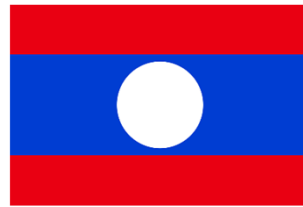


Mid-Term Review

Vienna Programme of Action for LLDCs for the Decade 2014-2024



18 - 19 September 2018
Almaty, Kazakhstan

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Priority 4: Regional Integration and Cooperation



Lao PDR in Profile

- Name: Lao People's Democratic Republic (Lao PDR)
- Land area: 236,800 km² (hilly area 80%), it is single landlocked country in ASEAN, has 5 neighbors and divided into 17 provinces and Vientiane Capital
- Population: 6,8 million people, natural population growth rate 2,1% (2017)

Profile (Cont.)

- Ethnic: 49 groups
- Buddhist: 60%
- Rural population: 80%
- Agricultural engagement: 75%
- 2017 poverty rate: 18% of households
- 2017 GDP: USD 16.85 billion
- Per capita GDP: USD 2,468
- GNI/capita: USD 1,996 (85% of GDP)
- GDP growth: 6.9%

Profile (Cont.)

- Public budget in percent of GDP: total revenue and grants 16.1%, total expenditure 21.7% (overall cash balance - 5.6%, if excluded grant - 7.1%)
- Total import- export: USD 10,5 billion, trade balance - 7% (equal to 9.5% of GDP)
- 2017 foreign investment in Laos: 94 projects, USD 5.5 billion
- Inflation rate: 0.29%
- Saving as share in percent of GDP: 48.4%
- Net credit in percent of GDP 47.5%

Profile (Cont.)

- Share of public health spending in GDP: 2,4% (developing countries 10%), per capita USD 59 only
- Education: 4,6% in percent of GDP
- R&D: 0,02% in GDP or about 0,12% of government spending
- has 109 universities, institutes and colleges with 125,357 students (2016)
- has 162 hospitals and science diseases centers with 4.333 physicians (2016)
- Average life expectancy: 68 years old
- Working age (15-60 years old): 71%
- Labor force: 28,4%
- Unemployment rate: 2,7%

Midterm Review
of VPoA for LLDCs for 2014-2024

Lao PDR's Regional Integration and Cooperation

Regional Trade Integration and Cooperation

To accelerate the regional trade integration and cooperation, Lao PDR has been...

- Turning Lao PDR from landlocked to land-linked
 - *More than 30% completed and expected to be operationalized by 2021*

- Strengthening SMEs to integrate into the ASEAN Economic Community (AEC)
 - *625 million consumers*
 - *USD 2.3 trillion (combined purchasing power)*

- Supporting Lao Businesses to tap on export market
 - *Laos Trade Portal launched in 2018*

- Establishing trade bilateral agreements (2017)
 - *Vietnam, China, Cambodia, Myanmar, Thailand, North Korea, Mongolia, Malaysia, Russia, India, Belarus, Argentina, Kuwait and Turkey.*

Transport

Water Transport



Mekong River:
1,850 km long

Only 333 kilometers supports cargo ships as heavy as 150 tons

Road Transport



2017: 59,967 km
(paved road: 19%)

2010: 47,492 km
(paved road: 15%)

Expressway in pipeline

Vientiane-Vangvieng: 113.5 km

Vientiane-Hanoi: 725km

Vientiane-Pakse: 491 km

(Add up 1,356 km)

