDR assists 132,000 primary school children in the most food insecure communities of the country. Both boys and girls in assisted schools receive take-home rations of salt, rice and canned fish, as well as mid-morning snacks made of vitamin- and mineral-fortified corn-soya blend. The programme supports girls' education, giving them larger take-home rations than to boys. To keep receiving the food, children have to attend at least 80 percent of school lessons. Most members of ethnic groups in the target areas live very traditional lives and few of them speak Lao, the country's official language. Girls suffer from particularly low literacy rates. Parents keep their children, especially daughters, at home to help the family with chores around the house, assist with child rearing and work in the fields.

Significant changes have occurred since the start of school meals in 2002. Villagers have started to realize the importance of education, and are sending more children to school. The incentives created by the programme have led to a marked increase in female students and are even encouraging girls 10 and 13 years old to attend the first grade. As a result, an increasing number of girls are becoming literate and able to communicate in Lao. A villager reports that schooling also makes the girls more confident: "Many girls used to run away when someone asked them questions in Lao. Now they answer with a smile."

Source: *World Food Programme.*

(see box II-6). Provision of conditional cash transfers (CCTs) and other incentives could also raise demand for secondary education among girls, coupled with awareness-raising of the benefits of delayed marriage and family planning, and expansion of pre-primary programmes which relieve girls from sibling care.

## 2. Improving quality and efficiency of education services

In addition to improved access, enhanced quality of education is also critically linked to boosting enrolment and completion rates. School needs to be perceived by parents as genuinely adding value in order to offset the opportunity costs of sending their children to school.

- **Expand early childhood learning opportunities** through the formal primary school setting as well as in non-formal community-based groups in remote areas are critical to better prepare children for Grade 1 and ensure they have the best start in life through quality early childhood care and development programmes and services. Pre-

primary classes can have a positive impact on the learning of the Lao language for children who speak other languages at home, and thus reduce drop-out and repetition rates in Grade 1. They also release older girls from duties of caring for younger siblings, freeing them to attend school.

- **Scale up the holistic Schools of Quality approach**, to address issues related to education quality and relevance, so that schools are inclusive of all girls and boys; provide safe, healthy and protective environments; and are free of gender discrimination, with full participation of the community in supporting these principles
- **Expand successful programmes in multicultural and multilingual education.** These need to include not only the translation of content areas from the official national textbooks but also the incorporation of the specific cultural knowledge of different ethno-linguistic groups into the curriculum. Enriching teaching and learning with inputs from the groups themselves which are relevant to their lives will help address high repetition and drop-out rates in Grades 1 and 2, which are particularly high in areas of high ethnic diversity.



The MOE has adopted a holistic approach to schooling known as Schools of Quality to improve the quality of and access to education. Since the initial pilot tests in three schools in 2006, supported by UNICEF, the approach has now expanded to 1,183 schools in 38 districts in nine provinces. ESDF notes that the Schools of Quality approach offers a sound model for increasing Grade 1 enrolment rates, reducing repetition in Grades 1–5, preventing drop-out and securing a general improvement in the quality of teaching and learning.

This holistic approach to schooling is characterized by six dimensions: 1) the inclusion of all children, 2) effective teaching and learning which is relevant to children's lives, 3) healthy, safe and protective environments, 4) gender-responsive environments, 5) the participation of pupils, parents and community members, 6) effective, child-friendly school management and leadership. The approach includes training of teachers, school directors and communities to promote active teaching and learning; training of school directors to strengthen school management; and training of communities to manage school improvement planning. Its cross-sectoral focus links water and sanitation, health and school feeding inputs to provide a high quality environment for children.

A 2009 joint MoE-AusAID-UNICEF-WFP evaluation confirmed positive results with respect to enrolment, attendance and learning, especially among girls, in schools adopting the Schools of Quality approach. Overall results exceed improvements reported by provincial schools in general. It is envisaged that the approach will be rolled out in the 56 most educationally disadvantaged districts, with funding expected from the Fast Track Initiative combined with resources from the World Bank and AusAID. This programme represents the first step in putting the strategies of the ESDF into action, and towards a more coordinated approach to the achievement of the MDGs and Education for All.

Source: UNICEF.

Strengthened the teaching of Lao for children of other language backgrounds, including at pre-primary level, will also help address this issue.

### 3. Improving education sector governance and performance management

Implementing the ESDF reforms and moving towards a more programme-based approach in line with aid effectiveness commitments will require strengthened management, institutional and human resource capacity at all levels. Current capacity for evidence-based planning and budgeting is limited. The capacity of the EMIS system to ensure the availability of timely, reliable and accurate data to inform planning is a further constraint.

- Improvement of education sector management through **strengthening management capacity**

**of provincial staff** to better integrate planning and budgeting; developing the capacity of Village Education Development Committees to take on the increasingly important roles in financial and school management outlined in the ESDF; and developing a robust quality assurance system.

- Improvement of results-based sector performance monitoring through **strengthening the EMIS and operationalizing the ESDF Performance Assessment Framework** as the key performance monitoring tool. This will strengthen the evidence-based links with planning and budgeting for the MDGs, which is a high priority.

### 4. Ensuring equal access of girls and women to all levels of education

Based on the ESDF, and on the principle that education is a basic right and fundamental to achieving

In order to promote literacy programmes to the disadvantaged — particularly the Khmou ethnic group — the Government of Lao PDR has started implementing mother tongue-based literacy programmes for the Khmou community. A social and linguistic survey was initially conducted to find out the learning needs and to develop orthography (writing system) for the Khmou language. A curriculum framework for a three-level literacy programme has been developed which will help learners to gradually transfer from literacy in Khmou to literacy in the national language, Lao. A primer has been developed for basic literacy and field tested with Khmou learners in Khonekeo and Khonkenh Khmou villages. Khmou learners have displayed satisfaction with the Khmou literacy programme and participate actively in the teaching learning process. Learners can express freely in their own language and in the process of meaningful discussion in a language they can understand. The Government will finalize the primer soon based on the field test results.

Source: UNESCO.

other basic rights, the Ministry of Education has drafted an Inclusive Education policy to address barriers in accessing education faced by girls and women, ethnic groups, people with disabilities, the poor and other disadvantaged groups.

The draft policy offers an opportunity to act on the Concluding Observations of the 44th CEDAW Committee, which recommended ensuring equal access of girls and women to all levels of education, taking steps to overcome traditional attitudes that in some rural areas constitute obstacles to girls' and women's education, and help girls stay in school. Lao PDR was encouraged to accelerate efforts to enable each primary school to offer the full five grades of primary education, including expansion of classroom construction; training of teachers in multigrade methodology; and taking special measures to bring more women from ethnic communities into the teaching profession and education management. The Committee also recommended that the Government should explore the possibility of multilingual education, particularly for the learning of Lao by speakers of other languages, with due attention to their mother tongue, as well as the possibility of setting up a sustained project of sending university student volunteers to rural ethnic villages to teach Lao.

To implement the policy, an Inclusive Education Action Plan will be developed, based on lessons learned and good practices. Strategies with a high impact on

education outcomes of girls and women, which should be considered in the Action Plan to explicitly accelerate progress towards MDG 3 for education, include the following:

- **Increasing the number of women in management and decision-making positions at all levels in Education and Village Education Development.** This should be supported by appropriate capacity-building which is gender-sensitive and empowers women to be able to participate meaningfully in decision-making processes.
- **Expanding life-skills-based adult literacy programmes and non-formal education** which address significant gender disparities and take account of the different language backgrounds of the learners. Various literacy programmes are available for women but tend to be underfunded and of poor quality. Since female literacy is strongly linked to their children's education (especially for girl children) as well as their self empowerment, improvement in female literacy programmes is crucial in order to achieve EFA/MDGs 2 and 3.
- **Extending teacher training opportunities to women** and implementing specific measures to bring more women from ethnic and remote areas into the teaching profession.

- **Providing gender awareness training** for teachers, school principals, local authorities and communities to make schools inclusive of all girls and boys, healthy and safe, and free of gender discrimination. Consulting with local communities to seek ways to support girls' education in specific areas.
- **Extending preparatory training opportunities to women and girls** to be qualified for admissions to technical and vocational education programmes. This enables women and girls to have opportunities to develop marketable skills in other fields besides those typically open to females, as well as generic job-related skills.
- **Exploring and providing effective incentives**, including scholarships, school feeding and safe facilities, to encourage girls to attend primary and secondary school, and technical and vocational education colleges, especially girls from remote and ethnic community areas.

