

Country Paper of representative of Lao PDR

I. The Overall Anti-Corruption Strategy of Lao PDR.

Over recent years the implementation of new policies has achieved great results. The economy has developed. Foreign relations have greatly improved. There has been an increase in dramatic in foreign investment and GDP has increased by 7%. Under Lao PDR's comprehensive reform, the society has stabilized and striving to reach the national goals of: "rich people, a strong nation, and an equal and civilized society". We are now in a position where we can reduce unnecessary public expenditure, improve government service delivery to citizens and improve the living conditions of the population. However, achieving our national goods remains difficult. There are still many obstacles to overcome. Laos has just enforced the free market economy, from a traditional centrally planned economy (which is characterized by a sewer lack of laws). Because of the previous economic model and simultaneous lack of regulation, the country has become a breeding ground for corruption. The government understands that corruption poses a major threat to Lao PDR's poverty reduction plan and the nation's development.

The government with the support of various international organizations has undertaken many reform initiatives aimed at restructuring the state apparatus, improving government mechanisms, working conditions and administrative procedures, and minimizing the steps involved in gratuity licenses. The introduction of new reform initiatives are helping to minimize administration paper work. The reduction of the extensive paperwork trail or number of "doors people have to go through" is helping to minimize and eventually, eliminate conditions in which corruption can exist. Another major area of reform is the introduction of new mechanisms, such as auditing and inspection, which demand more open and work practices accountable.

The aim of the force mentioned measure is to combat and eliminate corruption in across the bureaucracy efficiently. During the process reform, the government intends to build a bureaucracy of good and honest civil servants. New civil service recruits will be selected fairly through open examinations. Civil service managers will be elected and appointed through more open, equitable and democratic processes.

A major issue the currently exists is the poor salary, compensation and benefits for civil servants. To improve the overall administrative reform, the government intends to reform salaries and other compensations of civil servants to ensure the civil servants can maintain a decent standard of living.

Many countries in the region and elsewhere in the world have already accumulated an abundance amount of experience and lessons learned in the fields of countering corruption and promoting transparency and accountability. Although each country situation is unique in terms of its political, economic, social and historic background, access to comparative international experience is of utmost importance in order not to reinvent the wheel as well as not to commit avoidable mistakes. Lao PDR can learn from the positive and negative anti-corruption experiences from other countries in the region and beyond. Therefore, the donor coalition will need to support the Lao integrity institution in joining various regional and global forums and networks to facilitate the exchange of experiences. Joining the ADB-OECD Anti-Corruption Initiative for Asia Pacific will allow Lao PDR benefit from learning knowledge of other countries.

In the Lao PDR, corruption is a negative phenomenon which negatively impacts national

development and the new regime. The Government of Lao PDR and its citizens are well aware of its negative impacts, and the dangers of corruption, which is seriously detrimental to national development. Corruption decreases people's trust and confidence. The Government therefore, has developed an anti-corruption policy which needs to be regularly improved and implemented, as an important mandate of government agencies and all sectors. In order to make the government organizations stronger and more transparent, the Government has issued the Anti-Corruption decree and law, of which Article 10 identifies 11 acts that constitute corruption and Article 25 identifies 12 prohibitions on individuals who use position, power and duty as a basis for corruption.

Currently, organizational structures at both central and local levels are being improved. Roles and functions, and authorities and mandates, are re-identified so as to ensure transparent and effective public service delivery, and effective and efficient state management. Red tape which causes delays and creates gaps for individuals to seek personal gains has been gradually eradicated. Government has been significant improvement in accordance with laws and regulations. Since the day that the Government has become a Member State of the Convention, the Government has endeavored to set a legal framework which discourages acts and gaps the support corruption. Awareness raising and information dissemination have been conducted to encourage people to enjoy their rights and act according to their obligations in anti-corruption. However, the actual participation of people is low. Even though the mechanism of the state management regulations has been improved. It is still not comprehensive.