Lao-China railway (2016-2021): 417 km

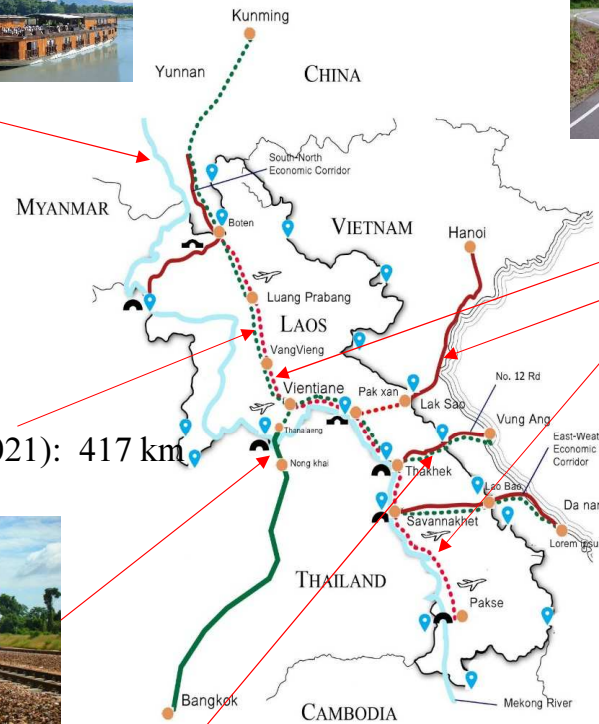
Rail Transport



Existing Rail Transport: 3.5 km

Borten-Vientiane railway 413 km

Vientiane-Vun gAng railway: 554.72 km






Air Transport



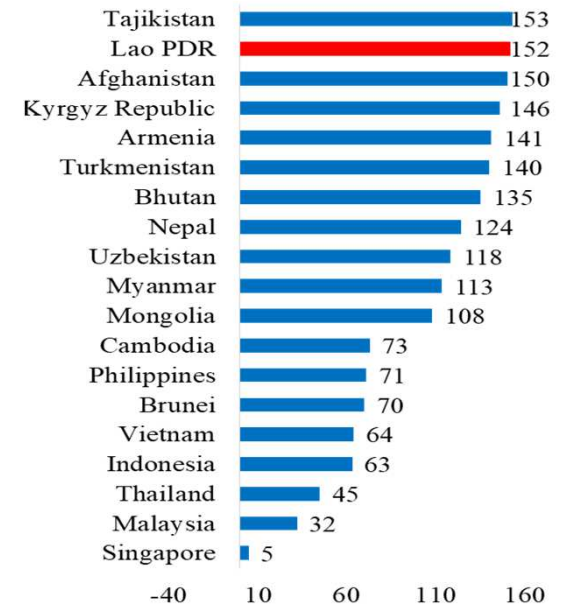
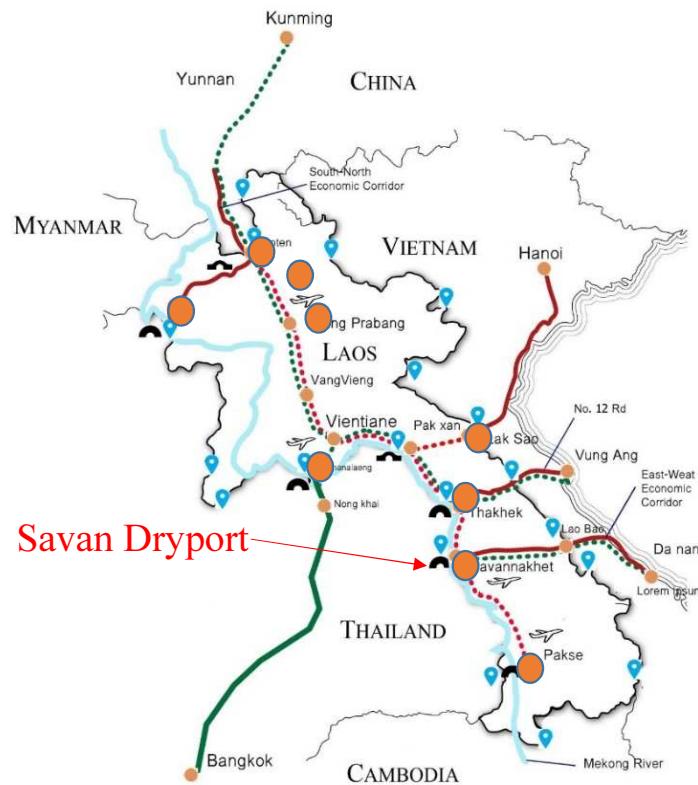
- 4 international airports
- Vientiane Airport: Boeing 747 with 350 seats
- Others: Airbus 300

In term of the logistic development, Lao Govt. approved the plan to develop 9 logistic dryports across the country. In light of that plan, in 2016 Lao Govt. approved to run the first logistic dryport in Savannakhet Province namely Savan Logistic Dryport and it is effectively operated.