## IV. Women's equal participation and empowerment

Gender equality has been recognized as a cross-cutting issue and sector strategies and programmes are to be gender mainstreamed. However, in line with the recommendations of international treaties promoting women's rights and gender equality, such as CEDAW and the Beijing Platform for Action, women's participation in political and public life at all levels is recognized to be of critical importance for the advancement of women and needs to be addressed as a specific strategic priority issue.

The MDG progress report highlights that women's political representation in the National Assembly increased significantly to almost 25 percent in 2006. Representation at all other levels of public and political life, including in decision-making functions, however, is still low. In order to accelerate the progress,

and in line with CEDAW concluding observations for Lao PDR in 2009, it is recommended that a comprehensive strategy to increase the number of women in leadership positions at all levels of society is developed and implemented.

To accelerate progress on MDG 3, it will be important to strengthen the national machinery for the advancement of women, including the specific mandates and roles of the Lao Women's Union (LWU), Lao National Commission for the Advancement of Women (NCAW) and the Women's Caucus, and ensure a coherent approach and better coordination in the activities of the institutional mechanisms, so that the implementation of gender mainstreaming policies is effective.

### ***A three-fold strategy to accelerate progress towards women's equal participation and empowerment***

Suggested key priorities include:

1. Sensitization to temporary special measures, including a quota system, to be considered by government at all levels, by private institutions and by civil society organizations
2. Promote gender equality in employment
3. Sensitization on domestic violence (violence against women)

#### ***1. Sensitization to temporary special measures***

While temporary special measures are a relatively new concept to Lao PDR, the focus will be to familiarize relevant officials, including the national assembly, with the concept of temporary measures including the quota system. Based on the existing gender analysis of human resources within the sectors, and among Government administrative functions, the next step will be to consider introducing a quota system in areas where women are underrepresented or disadvantaged, in particular at high levels of decision-making. Legislation is to be considered to include specific provisions for

**Table II-3:** Summary table for accelerating progress towards the MDGs on education and gender equity

MDGs	MDG indicators	Strategic area	Indicative interventions 2010-2015
Goal 2: Achieve universal primary education	2.2 Proportion of pupils starting grade 1 who reach grade 5	Assuring equitable access to education services	Complete incomplete schools through the construction of classrooms in 56 priority districts
			Promote multigrade teaching in schools that do not have adequate classrooms and/or teachers
			Adopt the non-formal education approaches to reach the unreached
			Promote improved education and training for people in life skills with disabilities
			Provide incentives to increase household demand for basic education, including school feeding programme and CCTs
	2.3 Literacy rate in the age group 15–24 years	Improving quality and efficiency of education services	Expand early childhood learning opportunities through the formal primary school settings and non-formal community-based playgroups in remote areas
			Scale up holistic Schools of Quality approach
			Expand successful programmes in multicultural and multilingual education
		Improving education sector governance and performance management	Strengthen local management capacity
			Strengthen the results-based sector monitoring through strengthening the EMIS and operationalizing the ESDF Performance Assessment Framework
Goal 3: Gender equality and women's empowerment	3.1 Numbers of girls per 100 boys enrolled in primary, secondary and tertiary	Ensuring equal access of girls and women to all levels of education	Increase the number of women in management and decision-making positions at all levels in Education and Village Education Development Committees
			Expand life-skills-based adult literacy programmes and non-formal education to address gender disparity
			Extend teacher training opportunities to women coming from ethnic and remote areas into the teaching profession
			Provide gender awareness training to school staff, local authorities and communities
			Extend preparatory training opportunities to women and girls to be qualified for admissions to technical and vocational education programmes
			Explore and provide effective incentives including scholarships, school feeding, safe facilities etc., to enable girls to attend school and continue into professional and higher education

the application of temporary special measures that encourage their use in public and private sectors. Allocation of additional resources will be required to accelerate the empowerment and advancement of women. In addition, a number of activities are suggested including the following:

- Implementing public and targeted awareness-raising activities about the importance of equal representation of men and women in decision-making for society as a whole, by working with high-level policy makers and the media.
- Developing and implementing targeted training and mentoring programmes for women candidates and women elected to office at all levels.
- Developing and implementing training programmes on leadership and negotiation skills for current and future women leaders.
- Taking measures to empower and enable women to take part in public life (including reducing their workload, introducing quality child care and providing trainings opportunities).

To monitor the effectiveness of the measures taken and results achieved, statistical data on the representation of women in all areas of political and public life will need to be collected and reported on an annual basis.

## **2. Promote gender equality in employment**

Women are one of the most significant contributors to Lao PDR's economy. The 2005 consensus demonstrated that in the employment sector, women account for 52 percent of the nation's workers, and in the agricultural sector, women account for 54.1 percent of the employment rate of 84.5 percent. The Gender Resource Information and Development Centre reported that the full extent of the role of women in the economy is still lacking due to inadequate data collection and a need for stronger gender-disaggregated data. To address this, a number of activities are suggested including the following:

- Developing measures to provide increased opportunities for women to be working in the formal labor sector (i.e. child care facilities, possibility of part-time work etc.)
- Scaling up women's access to microcredit including savings groups
- Implementing labor law and promoting the right of non-discrimination and equal remuneration
- Through public awareness-raising, promoting non-gender stereotyping in job selection, recruitment, employment and promotion

## **3. Sensitization on domestic violence (violence against women)**

Violence against girls and women occurs at many levels of society and in daily life. Girls and women often encounter violence associated with negative social stereotypes in the public sphere that hinder their education, employment opportunities and general livelihoods. CEDAW's Concluding Observations state a clear concern with adverse social norms that create a disadvantaged or unequal status for women in education and public life. The CEDAW Committee also expresses grave concern on incidents of rape and child abuse. Combating violence against girls and women will promote their social confidence in the public sphere, which is necessary for their educational, professional and political participation. To address this, a number of activities are suggested:

- Enhancing capacity of existing shelters for victims of violence
- Starting dialogue on violence against women including domestic violence in order to develop a comprehensive response
- Sensitizing the legal and justice system to the rights of victims of violence against women violence
- Develop a comprehensive communication and awareness campaign on violence against women, involving men as role models to combat

**Table II-4:** Summary table for accelerating progress towards the MDGs in women's participation

MDGs	MDG indicators	Strategic areas	Indicative interventions 2010-2015
Goal 3: Promote gender equality and empower women	3.2. Share of women in wage employment in the non-agricultural sector	Sensitization to temporary special measures	Implement public and targeted awareness-raising activities about the importance of equal representation of men and women in decision-making for society as a whole, by working with high-level policy makers and the media
			Develop and implement targeted training and mentoring programmes for women candidates and women elected to office at all levels
			Develop and implement training programmes on leadership and negotiation skills for current and future women leaders
			Take measures to empower and enable women to take part in public life (including reducing their workload, introducing quality child care, and providing trainings opportunities)
	3.3 Proportion of seats held in National Assembly	Improving gender equality in employment	Develop measures to provide increased opportunities for women to be working in the formal labor sector (child care facilities, possibility of part-time work etc.)
			Scaling up women's access to microcredit, including savings groups
			Implement labor law and promote the right of non-discrimination and equal remuneration
			Through public awareness-raising, promote the avoidance of gender stereotyping in job selection, recruitment, employment and promotion
		Sensitization on domestic violence (violence against women)	Enhance capacity of existing shelters for victims of violence
			Start dialogue on violence against Women including domestic violence in order to develop a comprehensive response
			Sensitize the legal and justice system to the rights of victims of violence against women violence
			Develop a comprehensive communication and awareness campaign on violence against women involving men as role models to combat

## V. Improvement of maternal and child health

The national five-year socio-economic (NSEDP) and health (NHSDP) policy frameworks for 2006–2010 and 2011–2015 respectively include the essential services that are required to address maternal and child mortality. They are designed around universal access to primary health care, the availability of skilled care at birth and access to a functioning referral network. There are however, a number of measures that could accelerate progress towards achieving the MDG targets for health, especially for MDG 4 on reducing under-five deaths, and for MDG 5 reducing by two thirds the Maternal Mortality Ratio of 1990, which according to recent predications is seriously off track. These are clearly laid out in the Ministry of Health's National Strategy and Planning Framework for the Integrated Package of MNCH Services 2009–2015 (MNCH SP). The MNCH SP's three Strategic Objectives (SO) relate to (1) leadership and governance, (2) efficiency and quality of services and (3) the mobilization of communities. Below each SO, there are Expected Results (ER) specifying action.

