

UN expert calls for reform of poverty-driving policies in Lao PDR

GENEVA (19 June 2019) – The Lao People’s Democratic Republic should urgently adopt widespread reforms to alleviate poverty, protect the rights of people in poverty and ensure economic growth benefits the poorest, an independent UN expert said in a [report](#) released today.

The Special Rapporteur on extreme poverty and human rights, Philip Alston, urged the Government to eliminate corporate tax loopholes, reassess its dependence on dubious infrastructure projects and land concessions, and invest in education, health and social support.

“Lao PDR has done an impressive job reducing the number of people living below the international poverty line, despite a legacy of imperialism and widespread unexploded ordnance,” Alston said. “But lifting people above a minimal income level must be the beginning, not the end, of the government’s efforts, and persistent poverty remains a challenge for far too many.”

The report, which will be [presented](#) to the UN Human Rights Council on 28 June, delivers findings from a visit to Lao PDR in March 2019 and builds on his [preliminary findings](#).

Almost a quarter of the Lao population lives in poverty, and an estimated 80 percent of the country lives on less than \$2.50 per day. Eight-eight percent of children experience some form of deprivation, and women face widespread marginalization and discrimination. The poverty rate in rural areas is four times higher than urban ones, and many people lack roads, water and electricity. Ethnic minority groups lag behind the majority Lao-Tai at all economic levels. Lao PDR does not have a functioning comprehensive social protection system and it is failing to invest adequately in health and education.

The Special Rapporteur said that despite the country’s consistently high GDP growth, profits have largely flowed to the private sector and the elite, while the country has not seen commensurate reduction in poverty.

“Overly generous tax breaks and a reliance on large infrastructure projects have saddled the country with tremendous debt but not generated significant employment or revenue,” Alston said. “My conclusions echo those of Lao PDR’s own institutions like the National Institute for Economic Research and members of the National Assembly.”

The UN expert said the country should establish an independent monitoring body to support people adversely affected by large infrastructure projects and industrial plantations, which too often have negative and even impoverishing effects on those

directly affected, and protect customary land tenure. “While there are a number of policies designed to protect rights and ensure the sustainability of such projects, genuine monitoring and enforcement is almost entirely absent.”

Following a tragic dam collapse in 2018, Prime Minister Thongloun Sisoulith recognised the hydropower sector needed reevaluation but Alston said the existing review is too narrow. “The Lao people deserve a comprehensive, public reevaluation of the role and future of the sector.”

“I visited people relocated after the dam collapse who are living in harsh conditions and with no assurances of a decent existence in the future, contrary to the rosy picture painted by the Government. I am deeply concerned by reports of continued delays in support and the lease of land set aside for survivors to a corporation.”

Alston called on the government to embrace transparency and treat Lao civil society as a partner. “This will help address corruption and ensure that Lao people are not impoverished by the exploitation of their natural resources but rather have a voice in addressing the country’s many challenges. Repressive policies are costly and self-defeating, and the Government should eliminate severe restrictions on civil society activities and movement,” he said.

“The international community, including the UN, must be accountable for the failures of its development projects and has a responsibility to promote international standards and uphold the rights of the poor and marginalised.”

Alston’s visit is only the second to Lao PDR by a UN Special Rapporteur this decade. “It’s important and commendable that the Lao government has increased its engagement with international human rights mechanisms, and they should receive due credit for that,” he said.

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Photos from the Lao PDR visit are available for journalists’ use [here](#).

Mr. Philip Alston (Australia) took up his functions as the [Special Rapporteur on extreme poverty and human rights](#) in June 2014. As a Special Rapporteur, he is part of what is known as the [Special Procedures](#) of the Human Rights Council. Special Procedures, the largest body of independent experts in the UN Human Rights system, is the general name of the Council’s independent fact-finding and monitoring mechanisms that address either specific country situations or thematic issues in all parts of the world. Special Procedures’ experts work on a voluntary basis; they are not UN staff and do not receive a salary for their work. They are independent from any government or organization and serve in their individual capacity.

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