The ILO in Lao People’s Democratic Republic
Lao People’s Democratic Republic has made impressive progress in terms of economic growth and poverty reduction but development has been uneven across regions and among different groups of the population, leading to increased inequality. Significant decent work challenges remain, particularly those related to high levels of vulnerability and informality, as well as low skill levels in an economy still dominated by the agricultural sector, despite recent expansion of the rural and agricultural sectors. A very large part of Lao People’s Democratic Republic’s population lacks access to adequate social protection from a variety of social and economic risks. This is especially true for people working in the informal and rural economies. Those particularly affected are children, women, people with disabilities and older persons.

ILO’s policy analysis indicates that decent work deficits should be addressed by expanding investments in infrastructure to boost productivity; improving access to and relevance of education and training; promoting decent employment opportunities and better wages; strengthening social protection systems; and strengthening the protection and promoting the employability of migrant workers. In the medium-term, a “demographic dividend” presents the country with a major opportunity in terms of a rapidly expanding, youthful working population. In 2015, the total dependency ratio was 57 persons for every 100 persons of working age, down from 77 in 2005. This long-term population dynamic offers the potential for savings from a reduced social services burden to pave the way for more investments into inclusive socio-economic development. However, the full benefits of the demographic dividend will only be realized if new jobs keep pace with the growth of the working age population and if young women and men are better equipped with appropriate skills and knowledge.

THE ILO - WHO WE ARE

The International Labour Organization (ILO) is the United Nations agency for the world of work. Devoted to advancing social justice, it promotes a Decent Work Agenda based on four strategic pillars: rights at work, decent employment opportunities, social protection and social dialogue.

It is the only public international organisation which is tripartite, where workers and employers enjoy equal rights with governments in representation and decision making. Together they set labour standards, develop policies and devise programmes upholding decent and productive work, in conditions of freedom, equity, security and dignity for all.

Created in 1919 as part of the Treaty of Versailles that ended World War I, the ILO became the first specialized agency of the UN in 1946. It received the Nobel Peace Prize in 1969 and today is recognized as the world’s authority on the world of work, offering over 100 years of knowledge, experience and achievements.

RATIFIED CONVENTIONS

International Labour Conventions Lao People’s Democratic Republic has ratified

C.4 Night Work (Women): Denounced 2014
C.6 Night Work of Young Persons
C.13 White Lead (Painting)
C.29 Forced Labour Convention
C.100 Equal Remuneration Convention
C.111 Discrimination (Employment and Occupation)
C.138 Minimum Age Convention
C.144 Tripartite Consultation
C.171 Night work
C.182 Worst Forms of Child Labour Convention
Lao People’s Democratic Republic and the ILO have collaborated closely since the country became a member state of the ILO in 1964. Building on its unique tripartite structure, the ILO works closely with the Ministry of Labour and Social Welfare, the Lao Federation of Trade Unions (LFTU), and the Lao National Chamber of Commerce (LNCCI) to jointly shape policies and programmes, with the aim of promoting Decent Work for All.

The current Decent Work Country Programme for Lao People’s Democratic Republic (2017-2021) focuses on four priority areas, which also reflect the ILO’s commitment to the United Nations Partnership Framework (UNPF) in Lao People’s Democratic Republic for the period of 2017-2021:

- Promotion of decent employment, entrepreneurship and technical/vocational skills to meet the demands of a changing labour market.
- Ongoing ratification and implementation of International Labour Conventions, which underpin all aspects of the programme, including implementation of national labour law.
- Strengthening and expansion of social protection.
- Strengthening of tripartite mechanisms as well as partner institutional and technical capacities to work effectively with each other to achieve national development objectives and promote and serve their interests.

Current areas of work

Based on the four priorities under the Decent Work Country Programme for Lao People’s Democratic Republic, the ILO, in close collaboration with its tripartite constituents, has developed and is implementing the following programmes and activities in Lao People’s Democratic Republic:

- National Rural Employment Strategy in Lao People’s Democratic Republic to increase opportunities for decent and productive employment in rural areas. Support the implementation of an integrated approach to reducing poverty through promoting employment in the rural areas as a model that can be replicated and applied in the context of a National Rural Employment Strategy.
- Build capacity for small and medium enterprises of Lao People’s Democratic Republic. Strengthening the capacity of SMEs to increase their ability to compete successfully with a view to facilitating the access of the SMEs to bank funding, and strengthening the base of local and national expertise to deliver capacity building programs for SMEs.
- Support tripartite constituents to promote decent work through developing more responsive skills development systems and strategies, adapted to market changes and technological developments to reduce the job and skill gaps.
- Tripartite action to enhance the contribution of labour migration towards growth and development in ASEAN. Develop capacity and policies and programmes to harness the potential of women and men migrant workers to contribute to economic and social development.
- Realizing women migrant workers’ rights and opportunities in the ASEAN region. Support to develop labour migration governance frameworks to better protect women migrant workers.
- Occupational safety and health in Lao People’s Democratic Republic supply chains. Support the national effort to prevent occupational accidents, injuries and diseases and facilitate access to compensation in cases of injuries and diseases in global supply chains.
- Establishing and enhancing an overall occupational safety and health framework in the country through capacity building of tripartite constituents to formulate, implement, monitor, review and enhance OSH policy and legal framework.
- Support the development of the national social protection strategy. Development and revision of the national health insurance scheme, its governance and operation.
- Capacity building on international labour standards and reporting obligations.

Social partners

ILO works closely with the government, workers’ representative (LFTU), employers’ representatives (LNCCI), NGOs, and civil societies to promote decent work in Lao People’s Democratic Republic.

As part of the UN Country Team, ILO supports the implementation of the national social and economic development plan through the UN Partnership programme for Lao People’s Democratic Republic 2017-2021

Development partners include Switzerland, Australia, Luxembourg, the European Union, the Vision Zero Fund, AGFUND, R. Korea and PR. China
“Decent work is not just a goal – it is a driver of sustainable development”

Guy Ryder, ILO Director General

By embracing the three dimensions of sustainability – economic, social and environmental, the 2030 Agenda for Sustainable Development provides a once-in-a-generation chance to make a change and improve the lives of billions, leaving no one behind.

At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while working to preserve our planet.

The importance of decent work in achieving sustainable development is highlighted by Goal 8 which aims to “promote inclusive and sustainable economic growth, full and productive employment and decent work for all”.

Putting decent work at the heart of economic policy-making and development plans will not only generate jobs but also lead to more robust, inclusive and poverty-reducing growth. It is a virtuous circle that is as good for the economy as it is for people, and one that drives sustainable development.