Under the MNCH SP's SO1, one measure is to reduce financial barriers to accessing care, for instance by introducing programmes of conditional cash and food transfers, to reward families who make use of health services or other schemes such as health equity funds and community-based health insurance schemes. An important element of the MNCH SP's SO2 is to bring services closer to women by investing in rapid scale up of midwives at the community level, using the existing cadre of auxiliary staff, upgrading health centres, advocating that all families make a birth and emergency preparedness plan as soon as the woman is aware she is pregnant, and improving the quality of MNCH care and service delivery by health facilities, particularly for basic and comprehensive emergency obstetric and newborn care.

In addition, as outlined in the MNCH SP's SO3, it is essential to invest in mobilizing community participation and building the capacities of individuals, families and communities for maternal, newborn and child health. We know that 70 percent of under-one mortality is caused by neonatal causes, diarrhoea and Acute Respiratory Infections (ARI). Most of these children die in the community, far from health facilities. Furthermore, under-nutrition issues are underlying causes for at least 50 percent of these deaths. Therefore, it is critical to address the high rates of malnutrition, which not only have a serious impact on newborn and child health, but also leave pregnant women even more vulnerable due to severe anaemia.

In the initial five-year period of the strategies it will be crucial to scale up primary health services through increased public investments and public financing. Policies relating to point-of-service fees for primary health services should be dropped since these dramatically reduce the access of the poor. The 7th NHSDP 2011–2015 will provide an indication of how the building of this system will be sequenced and include a community-based health worker strategy.

In the short term, much of the increased outlay will have to be covered by development partners' contributions. Lao PDR should therefore make maximum use of the global and regional funding sources and special multilateral and bilateral programmes to decrease the financial burden on families and encourage them to access health care services. In the medium term, however, it will be crucial to generate substantially higher domestic resources for health. This is also a key strategic objective of the draft 1st National Health Financing Strategy 2011-2015 which is expected to be implemented from January 2011. Given the current situation in Lao PDR and the capacities of the existing health system, it is essential that every opportunity be maximized to provide these basic services. Critical to progress in the next five years will be the strengthening of the health

coordination mechanism to ensure synergies and timeliness of external donor support.

### ***A six-fold strategy to accelerate progress towards improved maternal and child health care***

The following recommendations would help accelerate progress by focusing on the main bottlenecks that have been identified:

1. Strengthening community involvement (MNCH SP SO3, ERs 3.1.1 & 3.1.2)
  - Provide Integrated Management of Child Illness (IMCI) at community level
  - Expand and strengthen the role of village health volunteers and community-based distribution (CBD)
  - Promote the nationwide expansion of the Model Healthy Village
2. Bringing MNCH services closer to the poor and most vulnerable (MNCH SP SO2, ER 2.1.4)
  - Improve outreach services for better delivery of the package of MNCH services
  - Strengthen community midwifery services in accordance with Skilled Birth Attendant (SBA) Plan
3. Improving quality of MNCH care and service delivery of health facilities
  - Provision of basic and comprehensive emergency obstetric and newborn care in health facilities
  - Strengthen the competence and motivation of health workers
  - Strengthen MNCH health information system for improved planning, monitoring and evaluation (data collection and reporting at grass-roots levels, use the information for planning and monitoring progress on MDG 4 and 5)
  - Improve MNCH-related medical products and technology, particularly essential drugs, equipment and supplies
4. Reducing mother-to-child transmission of HIV
  - Maternal and child health (MCH) centre to further implement the PMTCT guidelines as part of the essential antenatal care pack-  
age (including rapid HIV testing at antenatal service sites)
- Introduce HIV prevention interventions for sex workers and other most-at-risk women to incorporate family planning, reproductive health and PMTCT services
- MCH centre to increase male involvement in PMTCT, and in antenatal care in general
5. Improving the nutrition of women and children (MNCH SP SO2, ER 2.1.1)
  - Improve the coverage and consistency of infant and young child feeding, maternal counseling for health and NFS education and use of insecticide-treated bed nets (ITN) bed nets through behavior change communication
  - Improve prevention and management of food- and water-related diseases
  - Improve prevention and treatment of micronutrient and macronutrient deficiencies in women and children
6. Reducing financial barriers to MNCH care for the poor (MNCH SP SO1, ERs 1.2.1 & 1.2.2)
  - Develop national health insurance (in line with the Decree on National Health Insurance, MOH, 2010)
  - Promote health equity funds to the poor who cannot access insurance schemes
  - Provide conditional cash and food transfers to encourage use of vital MNCH services
  - Offer fee exemptions of MNCH services for targeted MNCH interventions and populations
  - Promote Village Health Funds for emergency evacuation/transportation

### ***1. Strengthen community involvement***

Strengthen community participation by mobilizing Individuals, Families and Communities (IFC) for better health practices, including referral networks is a central strategy for accelerating progress towards the MDGs. Participation and support of communities and



all related other sectors should be mobilized through health promotion to facilitate the communication of health information and knowledge, behavior change and improved health service utilization, especially for MNCH services. Particular attention should be paid to the following actions:

- **Provide Integrated Management of Child Illness (IMCI) at community level.** (MNCH SP SO2, ER 2.1.5), especially for treatment of diarrhoea and ARI. The Integrated Management of Child Illness (IMCI) is a holistic strategy to deal with child health/nutrition issues. This strategy was introduced first at the health facility level and was extended later to the community where most of children die of preventable and treatable disease. At the community level it is the Community Based Integrated Management of Childhood Illnesses (C-IMCI). The C-IMCI is ongoing in many communities in most countries. In Lao PDR, the C-IMCI was implemented successfully in many provinces (such as Xayaboury province with Save the Children Australia). The availability of Drug Revolving Funds in most villages helps the implementation of C-IMCI. The Drug Revolving Funds provides the essential drugs for treatment of diarrhoea and ARI. However, the status of the Drug Revolving Funds needs to be assessed. The C-IMCI is also in line with the concept of the Model Healthy Village that the next five-year plan of MOH is going to promote with the support of its development partners.
- **Expand and strengthen the role of village health volunteers and CBD.** (MNCH SP SO3, ER 3.2.1) In communities, the role of village health volunteers, leaders and supporters can be strengthened with training, supervision, management and support to perform a much broader range of promotive actions for MNCH care, provide better use of existing services and bridge communities with health providers.
- **Promote the nationwide expansion of the Model Healthy Village.** The formal health care

system in Lao PDR is too limited to reach much of the remote and dispersed rural populations. To improve maternal and child health, and expand the reach of the formal health system to remote areas, emphasis must be given to empowering communities to be responsible for their own health care alongside strengthening overall health systems. Implementing the principle of effective community participation in primary health care gained renewed vigor with the Mid-Term Review of the 6th Health Sector Development Plan in September 2008, which identified “strongly promoting and expanding model healthy villages” as one of the eight priority areas for the health sector. In November 2009, the Government received a three-year grant of \$3 million from the Japan Fund for Poverty Reduction at the ADB to implement model healthy villages in all districts of Xiengkhouang and Houaphanh provinces. A key thrust of the project is to test and develop a model for effective community participation in primary health care and to inform a harmonized national approach for scale-up of model healthy villages.

## ***2. Bringing MNCH services closer to the poor and vulnerable***

Integrated MNCH Package of Services (the action matrix of the MNCH SP) requires a coordinated approach. In particular, support needs to come from the central level to assist the subnational health offices in rolling out the MNCH package at the district and community levels. In addition, all health care providers should be able and motivated to provide services safely, effectively and respectfully, in the geographic areas where they are needed most.

- **Improve outreach services (MNCH SP SO2, ER 2.1.4) for better delivery of the package of MNCH services, including providing health and nutrition education and promotion and services for immunization, family planning and focused antenatal care, reproductive health, and**

The goal of the Model Healthy Villages project is to improve the health of mothers and children in rural villages through enhanced community participation in primary health care. The project has three major components: (i) strengthening village capacity in planning, implementing, and managing primary health care activities; (ii) improving village infrastructure for 'healthy environments', and (iii) strengthening capacity of districts and health centres to support village-level primary health.

