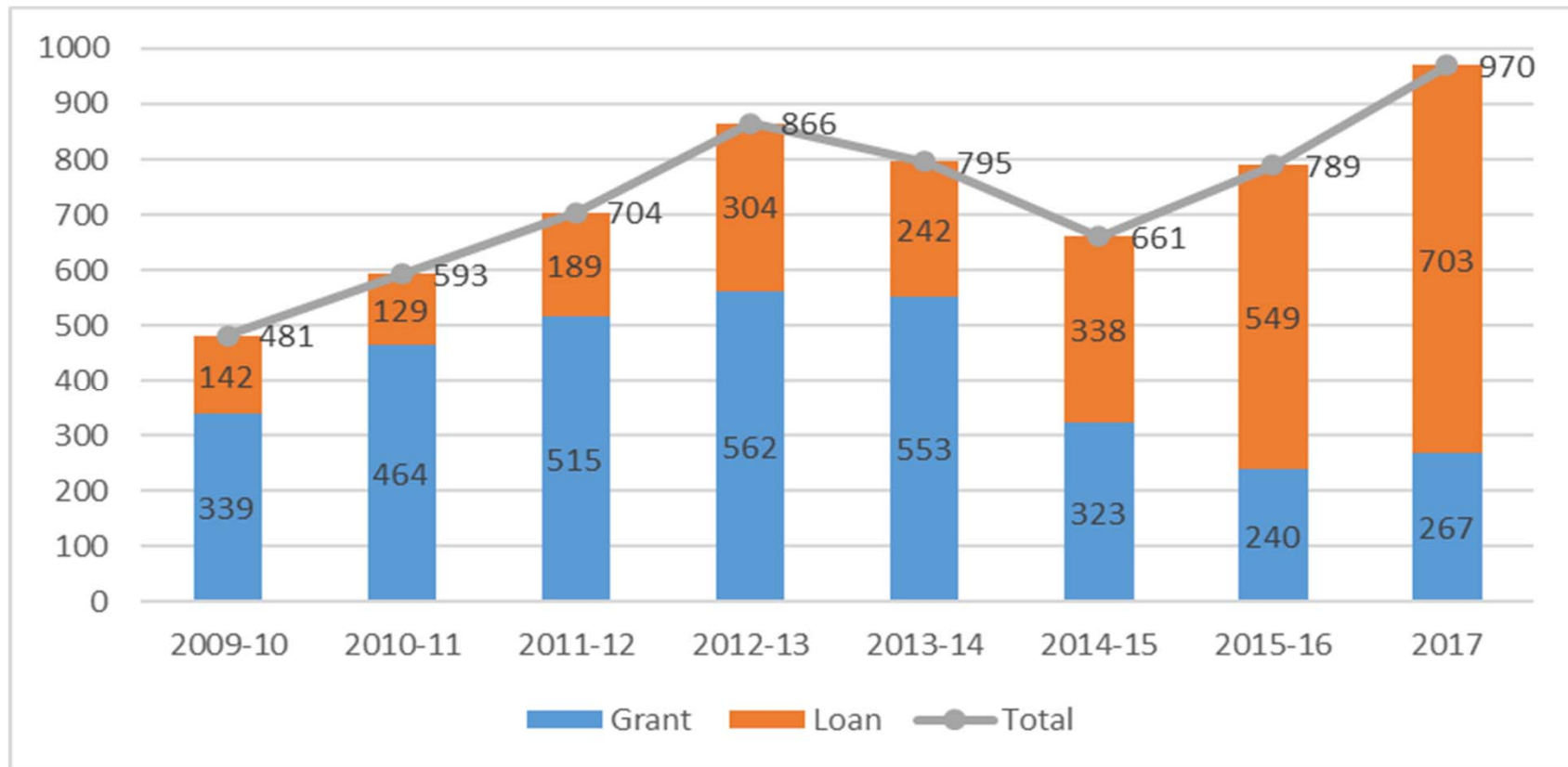


Comments on UNESCAP's drafted paper on structural transformation, LDC graduation and the COVID-19 pandemic for Cambodia, Lao PDR and Myanmar

LDC graduation and COVID-19 impact:

- Despite Lao PDR is likely to meet three LDC criteria in 2021, it should note that inequality, high disparity in access to schooling, health-care service, WASH, under-nutrition between urban and rural areas and poor and non-poor are still challenging for Lao PDR
- Notably, ODA is moving away from Grants to Loans. Thus, social sector (education and health) has received less external financial support.
- Development partner should continue to provide supports Lao PDR during transition period as a consequence of COVID-19

ODA trend in Lao PDR (million USD)



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Economic growth and structural transformation:

- Fail to create the country's comparative advantage (low productive, weak human capital & poor infrastructure) vs Dutch disease

Policy recommendation:

- It is a good idea to add the recommendation section for each country specifically
 - ✓ Emphasizing a need to invest more in human capital and skill development (Lao case) especially in the condition of regional connectivity
 - ✓ More action to improve policy coordination, business environment and local entrepreneurs