



## **Eighth Asia-Pacific Forum on Sustainable Development**

### *Statement By* **UN Resident Coordinator to Lao PDR**

Thursday 25<sup>th</sup> March

*5 Minutes*

*Distinguished Participants, Respected Government Counterparts, Colleagues, Ladies and Gentlemen,*

Good Morning, and my thanks to the Chair for the opportunity to make a short statement on behalf of the UN in Lao PDR.

Alongside Bangladesh and Nepal, Lao PDR is among three countries- all of which are ESCAP Member States- that formally were recommended by the Committee for Development Policy for graduation from Least Developed Country Status at the Triennial Review in February this year.

In its recommendation, the Committee called for an extended 5-year preparatory period which, subject to the approval and endorsement of the ECOSOC and the General Assembly later this year, would see all three countries graduate from LDC status in 2026.

This is an historic milestone for Lao PDR, which has long made LDC graduation a national priority, as set out in successive National Socio-Economic Development Plans.

However, as noted by the Committee, this recommendation takes place during unprecedented times. The country will now need to prepare for graduation whilst simultaneously planning for post COVID-19 recovery and implementing policies to address the socio-economic fallout from the ongoing, unpredictable global pandemic.

Whilst COVID-19 cases in Lao PDR thankfully remain low, the country has been significantly affected by its social and economic consequences. Very limited fiscal space, with already high debt levels, and falling external private financing has placed tight constraints on policy responses.

Last year, economic growth slowed rapidly in Lao PDR, across the region, and the world. Poverty increased, and the negative consequences of the pandemic did not fall evenly across the population. All of this makes achievement of the SDGs, for which we regionally were already off-track, that much more challenging.

In that context, I would like to use this opportunity to stress the importance of all of Lao PDR's development partners and urge them to step up at this critical moment.

The extended 5-year preparatory period is intended to provide necessary time to address the consequences of the pandemic and put measures in place for a smooth transition.

In order to achieve this, it is incumbent upon us to work more effectively, and with greater coordination, to support the Government as it tackles this daunting task.

I note the commitment already made by the Committee for Development Policy to enhance its monitoring and analysis of the impact of the pandemic and to provide specific additional transition support, in collaboration with other parts of the UN Development System under the Inter-Agency Task Force on Graduation.

Similarly, I note the establishment of the Graduation Support Facility, which is currently being piloted by UN DESA, as well as the analytical work already done by ITC, UNCTAD, ESCAP, and OHRLLS.

This provides a good foundation to build from in working together with the Government and all relevant stakeholders, to pave the way towards a smooth and sustainable graduation.

But it will take all of us, working with greater focus and in closer partnership, to successfully navigate the coming transition.

And I would use this opportunity, at the start of the planning process for the next 5 years, to call on all development partners of Lao PDR to act quickly to ensure that the preparatory period is used to full effect, and that 5 years from now -- Lao PDR's graduation from being a least developed country is guaranteed and that it becomes the success it deserves to be.

Thank you.