Health system strengthening at the village level is achieved through fostering durable institutions such as village health committees to coordinate and manage PHC activities. To enhance the villagers' ownership and capacity in participatory planning, village health plans are developed through participatory processes. The goals and objectives of the plans are aligned with elements of primary health care and promoting healthy village environments. Funds for initiatives (such as water systems, sanitation and health education materials) identified in these plans are provided for under the project. Implementation of the village initiatives are directly managed, monitored and assessed by the villagers, with the project providing requisite building of villagers' capacities in these aspects.

To strengthen district capacity to support model health villages, multidisciplinary district teams comprising district and health centre staff, covering all technical aspects of primary health care, are established. With support of the district facilitators hired under the project, as well as experienced central- and provincial-level staff members, these district teams are oriented and trained in developing and supporting model healthy villages. The multidisciplinary district teams play a key role in the system, forming the link between village-level primary health care and referral services. The teams also provide village health focal points and committees with continuing education and supervision, including the community's capacity for birth preparedness.

An important aspect of the model healthy villages concept is to strengthen integrated primary health care programming at the village level. Considerable attention is given to ensuring that there is a good enabling environment for effective coordination and organization of primary health care services. Model Healthy Villages is also parcel to a larger government strategy of poverty reduction and area development. Thus, close coordination with other sectors, such as education, agriculture, environment and transport, is also essential to improving health outcomes and to contribute general socio-economic development. The effective involvement of women and remote ethnic groups is another key factor to the healthy village approach.

Source: ADB.

postnatal and neonatal follow up. Promotion of exclusive breastfeeding is vital for improving early child health, and reducing childhood diarrhoea and malnutrition. The services can assist families with birth spacing if they are not willing to consider modern methods of family planning. Priority should be given initially to increasing outreach to currently underserved areas for health education and promotion on key messages such as making birth and emergency preparedness plans mobilizing communities for health and for increasing coverage of immunization, Family Planning and Antenatal Care services. It is also important that appropriate incentive systems are developed and implemented for an outreach system that adequately serves remote communities for primary health care and MNCH in particular.

- **Strengthens the Community midwifery services (MNCH SP SO2, ER 2.2.5) in accordance with the Skilled Birth Attendant (SBA) Plan.** Implementation of the Skilled Birth Attendant Plan is central to bringing improved MNCH services to communities. A comprehensive strategy for development of the necessary human resources required for skilled care in pregnancy, birth and after birth has been elaborated. The plan will ensure health providers have not only the right competencies, but ensure all steps are taken to give existing and new staff the capability and authority to deliver the necessary interventions to save lives of mothers and newborns. Short terms measures such as investing in existing staff at the health centre level to develop a cadre of community

midwives who can also provide primary health care (PHC), as shown useful in other countries, has been identified. There is also need for large-scale training of health staff to better respond to clients needs and offer more client friendly primary health care services. Finally, the capacities of village workers has to be built, which includes the reorienting the role of traditional birth attendants, village health volunteers, community-based commodity distributors and others to act as health promoters for maternal, neonatal and child health.

### 3. Improving quality of MNCH care and service delivery by health facilities

- **Provision of basic and comprehensive emergency obstetric and newborn care in health facilities (MNCH SP SO2, ER 2.1.5).** In addition to the promotion of community

actions and MNCH outreach services, health facilities at provincial and district levels should be strengthened to provide basic or comprehensive emergency obstetric and neonatal care (EmNOC), including EmNOC needs assessment, upgrading planning, implementation and improved supervision.

- **Strengthen the competence and motivation of health workers (MNCH SP SO2, ER 2.2.2).** Measures include training of existing health staff, recruitment and retention of health workers for remote areas, and establishing a performance-based incentive system to motivate and encourage staff for improved MNCH services.
- **Strengthen MNCH health information system for improved planning, monitoring and evaluation (MNCH SP SO1, ER 1.3.3).** As an integral part of the national health management information system forms and procedures will

#### Box II-16

#### COMMUNITY MIDWIVES SERVICES IN LAO PDR

A Skilled Birth Attendant is “any accredited health professional — such as midwife, doctor or nurse — who has been educated and trained to proficiency in the skills needed to manage normal (uncomplicated) pregnancies, childbirth and the immediate postnatal period, and in the identification, management and referral of complications in women and newborns” (WHO 2004).

In the Lao PDR context, skilled birth attendants (SBAs) are midwives, nurse-midwives, family physicians, obstetric specialists and medical assistants and general physicians with proven SBA competencies. Currently there are less than 100 professional midwives working in the health system, and many of the nurse-midwives have been shown to be lacking in essential SBA competencies. As a consequence, the national SBA Development Plan identifies the need for upgrading all health workers in basic maternal and child health services and investing in upgrading and producing midwives). It was decided to create two levels of midwives — mid-level Community Midwives (CMWs) and high-level Registered Midwives (RM) (MoH 2008).

Curricula for both these levels have been developed and offer entry routes for both existing staff and new entrants. Priority is being given to support Auxiliary Nurse-midwives (ANMs) working in Health Centres and District Hospitals to undertake the one year upgrade to become CMWs. UNFPA in collaboration with UNICEF and WHO are supporting Provincial Schools and University of Health Science to implement this upgrading programme.

Consideration is being given to introducing the two-year upgrading of Technical Nurse to Registered Midwife, to provide emergency obstetric and newborn care and midwifery care for women with complications and for opening the CMW Direct Entry programme for areas with no staff to upgrade. It is anticipated this Direct Entry CMW programme would be attractive to existing traditional birth attendants (TBAs) with minimal education background and some mature women from ethnic and remote areas.

Source: UNEPA

be developed for essential MNCH data collection by villages and health centres, and reported from the grassroots level to the district, province and central level. Health managers at all level should be trained to use the information for annual operational planning and the monitoring of progress on MDGs 4 & 5. The innovative application of new technologies such as mobile phone systems will be encouraged.

- **Improve MNCH-related medical products and technology, particularly essential drugs, equipment, supplies and family planning commodities** (MNCH SP SO3, ER 2.3.1). Develop and implement standard checklists and strengthen the logistics system for regular supply of medicines and commodities for MNCH services. Community-based distribution systems will be strengthened to ensure supplies for remote areas.

#### **4. Reducing mother-to-child transmission of HIV**

The number of HIV-positive pregnant women receiving anti-retroviral prophylaxis to reduce the risk of mother-to-child transmission has remained low (around 20 in 2009). Most of these women were diagnosed in the ART centres, not through antenatal care services. PMTCT guidelines developed in 2007 are incorporated in the maternal health strategy, and were piloted in six provinces. However, implementation has been hampered by poor access and use of antenatal care (28 percent), women dropping out after counseling when referred for HIV testing, and confusion among health workers about reporting requirements. Three strategic interventions have been identified in the new five-year national strategic and action plan on HIV/AIDS (2011-2015) to reduce mother-to-child transmission of HIV.

- The maternal and child health (MCH) centre to further implement the PMTCT guidelines as part of the essential antenatal care package

(including rapid HIV testing at antenatal service sites)

- HIV prevention interventions for sex workers and other most-at-risk women to incorporate family planning, reproductive health and PMTCT services
- The MCH centre to increase male involvement in PMTCT, and in antenatal care in general.

#### **5. Improving the nutrition of women and children**

Despite impressive gains in economic growth, Lao PDR remains one of the highly affected countries of malnutrition: 23 percent of the population and 37 percent of children under five are still undernourished, with slow improvements over the past decade. As a result, the national target for malnutrition is off track and it is increasingly clear that MDG 1 as well as various other MDGs will not be achieved without immediate, decisive and integrated action. As a response to this 'chronic crisis', the first National Nutrition Strategy (NNS) and National Plan of Action on Nutrition (NPAN) have been endorsed by all key ministries and development partners and signed by the Minister of Health in November 2009. NNS and NPAN form a comprehensive strategy with 99 interventions to address malnutrition and food insecurity. Out of these, a core list of priority areas have been identified that will have the highest immediate impact towards accelerating progress towards MDGs 1, 3 and 4.