-  Logistics Dryports
-  Mekong Bridges
-  Border Checkpoints

Logistics Performance Index (LPI) in 2016 by rank

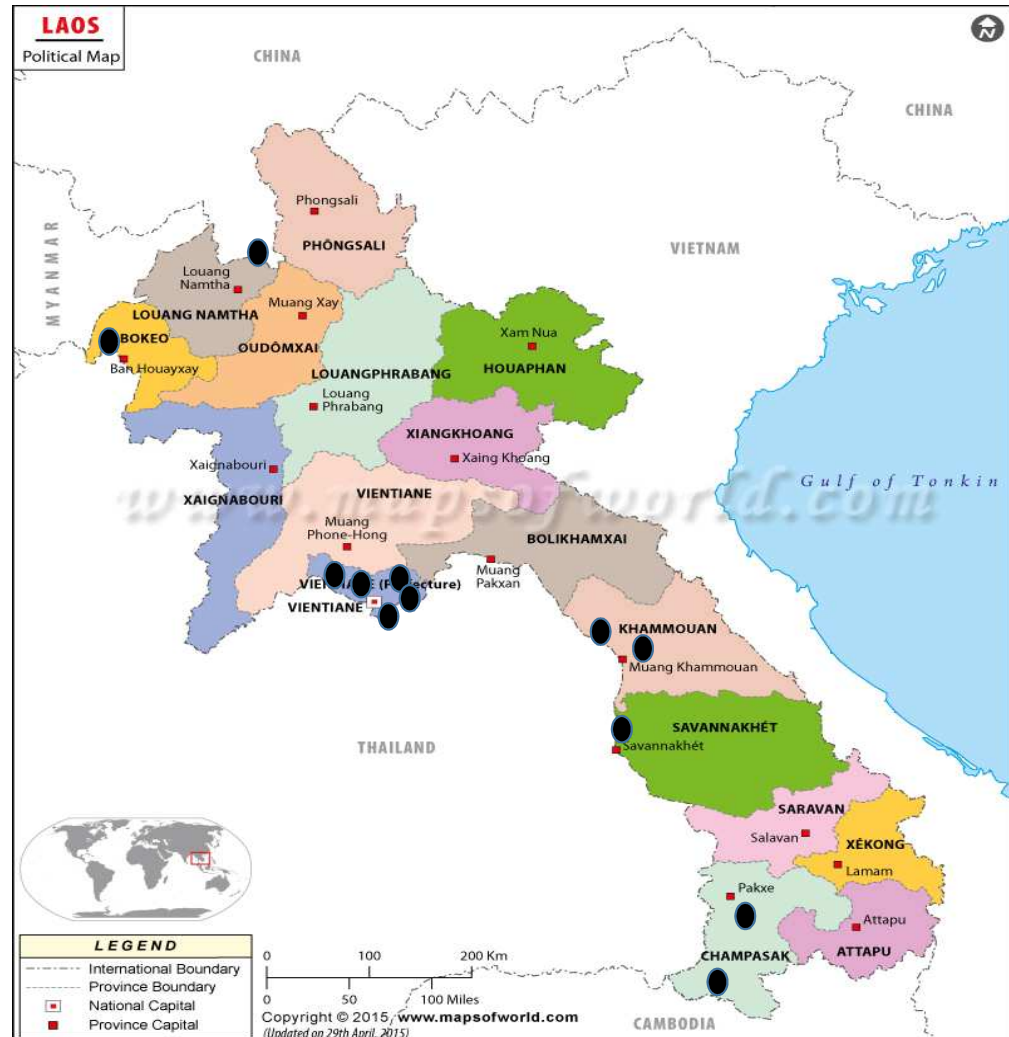
Logistics



Source: Global Logistics Performance Index, World Bank. Note that a small number means good performance and vice versa.

Special Economic Zone

At present, there are 12 SEZs has developed in Lao PDRD. Some of the world-class companies are now operating their business in those SEZs such as Nikon, Essolor, Toyota Boshuka, Aerowork, Mitsubishi Materials and Selectica



International Trade

(millions of US dollars)							
year	exports	imports	volume of trade	GDP	VoT/GDP (%)	Trade Balance	Trade deficit/GDP (%)
2012	2,191.26	3,046.47	5,237.73	10,223	51.23	-855.22	8.37
2013	2,264.46	3,050.92	5,315.38	12,002	44.29	-786.45	6.55
2014	3,276.46	4,975.88	8,252.34	13,268	62.20	-1,699.42	12.81
2015	3,653.31	5,675.33	9,328.63	14,452	64.55	-2,022.02	13.99
2016	4,244.77	5,372.37	9,617.14	15,901	60.48	-1,127.59	7.09
2017	4,822.56	5,635.69	10,458.26	17,061	61.30	-813.13	4.77

Laos trade partners (percent in volume of trade)

Main TPs	2012	2013	2014	2015	2016
Thai	53.62	48.21	45.67	53.03	60.89
China	19.08	25.74	30.32	23.81	24.27
Vietnam	9.77	10.28	10.79	10.45	7.41
France	0.39	0.36	0.38	0.39	0.42
Germany	2.59	1.42	1.73	1.20	1.26
Japan	2.89	2.15	2.13	1.90	2.41
America	0.66	0.54	0.53	0.68	0.92
S. Korea	1.95	1.88	1.46	1.87	1.55
Singapore	0.40	0.30	1.20	0.70	0.50
Belgium	0.57	0.65	0.40	0.37	0.46

Source: International Trade Center, <http://www.trademap.org> (Accessed on 22 June 2017)

Non-Trade Regional Integration and Cooperation

- Laos has diplomatic ties with 140 countries
- ASEAN Chairmanship 2016 held in Lao PDR
- The Greater Mekong Sub-region (GMS) Ha Noi Action Plan 2018–2022
- 2nd National Action Plan on Anti-trafficking for 2017-2020 was approved
- ASEAN Convention against Trafficking in Persons (TIP) was ratified on 28 April, 2017 and bilateral agreements with neighboring countries on TIP have signed

Conclusion

Despite some progress made in term of regional integration and cooperation, there remains challenges for us to overcome and need comprehensive cooperation with our neighboring countries and other development partners in addressing the development special need in our country.

Thank You