II. Formulation and Implementation of Anti-Corruption Policies and Strategies.

With the guidance of the government, in the recent years progresses have been made in the terms of anti-corruption in various aspects such as awareness raising of civil servants and officials in various sectors on government policies, increased enforcement of laws and regulation, judicial conscience is enhanced, and people participation in anti-corruption activities and provided their recommendation and suggestion to concerned government agencies in order to improve strictly apply measures authorities and inspection agencies in various levels, and their working methods and develop some mechanics which and items with a values of billion kip, which originated from corrupt act have been recovered and transparent to the stake budget, offenders have been re-educated, fined, removed, demoted, dismissed or prosecuted and sentenced subject to minor or major offenses according to laws.

However, we recognized that anti-corruption activities could be more effective, legislation is insufficient and there have some been delayed, the concerned agencies have not been sufficiently strengthened and there are lack of personnel responsibilities of government officials and administration have not been fully enforced, allowed negative phenomena to remain unsolved.

- Key points of the Anti-corruption Strategy
 1. To continue to improve government agencies at all levels go that they are effective and transparent, and support the development of clear and accountable remuneration policies for civil servants at all level.
 2. To develop a good public administration system and working mechanism to strictly follow the principle of centralized democracy, and to eradicate bureaucracy. In addition, to support people's participation in providing feedback on the performance of the government agencies.

3. To develop an administration system favorable to economic development, attractive to investment and favorable to a law of initial capital by means of reducing red tapes and ensuring transparency in business management.
4. To cancel all unsuitable regulation that constrains economic development, create difficulties in administration, and obstructs people's access to public service delivery.
5. To develop compressive, systematic, and strict inspections and attention will be paid to regular inspection as instructed.
6. To develop and improve compressive, effective, and applicable legislation that is favorable to development.
7. To make the organizational structures more learn, effective and rational.
8. To further continue to disseminate laws and regulation, to raise public awareness on the negative impacts and dangers of corruption and facilitate people's participation in detecting and countering corruption.

III. Anti-Corruption Mechanisms to Enhance Transparency, Integrity and Accountability in Public Administration.

Laws and legislation is very important tool on the state administration work. In the flame work of administration the National Assembly had considered to adapt and set a form of some new law which is necessary and also use depend on the resolution of the Party Central Committee, Politburo which is the very important in consulting to set a settlement, mobile and relate to ministries, control organization, and local area.

Recognizing the damage caused by corruption, the government has issued various degrees, orders, regulations, instructions and law in order to prevent and eliminate malpractice within government offices. An important step forward was enacting the law on anti-corruption dated 25 May 2005. This law has been applied as a basic legal instrument for combating and preventing fraud and corruption.

Law on State Inspection is newly adopted by the National Assembly and is an instrument for the implementation of the activities of state inspection Authority to successfully carry out the inspection and investigation of corruption, including the creating rule on assets declaration. The central Committee of the Party has also issued a party resolution for all party members to avoid and not partake in corrupt or fraudulent activities. More recently the Bureau Politic of Central Committee issued a regulation stipulating 14 Prohibitions for high ranking officials- outlining activities that they must not be involved in, defining their responsibilities, and specifying the accountability that falls under their political leadership. For the rest of civil service on newly established set of civil service regulations, clearly defined certain practices to combat corruption.

IV. Measures for Prevention Corruption

The law on Anti-Corruption clearly regulated measures for prevention of corruption. However, the implementation of this law is not effective. The coordination between the prosecutor offices and the state inspection authority at the central and local level is very poor. Only few and small cases of corruption reach the court. Many cases are solved by using the dicey linearly measures.

Other important measures for the prevention are the anti-corruption awareness of the government officials and the public as a whole. Then without the participation of the public the fighting against corruption would not be successful. The anti-corruption awareness

includes the education on anti-corruption at schools, colleges and universities. The anti-corruption campaign for the public can be conducted by using the News Agencies, Newspaper and Radio Stations.