Three of the most pressing issues identified during this prioritization exercise of NPAN and their related interventions are listed below:

- Improve the coverage and consistency of infant and young child feeding, maternal counseling for health and NFS education and use of ITNs through behavior change communication. This includes:
  - Promoting exclusive breastfeeding for infants up to six months

- Providing infant and young child feeding education to address food taboos and strengthen local knowledge on nutrition
- Developing and disseminating innovative IEC materials
- Promoting maternal nutrition and food security education and counseling
- Promoting the correct use of ITNs
- Prevention and management of food and water related diseases. This includes:
  - Hygiene practice and environmental health education
  - Food safety, health and nutrition education about diarrhoea
  - Promoting use of Oral Rehydration Salts
  - Zinc supplementation for diarrhoea
  - Providing and promoting household water treatment and storage
- Prevention and treatment of micronutrient and macronutrient deficiencies in women and children. This includes:
  - Vitamin A supplementation
  - IFA supplementation
  - Home fortification with sprinkles
  - Promote consumption of fortified products
  - Regular national de-worming campaign

## 6. Reducing financial barriers to MCH care

Access to health services and its relationship to inequalities is a major concern. Presently, there is much evidence that wealthier populations have much better access to health services. There is also evidence that certain ethnic groups have easier financial, geographic and cultural access to health care than others.

Community access to health facilities to gain knowledge on maternal and child health and nutrition is also a must in order to increase the demand for these services. In order to improve demand for these services, the establishment of conditional

cash and food transfers, equity fund, free MNHC services for targeted groups, and further expansion of social health insurance should be considered. These mechanisms are not mutually exclusive and can be used in combination, depending on the available financial resources. The 1st National Health Financing Strategy is currently being formulated and could provide more specific direction for these financing approaches.

- **Development of national health insurance** (in line with the Decree on National Health Insurance, MOH, 2010). This has the potential to purchase quality services on behalf of the insured, but the current extent of coverage is too small to have any significant impact. Since health insurance is especially a means to avert impoverishing health expenditures, the emphasis of such schemes is on curative care. To be really beneficial for promoting the uptake of MNCH services they should be explicitly included in the benefit package.
- **Health Equity Funds (HEF)** pay for health services on behalf of a defined group, usually the poorest, typically based on external financing. In some parts of the country it is possible to consider channeling the funding of part or the entire MNCH service package through HEF.
- **Conditional cash and food transfers** originate from Latin America and are now widely used elsewhere whereby regular monetary transfers are provided to the poor on the condition that they comply with a pre-defined set of social behaviors. For MNCH interventions in Lao PDR, such cash transfers could be linked to the uptake of a range for preventive services such as antenatal care, assisted deliveries, initiation of breastfeeding and immunization of mothers and infants. When cash transfers are provided for the uptake of preventive services, it is imperative to ensure that these services are effectively available, with good quality, and provided at minimal costs.

- **Fee exemptions of MNCH services for targeted MNCH interventions and populations** will improve their financial accessibility but hidden costs must be considered, including loss of income for women and other caretakers when accessing care for themselves or their children and transport costs to the site of service delivery. Since health care providers in Lao PDR overtly depend on Drug Revolving Funds mechanisms to finance their services, abolishment of user fees without providing compensation to the providers may not improve access because services will be unavailable as facilities cannot purchase consumables.
- **Village Health Funds for emergency evacuation** is a measure that can be developed by communities to ensure that emergency transportation to the nearest health facility is made possible for members of the community.

### **Gender considerations**

The described interventions in this section increase women's access to health, which is a prerequisite for gender equality. One of the MDG 5 indicators is universal access to reproductive health and it includes improved access to family

planning, reduction of the unmet need for family planning, improved access to antenatal care and a decrease in the adolescent fertility rate. All these indicators require a gender-sensitive approach taking into account the barriers for women, young girls and boys to access the health services. It needs strengthening and expansion of efforts to increase knowledge and access to affordable contraceptive methods so that women and men can make informed choices about the number and spacing of children. Family planning and maternal health programmes must take account of traditions and barriers, including the decision-making power of women to access the services available. For young girls and boys, sexual reproductive health education to be integrated into the life skills curriculum in primary and secondary education, with due attention to the prevention of early and unwanted pregnancy, sexually transmitted infections, including HIV/AIDS, and social behaviors including peer pressure and promoting equal relationships between boys and girls, with no tolerance for violence or abuse of power. Within the health sector, male and female health care providers should be trained to recognize and support women who are victims of violence, including rape and coercion.

#### **Box II-16**

### **PROMOTING SOCIAL SAFETY NETS THROUGH THE USE OF CONDITIONAL CASH TRANSFERS IN LAO PDR**

While supply-side constraints do exist and investments are still necessary in Lao PDR, demand-side investments that help people cope with the cost of health care and boost utilization of health facilities are considered to be effective particularly for poor households in rural areas, who do not have access to adequate medical and health care. Health Equity Fund (HEF) social assistance, particularly Conditional Cash Transfers (CCTs) for pregnant and lactating women as well as children from poor households in rural areas, for example, would improve maternal health and reduce child malnutrition through the facilitation of ante-natal care and health monitoring of children. Such CCTs programmes could encourage health facilities to use the opportunity of antenatal visits by pregnant women — who are recommended to attend a health facility to receive antenatal care every two months — to provide them with necessary services including dissemination of information regarding maternal and neonatal health care, feeding practices, immunization etc. When children aged 0 to 30 months are brought to health facilities for growth and micronutrient deficiency monitoring, immunization and micronutrient supplement are to be provided. Thus, CCTs for these target groups enables them to have access to decent medical and health services, improves maternal and child health, and helps the government achieve efficient health delivery.

Source: UNDP.

**Table II-5:** Summary table for accelerating progress towards the MDGs in on maternal and child health care

MDGs	MDG indicators	Strategic areas	Indicative interventions 2010-2015	
Goal 1: Eradicate extreme poverty and Hunger	1.8. Prevalence of underweight children under five years	Strengthening community involvement (MNCH SP SO3, ERs 3.1.1 & 3.1.2)	Provide Integrated Management of Child Illness (IMCI) at community level	
			Expand and strengthen the role of village health volunteers and CBD	
Goal 4: Reduce child mortality	1.8A. Prevalence of stunting in children under-five years		Promote the nationwide expansion of the Model Healthy Village	
Goal 5: Improve maternal health	4.1 Under-five mortality rate	Bringing MNCH services closer to the poor and most vulnerable (MNCH SP SO2, ER 2.1.4)	Improve outreach services for better delivery of the package of MNCH services	
Goal 6: Combat HIV/AIDS, malaria and other diseases	4.2 Infant mortality rate		Strengthen community midwifery services in accordance with Skilled Birth Attendant (SBA) Plan	
	4.3 Proportion of one-year-old children immunized against measles	Improving quality of MNCH care and service delivery by health facilities	Improve quality of basic and comprehensive emergency obstetric and newborn care in health facilities	
			Strengthen the competence and motivation of health workers	
	5.1 Maternal mortality ratio		Strengthen MNCH health information system for improved planning, monitoring and evaluation	
	5.2 Proportion of births attended by SBA		Improve MNCH-related medical products and technology, particularly ensuring essential drugs, equipment and supplies (including FP commodities)	
	5.3 Contraceptive prevalence rate	Reducing mother-to-child transmission of HIV	The maternal and child health (MCH) centre to further implement the prevention of mother to child transmission (PMTCT) guidelines as part of the essential antenatal care package (including rapid HIV testing at antenatal service sites)	
	5.4 Adolescent birth rate		Introduce HIV prevention interventions for sex workers and other most-at-risk women to incorporate family planning, reproductive health and PMTCT services.	
	5.5 Antenatal care coverage (1 & 4 visits)		The MCH centre to increase male involvement in PMTCT, and in antenatal care in general.	
	5.6 Unmet need for family planning	1.8. Prevalence of underweight children under five years	Improving the nutrition of women and children (MNCH SP SO2, ER 2.1.1)	Improve the coverage and consistency of infant and young child feeding, maternal counseling for health and NFS education and use of ITN bed nets through behavior change communication
				Improve prevention and management of food and water-related diseases
		Reducing financial barriers to MNCH care for the poor (MNCH SP SO1, ERs 1.2.1 & 1.2.2)	Improve prevention and treatment of micronutrient and macronutrient deficiencies in women and children	
			Develop of national health insurance (in line with the Decree on National Health Insurance, MOH, 2010)	
			Promote health equity funds to the poor who cannot access insurance schemes	
			Provide conditional cash and food transfers to encourage use of vital MNCH services	

## VI. Safe water supply and improved sanitation for all rural areas and small towns

Although the overall MDG targets on water and sanitation seems to be achievable, meeting the targets will still leave 31 percent of the total population without a clean water supply and 46 percent of the total population will be without basic sanitation. Expanding coverage in this context means going beyond the MDG target and striving for universal access to clean water supply and improved sanitation. Rapidly expanding coverage depends not only on constructing water and sanitation facilities, but also on promoting behavior change among people. Understanding what motivates people to act in certain ways, and finding ways to capitalize on those motivations would help promote behavior change.

