

MANAGING FOR RESULTS MARKETPLACE POSTER

OVERVIEW

After the Lao People's Democratic Republic (Lao PDR) was founded in 1975, the Government of Lao (GOL) used the "Socio-Economic Development Plan" as an important tool of the country MDR by providing appropriated policy, programs and projects. Since 1975, two planning systems have been used for managing and developing Lao PDR: (i) Central Planning and (ii) New Market Oriented Economic Planning.

Central Planning (1976-1985)

GOL planned all of the country's development and management indicators, especially targets of the country production indicators, government expenditures, prices, services and supplies.

- The "One Year Plan" (1976-1977) is for **rehabilitation of country** from the long war. Objective: reconstruct agriculture production & industrial bases. Implementation very successfully and make our society stable and progressed.
- The "Three Year Plan" (1978-1980) is for **reconstruction of the country economy after war**. Objective: to create the basic needs for the population in housing and working environments, reconstruct and open new agriculture areas, reconstruct some districts that are destroyed by the war, rationalize the existing industrial and handicraft bases. Implementation is successful and can improve living standard of our population.
- The "First Five Year Plan" (1981-1985) is for implementing the Third Party Congress Resolution. The aim is to emphasize on **strengthening our country socio-economic development bases**. Objectively on self food sufficiency, on rational use of the existing and creating new industrial bases, and on creation of the country infrastructures: road # 9 & bridges on road # 13.

New Market Oriented Planning (1986-Today)

The IV Party Congress announced new era of our country development and management: The New Economic Mechanism (NEM). The central planning system is replaced by the NEM, based on bottom up approaches and Committee for Planning and Investment is the organization that aggregates and includes into the National Socio-economic Development Plan.

- The "Second Five Year Plan" (1986-1990) for implementing the IV Party Congress Resolution. The GOL **opens wide cooperation with countries** around the world for the economic structure development enhancement and improving living standard of our nation. The results make our economic and political bases more stable.
- The "Third Five Year Plan" (1991-1995) for implementing the V Party Congress Resolution that is directed to the continuation of the use of the NEM approaches. More **open up our country to abroad cooperation/investment** supported by establishment of 8 National Priority Programs.
- The "Fourth Five Year Plan" (1996-2000) mainly is to **implement the 8 National Priority Programs and cooperate with international/national organizations** for receiving more ODA.
- The "Fifth Five Year Plan" (2001-2005) is for **integrating our development approaches into the globalization goals**, especially National Strategy Poverty Eradication Program should be implemented. This for enhancement of our state into the industrial and modern country.
- The "Sixth Five Year Plan" (2006-2010) is emphasizing on **balancing the country development** in terms of province is a strategic unit, district is a planning unit and village is an implementing unit of plans. The plan should focus on 11 programs and 111 projects that have been announced in the Eight Party Congress (2005).

HIGHLIGHTS

What was done? Refer to reports (annual, five-year, ... fifty-year), media, journal, radio, TV, other monitoring and evaluation results. There are many national goals which have been accomplished, but the highlights are as follows:

Lao-Korea
Agriculture
Development
Centre
(KOREA)



Wattai
International
Airport
(JAPAN)



Friendship
Lao-Thai
Bridge
(AUSAID)



Lao ITECC
Shop &
Entertainment
Centre
(PRIVATE
INVESTMENT)



Beer-Lao
Factory
(JOINT-
VENTURE)



Done Chanh
Palace Hotel
(MALAYSIA)



New Morning
Market
Buildings
(SINGAPORE)



International
Cooperation &
Training
Centre
(JAPAN)



Lao-Korea
Vocational
School
(KOREA)



College for
Ethnic
Students
(VIETNAM)



Victory Gate
Historical
and Cultural
Site



National
Cultural
Centre
(CHINA)



Steps and requirements for achieving results

- Central Planning steps are needed for:
 - Identification of the country after the long and long war period.
 - Reconstruction of the country economy and
 - Strengthening the country socio-economic development bases.
- New Market Oriented Economic Planning is needed for:
 - Open door to subsidies and enhance the private sector development.
 - Building up of cooperation and investment promotion.
 - Implementation of 8 National Priority Programs.
 - Integrating our development approaches into the globalization goals.
 - Balancing the country development and providing 11 priority programs and 111 projects.
- Problems encountered and solutions:
 - Institutional capacity building.
 - Human resources development.
 - Appropriate laws, regulations and investment promotion.
 - Law, regulations, rules establishment and
 - Others (M&E systems, data collection, filing systems, technical aspects for management and development and so on)

Lesson Learned

- Political, economic and financial stabilities are very important catalyst for MRD;
- Plan, programs, projects, and activities;
- Planning, implementing, and seeing;
- Institutional capacity building;
- Human resources development;
- Financial resources mobilization and allocation;
- Appropriate laws, regulations, rules establishment
- Others (M&E systems, data filing, technical aspects for management and development and so on)

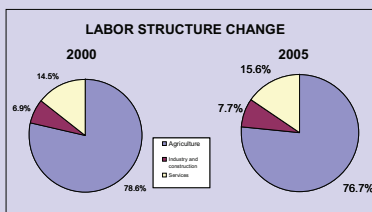
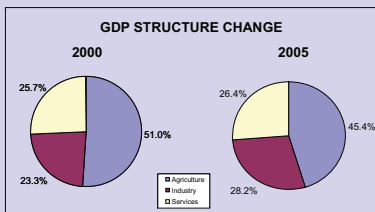
RESULTS ACHIEVED

GDP GROWTH (%)	
1991	6.2
1995	7.0
2000	5.7
2005	6.9

GDP PER CAPITA (USD)	
1985	245
1990	213
1995	334
2000	327
2005	491

INFLATION (%)	
2003	15.5
2005	7.8

Percentage of People Below Poverty Line	
1990	48
1997	39
2002	30
2015 (exp.)	24



DATA ON RESULTS

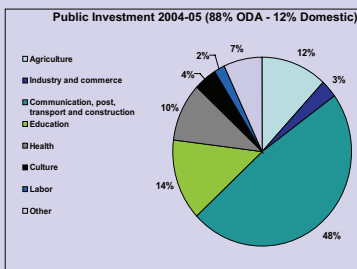
TREND IN BUSINESS INVESTMENTS (million USD)	
2000/01	42
2001/02	492
2002/03	466
2003/04	533

RICE PRODUCTION (Tons)	
1980	1,000
1990	1,500
2000	2,400
2005	2,600

TRENDS IN EDUCATION (persons)			
	University	College	Vocational
1980	2,000	--	14,500
1990	4,000	1,500	12,500
2000	9,000	5,000	11,000
2005	24,000	26,500	23,500

VILLAGES WITH ACCESS TO WATER AND HEALTH (%)		
Year	Water	Health
1995	15	22
1997	50	29
2002	59	41
2004	64	42.5

VILLAGES WITH ACCESS TO ELECTRICITY (%)			
Year	Country	Urban	Rural
1995	25	79	18
1997	30	90	19.5
2002	35	95	21



ROADS CONSTRUCTED (km)	
NATIONAL	7257
Concrete	2
Asphalt	10
Paved	3,771
Graveled	2,328
Earthen	1,146
LOCAL	26,743
Paved	1,200
Graven & Earthen	25,543