Expanding access to improved water supply and sanitation will involve the following:

- o Advocating for universal coverage for water and sanitation
- o Advocating for increased Government investment in water and sanitation
- o Establishing a coordination mechanism for support to water and sanitation as a sector
- o Developing the capacity of NamSaat and NamPapa technical staff and managers to work on water and sanitation as a sector, in line with the new Water Supply Law
- o Approving and implementing the revised Rural Water and Environmental Health Strategy
- o Promoting sanitation in small-town communities through demand creation and marketing
- o Developing promotional approaches that can work at scale and can be implemented within the limits of the human and financial resources available
- o Developing appropriate and reliable household sanitation systems
- o Ensuring that all public institutions, including health centres and schools, have access to a clean water supply

- o Improving sanitation in public institutions, especially schools
- o Promoting regular hand washing with soap and other safe hygiene practices
- o Promoting education and outreach, focused on children as agents of behavior change
- o Promoting localized ownership of facilities, affordable and socially and culturally acceptable technologies and practices
- o Developing innovative financing and partnership mechanisms
- o Integrating sanitation into water resources management strategies so as to protect water resources from biological or faecal (including animal faeces) contamination.

This Framework suggests that particular attention should be given to address the particular needs of the following two target areas:

1. Rural communities that do not have access to an all-year road and therefore face serious challenges in accessing necessary infrastructure for water supply and sanitation facilities
2. Small towns with urgent needs for water supply and sanitation systems following rapid urbanization and the creation of many small urban communities all across the country.

### ***A five-fold strategy to accelerate MDG achievement on water and sanitation***

A five-fold strategy will include extending water supply and sanitation facilities, supporting community-led initiatives, and providing education and training in the following ways:

1. Increase investment in physical infrastructure for water and sanitation
2. Promote integrated water supply and sanitation at central and local levels
3. Promote community-based water supply and sanitation initiatives in rural areas and small towns
4. Promote community-led total sanitation



5. Provide training and awareness-raising campaigns for hygiene, water supply and sanitation for all sections of society.

## **1. Increase investments in water and sanitation, including infrastructure, operations and maintenance**

To meet the MDGs, there has to be increased allocation from the Government towards building water infrastructure, and its operations and maintenance. Enhanced donor support is also critical as the amount of investment needed to improve water sources is quite high. For example, the investment plan of the urban water supply sector, with a focus on small towns, determined the development of water and sanitation infrastructure from 2004 to 2020. The plan will come at an estimated cost of \$267 million, and will result in the upgrade and expansion of the existing water supply systems that will serve an urban population of 1.95 million, or 80 percent of the total urban population in 2020. Likewise, significant investment is required for the rural sector. The cost for construction of the NamPapa system for the 72 priority poor districts is estimated at \$210 million. As such, the investment requirement over the next five-year period is expected to be huge.

Urban sanitation facilities are fairly good in the capital and major towns, but more attention needs to be paid to small towns, and even in places near the main cities.

## **2. Promoting integrated water supply and sanitation at the central and local level**

Service providers, including NamSaat and NamPapa, international development partners and international NGOs, need to coordinate more effectively to share and maintain information on coverage and gaps, and to balance the provision of services for water and sanitation. Water supply and sanitation services need strong

and adequately resourced monitoring and assessment systems that employ valid and reliable measures. In fact, one of the fundamental problems today is the lack of a national monitoring framework to inform the national strategy and the activities of both government agencies and development partners. The parameters that matter most to users — including the convenience, reliability, sustainability, and adequacy of water supply and sanitation services — should be measured over time, and easily accessed by women and the poor.

The most successful programmes offer a broad range of technological choices. Communities should be able to install the water supply and sanitation infrastructure that they want, are willing to pay for, and can maintain in the long term. Some lower tech approaches may be particularly relevant and cost-effective for many rural and small towns — these include hand pumps, improved wells, protected spring sources such as gravity-fed water supply systems, rainwater harvesting, locally designed latrines, installations using volunteer labor, and community maintenance, as well as the promotion of household water treatment options (e.g., Biosand and ceramic filters) and storage. Small-scale independent service providers can also be encouraged; an integrated water supply system managed by public or private utilities with necessary technical competencies is one of the good solutions, particularly in small towns.

At the central level, support should be provided to the reform of the state-owned NamPapa to improve its organization and management and stronger partnerships should be promoted with NamSaat at the Ministry of Health. Stronger partnerships also need to be built between NamSaat and NamPapa at the provincial and district level. This is particularly important now, as the number of kumbans increases, and requires adequately scaled water and sanitation systems<sup>13</sup> along with a more demanding and complex application of maintenance. This is beyond the capacity of the community and overstressing the capacity of NamSaat. As new kumbans are created, NamPapa is increasingly entering districts where only NamSaat has worked previously. Partnerships at the local level would therefore help

<sup>13</sup> An urban centre in Lao PDR is defined as having a population of over 2,000 people and a population density of over 30 people per hectare according to the ADB's Report and Recommendation of the President to the Board of Directors on a proposed ADB Grant to the Lao PDR for the Northern and Central Regions Water Supply and Sanitation Sector Project by (March 2010).

transfer essential skills and local knowledge between technical staff, thus improving work efficiencies.

### **3. Community-based water supply and sanitation initiatives**

Community-based projects in small towns can effectively reduce the cost of investments and can play a catalytic role in ensuring that investments are contextual (in terms of technology) and sustainable. To ensure sustainability, communities need to be involved and take ownership at all stages, from conceptualization to operation and maintenance.

Water supply and sanitation services should be managed at the lowest appropriate level. An understanding and practical management of drinking water quality should be developed from national policy down to the community level. The Lao PDR Government and donor agencies must therefore empower local governments and communities with the necessary authority, resources and professional capacity. A good way of building capacity is to enter into partnerships with local businesses, organizations and NGOs that

can help promote accountability by disseminating information and helping citizens exercise their voice and demand services. Numerous examples across the country have shown that strong local leadership, for example, through a respected and knowledgeable village head, is the key to successful implementation and sustainability of water and sanitation initiatives.

### **4. Promote Community-Led Total Sanitation approach**

Community-led Total Sanitation (CLTS) is a revolutionary, low-cost approach to sanitation, which relies on community appraisal, analysis and action with hands-on facilitation. Subsidy for hardware is not required. In a matter of weeks, communities can change practices from open defecation to total sanitation. The concept of community-led total sanitation is spreading in Bangladesh, Cambodia and India, and it is starting in Indonesia, Mongolia and Nepal.

CLTS has been introduced recently in Lao PDR to improve the sanitation situation particularly in rural and remote areas. So far, there are a few small pilot projects

#### **Box II-18**

#### **COMMUNITY-BASED WATER AND SANITATION, XIENG NGEUN, LUANG PRABANG PROVINCE**

UN-HABITAT is cooperating with the Water Supply State Owned Enterprise of the Province of Luang Prabang to implement the innovative, fast-track Community-based Water Supply and Sanitation Project in Xieng Ngeun, Luangprabang, to demonstrate how a community can work with a Water Supply Entity (WSE) to acquire water and adequate sanitation and also enhance capacity of the Public Utility and the Civil Society. This is the first community-based project in Lao PDR in which the community has been actively involved in all stages from project planning to implementation. The project is being implemented under the MEK-WATSAN initiative aimed at addressing the problems of water and rapidly expanding urban poverty, by local governments. The project has three main components: water supply, sanitation, and policy support and capacity-building. It has the following aims:

- Demonstrate how a community can work with a water supply entity to acquire safe water and adequate sanitation that meets its needs
- Demonstrate pro-poor water connection charges and tariffs
- Improve community awareness of environmental sanitation
- Enhance capacity of WSE and local artisans.

Source: UNHABITAT, online at <http://www.unlao.org/UNCT/UNHABITAT/docs/Brochures/MEK-WATSAN/Xieng%20Ngeun,%20Lao%20PDR.pdf>.

**Box II-19****TRAINING A NATIONAL CORE TEAM OF CLTS FACILITATORS**

In January 2010, in preparation for future needs and the growing demand for skilled personnel to carry out CLTS work, WSP and SNV supported the training of 10 national CLTS facilitators from NamSaat central to form a national core team on CLTS. The core team is composed of the government technical staff of NamSaat at central and local levels, as well as staff from the local NGO. The national core team has received first-hand experience through training delivered by two experts from WSP Indonesia with extensive experience in successfully implementing CLTS in Indonesia. Following theoretical training, the national core team undertook CLTS triggering in two villages in Houaphanh province. The results were promising and the two villages achieved 100 percent toilet coverage.

in the country introducing the CLTS approach to address rural sanitation issues, such as those piloted by Water and Sanitation Program (WSP) and Concern Worldwide in Sekong, Champasack and Houaphanh provinces. Following these experiences, the Ministry of Health has now included CLTS as a priority approach to be scaled up within their newly approved National Strategy on Water Supply and Environmental Health.

Low-cost, environment-friendly and community-responsive interventions will have a broad impact on child health by reducing diarrhoea and other water-borne diseases. In addition, community action and social mobilization around basic social services are

valuable entry points for promoting women's empowerment.

### ***5. Provide training and awareness raising campaigns for hygiene, water supply and sanitation for all sections of society***

Awareness-raising campaigns need to focus on community understanding of the links between sanitation, hygiene and health. These can use modern marketing strategies that engage human emotions, such as pride, shame, and competi-

**Box II-20****UNICEF REACHING SCHOOLS WITH HYGIENE EDUCATION**

In addition to water and sanitation infrastructure, UNICEF provides a unique set of hygiene education materials developed specifically for rural Lao PDR. The Learning with Joy toolkit, also affectionately known as the Blue Box, has become a very popular resource for teaching hygiene. It incorporates key messages into a set of story cards, songs, word cards, posters, cartoon booklets and a board game. A girl character named Meena explains deworming in the Blue Box and she now features in a Lao cartoon video available throughout the country. The Blue Box messages also include general health issues and information on how to reduce pollution in the local environment. A separate package has been provided alongside the Blue Box educating rural school children about Avian Influenza prevention.

The Blue Box was first developed in 1997 and has since become a hallmark of UNICEF's water and sanitation and hygiene programme. Currently in its fifth revision, the materials are reviewed and updated regularly. A manual and textbook are included for teachers and contain methods on how to modify and supplement the tools. The Blue Box can also be distributed through other organizations and bear their logo. So far the World Health Organization has been a major contributor.

Since 2003, UNICEF has delivered Blue Boxes to 1,500 schools and trained over 8,000 teachers in its use. The most powerful outcome has been from the children bringing hygiene messages back into their families and the community.

*Source: UNICEF.*

tion. They can encourage proper use of facilities and inculcate regular hand washing and good personal hygiene. Such programmes could also, where feasible, provide information about the potential for human waste to be used as a resource in agriculture. Some sanitation technologies such as the twin-pit latrine are well suited to the collection and safe removal of excreta, which can be applied as fertilizer to crops.

Education and training should involve all sections of society — government agencies, civil society, NGOs as well as the private sector, including small private providers, personal hygiene product companies, building contractors, advertising agencies and the media. Where there are large numbers of people to be reached, one option is a franchising model, through which the government contracts with one or more large civic or private organization which in turn subcontracts to community-level organizations. The principal organizations are responsible for training their subcontractors, as well as for ensuring that performance is uniform and of high quality. For the public agency, this model reduces administration and monitoring costs. For underserved communities, this arrangement offers a dramatic increase in locally based, accountable organizations providing improved sanitation services.

Specific trainings for NamSaat and NamPapa staff include trainings on household water treatment and safe storage, arsenic mitigation options and financial and information management.

**Table II 6:** Summary table for accelerating progress towards the MDGs on improved water and sanitation

MDGs	MDG indicators	Strategic areas	Indicative interventions 2010-2015
Goal 7: Ensure environmental sustainability	7.5 & 7.6 Proportion of population using an improved drinking source and improved sanitation facility	Increasing the investment in physical infrastructure for water and sanitation, including operations and maintenance	Construct NamPapa system for 72 poor districts and towns
			Construct simple sewage treatment plants especially targeting small towns
			Provision of improved sanitation facilities in small towns
			Provide suitable water sources and technologies for water supply in rural areas
			Promote suitable facilities and technologies for improved sanitation in rural areas including locally designed latrines
		Enhance technical capacities of NamPapa and NamSaat on survey, design and construction of GFS; water supply treatment system; ground water investigations; operation and maintenance	
		Promoting integrated water supply and sanitation at central and local level	Promote institutional partnerships and knowledge exchange for NamSaat and NamPapa staff at central, provincial and district levels
			Support the development of a national monitoring framework to inform the national strategy and the activities of both government agencies and development partners
			Provide support to the organizational reform of the state-owned NamPapa
		Promoting community-based water supply and sanitation approach	Promote public-private partnerships for water and sanitation services
Expand pilot projects promoting community-based water supply and sanitation initiatives in small towns			
Promoting life skills and human values-based water and sanitation and hygiene education and school water and sanitation	Promote life skills and human values-based water and sanitation and hygiene education and school water and sanitation		
	Mobilization, education, communication, and social marketing for CLTS in 17 provinces		
Providing training and awareness-raising campaigns for hygiene, water supply and sanitation	Awareness raising on links between sanitation, hygiene and health in rural and urban areas (17 provinces)		
	Training of NamPapa and NamSaat technicians: Household water treatment and storage; arsenic mitigation options and financial and information management.		



CHAPTER 3:

**Mechanisms to  
accelerate progress**

*The MDGs remain achievable by 2015 if backed by the right policies, implementation strategies and arrangements as well as actions, coupled with strong political commitment and adequate funding. Central to the success of this Framework of Innovative Options for Reaching the Unreached will be the implementation of a coordinated approach that targets service delivery at the local level, balancing the needs for both speed and sustainability.*

## Guiding principles for scaling up proven interventions

Lao PDR can benefit from good practices and lessons learned both within and outside of the country. Prioritization and sequencing of MDG-related interventions and programmes should be guided by the following principles for scaling up:

- **Gender equality.** Meeting the overall MDGs requires a basic understanding at all levels of government and society of the dynamics that sustain or create gender inequalities, along with the targeted policies, strategies, actions and reprioritized public expenditures needed to promote equality.
- **Localized human development.** Using and adapting proven integrated services models and incorporating existing initiatives.
- **Local engagement and participation.** Programmes need to build capacity for effective management, service delivery and monitoring at provincial, district and village levels and empower individuals to make informed choices. Conditions have to be created which enable all Lao people to actively take part in decision-making processes affecting their lives.
- **Targeting.** Priority should be given to activities that elevate the socio-economic conditions of

the poorest and most vulnerable segments of society.

- **Integrated approaches.** There are insufficient resources and capacity to scale up the many existing vertical programmes. Priority should be therefore given to programmes that maximize the use of limited resources through integrated delivery of multiple interventions and services. Institutions should deliver integrated approaches by working with partners that have complementary competencies. This principle also reflects the Vientiane Declaration on Aid Effectiveness.
- **Building on existing activities and structures.** Significant investments have already been made in health, education and agricultural systems. Priority should be given to programmes that build on existing activities and structures.
- **Scalable evidence-based solutions.** Priority should be given to programmes that can rapidly reach scale. This includes those with a scale-up plan up to 2015, which already have a proven track record through successful pilot implementation, and have a strong evidence base.
- **Strategic investment.** Investments should be prioritized for the poor and the disadvantaged populations to reduce poverty and exclusion.

- **Capacity development for local civil servants.** Strengthening delivery and implementation capacity is, besides adequate resourcing, key to achieving the MDGs by 2015.

## Integrating the MDGs into the local development context

To make progress on the MDGs quickly and comprehensively across the six priority areas discussed above calls for a highly intensive and time bound programme of downstream activities that can be implemented by local administrations. Capacity constraints, particularly at the subnational level, pose a major challenge but can be addressed. While there are options to work around this issue in the case of smaller scale initiatives through non-government organizations, public-private partnerships, or focused private contracting services, the need to sustain the MDG support activities beyond 2015 makes it imperative to work with existing capacities in the state machinery, and explore mechanisms to support, strengthen and innovate around these limited capacities to deliver MDG-related services.

Strengthening and focusing the work of the subnational administration around the MDGs can accelerate progress, and can draw on experiences from the Millennium Villages Project model. The commitment and participation of the communities form the bedrock of the Millennium Villages Project, and this bottom-up approach has produced impressive results. By providing innovative investments in health, food production, education, access to clean water and essential infrastructure, these bottom-up interventions have enabled impoverished villages to escape extreme poverty.

In the Lao context, this approach can be used to draw in the district administrations to use the limited resources that can be made available to them to identify locally appropriate investments from the list of sug-

gested intervention areas guided by the Framework, and pursue it with ownership and commitment. The proposed approach is based on the premise that urban and rural communities and districts can significantly transform themselves by 2015 to achieve the MDGs if they are capacitated and empowered to identify, select and implement options for development. The core of the proposed approach is to leverage the limited available capacity in the state machinery, at the subnational level, in a manner that is consistent with and builds on current government initiatives to strengthen the subnational administration.

The Capacity Development (CD) framework can be adapted to address the mandate of district administrations in Lao PDR, with the objective of enabling districts in Lao PDR to achieve specified targets in the MDGs and the 7th NSEDP. The CD framework envisages support at three levels: institutional (policies and enabling environment), organizational (processes, resources and management) and individual (skills and competencies).

The UNDP-supported Governance and Public Administration Reform (GPAR) and Service Delivery project - the District Development Fund (DDF) initiative lays out one structure through which this local development can be implemented. Institutionalized fiscal transfers to the subnational level are necessary for this approach. The DDF pilots this with donor resources but government budget should be allocated and transferred on a regular i.e., annual basis. Fiscal decentralization is a key to achieving the MDGs.

The sustainability of this approach rests on building the capacity of the district authorities to deliver effectively, which takes time. Therefore, the local initiatives for accelerating progress of the MDGs need to be designed and piloted in some districts, before they are rolled out across the country. Hence, it can be implemented in two stages: in the pilot stage, it could be implemented in districts where ongoing initiatives like District Development Funds are functional, and after that, mainstreamed countrywide. The scope of



Building on the core elements of the GPAR programme, the proposed approach for delivering MDG-based services to districts could include the following elements:

- a) Building legitimacy and commitment through wide awareness in districts about the PM's Orders on strengthening district administration, and plans, targets and tasks for each district to achieve the MDGs by 2015.
- b) Developing capacity and carrying out field assessments as well as preparing local responses including dialogue with kumbans on validating baseline conditions related to MDGs, applying localized MDG planning tools and evidence based needs assessment and facilitating localized action plan preparations and resource allocation.
- c) Establishing frameworks for providing and utilizing financial resources, which would cover the provision and use of untied capital grants for expanding MDG-related infrastructure, provision and use of operational expenditure block grants to support MDG service delivery, use of scholarships, pensions, safety nets and social protection mechanisms for vulnerable households and individuals, implementation of the computerized National Accounting System, which will enable central monitoring of expenditures on real time basis, transparency and disclosure with local stakeholders, as well as comparative assessment with peers (other districts) on financial performance.
- d) Assigning tasks related to MDGs, and monitoring performance of district staff through clarification and revision of Job Descriptions, implementation of Performance Management and the use of Personnel Information Management System to support the above.
- e) Establishing a One Door MDG Service Centre to enable individuals and Village Chiefs to receive information and advice on support available under the MDGs, receive applications and plans for support like pensions, grants and sector services, and make suggestions and complaints on delays and difficulties.
- f) Disseminating information and creating linkages with external stakeholders including civil society, creating wide awareness and demand for services through community radio and access to information initiatives, forming village-level MDG Task Forces to address highly visible MDG issues, leveraging and delegating specific MDG-related tasks to CSOs depending on their strength, organizing progress reviews with kumban chiefs.

Source: UNDP.

this initiative could be significantly expanded if supported by a critical number of development partners.

However, it is also imperative that while this initiative is rolled out in the country, other fast track initiatives that directly target the most vulnerable groups and communities (such as the poor, women, children and ethnic and remote communities) must be implemented in parallel.

## A coordinated approach to accelerate progress

The implementation of this Framework will be coordinated and monitored through the existing coordination structures set up through the Round

Table Process in the Lao PDR. Under the Round Table process, Lao PDR currently has eight SWGs, which bring together representatives from the government, donor agencies, international organizations, international NGOs and civil society. The SWGs are the forums to discuss and build consensus on development priorities, and improve sectoral aid coordination and effectiveness as set out in the Vientiane Declaration Country Action Plan. Under the common framework of the Round Table Process, these groups commit to Lao PDR's development efforts in the areas of their expertise under the leadership of the Government of Lao PDR.

The Round Table process and the SWG mechanism has a shared intent to achieve the MDGs, identify financial gaps and delineate specific responsibilities for implementing the MDG-based National Socio-

Economic Development Plan of the Government of Lao PDR. Through the SWG mechanism, the Government and development partners can aim for the targets with a common information base which helps their decision-making and resource management efforts. The actions under this Framework can guide the discussions between partners to ensure that key priorities are adequately addressed.

## Financing and resource mobilization for the MDGs

Achieving the MDGs will require not only strong political commitment but also adequate funding. The MDG Costing conducted by the Ministry of Planning and Investment and line ministries in 2009 estimates that \$6.32 billion, or an annual average of \$ 1.27 billion, is required to achieve the MDGs by 2015. This translates to about \$192.3 per capita per year, or about 53 cents) per person/day. Out of this \$149 per capita is government expenditure. These estimates are based on a full needs assessment to achieve all MDGs. In a resource-constrained environment, prioritizations must be made, with weight given to low-cost, high-impact interventions. This Framework can help guide these prioritization discussions.

While the cost of the MDGs can be covered by a number of domestic resources including increased domestic revenues from general taxation and public-private partnerships, external funding is essential to finance the funding gap for the extra investments in the country. It is therefore important to ensure that the ODA amount corresponds to the development needs expressed and prioritized in the national development agenda.

Based on the projections of the Ministry of Planning and Investment for the 7th NSEDP, the required ODA inflows to the country for the period 2011–2015 will amount to approximately \$700 million per year. At

present ODA levels are estimated at \$550 million per year.

More and better development assistance will be critical for achieving the MDGs around the world and Lao PDR is no exception. Such assistance will be critical in the context of developing meaningful and effective partnerships between Lao PDR and development partners. Such partnership is aligned to the spirit of the Paris Declaration of Aid Effectiveness which has been further articulated in the Vientiane Declaration and its Action Plan (VDCAP). Furthermore, 2010 is a critical year for the increased availability of resources and their management for the Government of the Lao PDR, as it will enter into the next five-year programme (National Social Economic Development Plan, 7th NSEDP) starting 2011 that would be supported by both bilateral and multilateral development partners as well as International Financial Institutions. The coordinated involvement of the private sector will also be critical for the implementation of the MDGs.

In response to the need for more and better aid supporting the achievement of MDGs, a financing instrument such as an MDG trust fund may be an innovative financial instrument that may be capitalized to achieve the MDGs. Examples from other countries include those that have established close partnerships between the national government, UN and donors. In countries where the UN Reform initiative 'Delivering as One' has been applied, such tripartite relationship has been noted through similar trust fund mechanism of One Funds. In light of this, the UN in Lao PDR is committed to supporting the UN Reform agenda within the context of MDG achievement. A trust fund is a funding instrument for converting the flow expenditures each year into a stock or pool of funds. It is aimed to support innovative actions with the potential for wide replication and high impact across the country's region in various sectors. The flexibility in the funding mechanism allows allocation of resources to meet the national

development needs and realities in a streamlined and transparent manner.

The establishment of a trust fund for MDG would require a solid structure backed by equally strong management system that builds on collaboration between the Government and the international community. This option would need further discussion as it requires careful consideration and planning.

