

# **ASEAN-Japan Economic Forum**

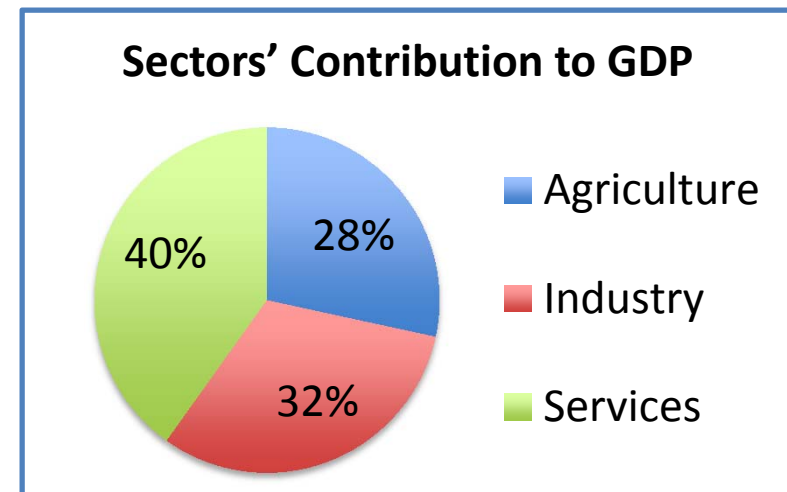
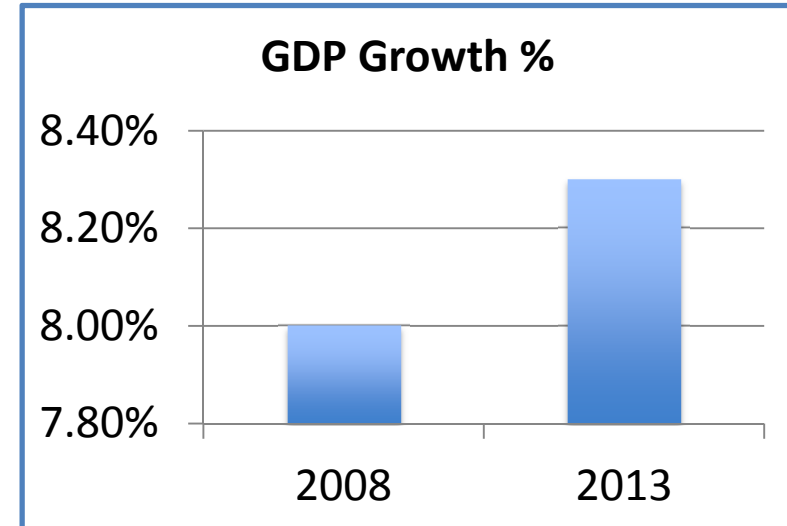
**Toward Further Mutual Prosperity – Boosting The Two-Way  
Flows of Investment Between ASEAN And Japan.**

**15<sup>th</sup> December 2013, Tokyo, Japan**

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Vice-President Lao National Chamber of Commerce and Industry,  
Secretary General of the Greater Mekong Sub-Region  
Business Forum (GMS-BF)

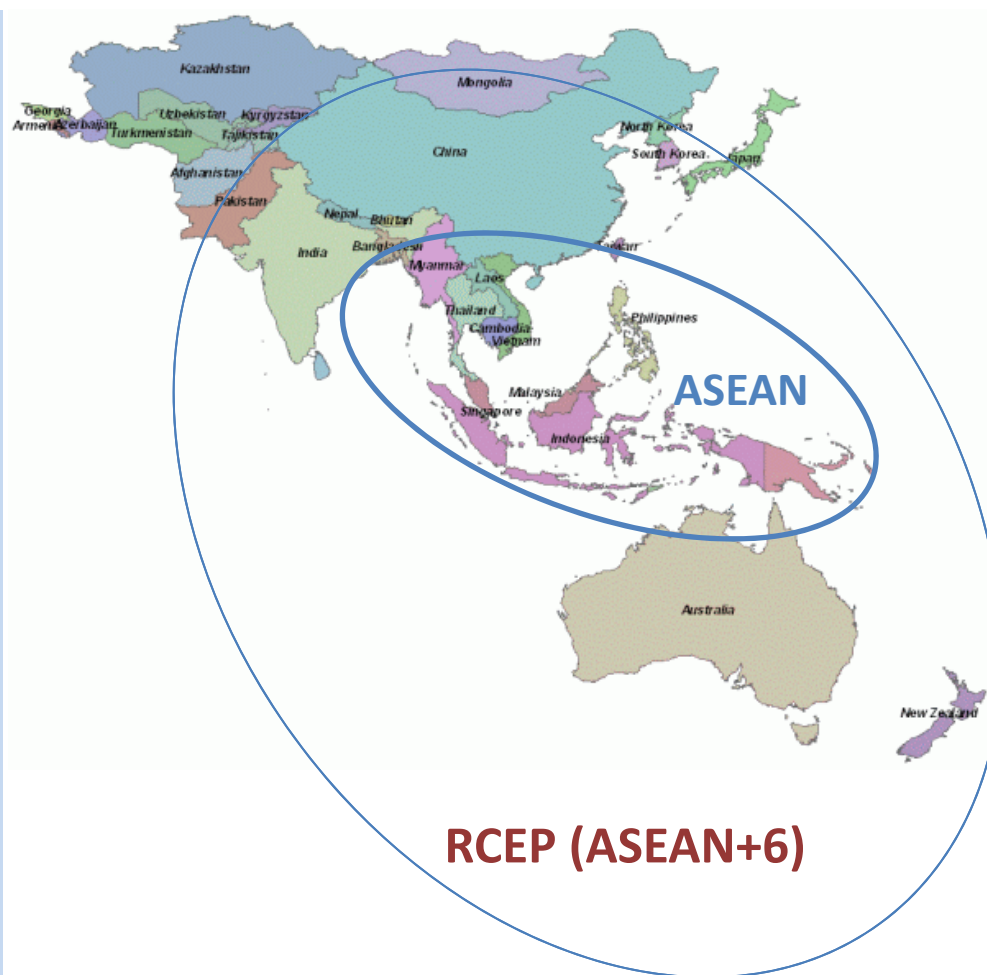
# Lao PDR Economic Situation

- Lao PDR enjoyed a steady growth GDP Growth of 8% in the last 5 years
- GDP per capita reached 1,554 US\$ in 2012 from 329 US\$ in 2002.
- Inflation has been under one digit since 2005 and is at 5.63% in 2012.
- Export grew to reach 2,191 million in 2012 from 402 million in 2002
- Export to Japan is amounted to 4.5 millions and ranks number 4 in 2012 compared with 1.1 in 2006.
- Import from japan is amounted to 2.6 millions US\$ and ranks number 5 in 2012 compared with 1.4 in 2006.
- Japan FDI amounts to 558 million US\$ is ranking number 8.



# East Asia RCEP - Potential Market for Lao PDR

- ❑ Lao PDR's geographic location is at the heart of fast growing economies comprising of the ASEAN (619.3 Million hab.); and RCEP (3.4 Billion hab.).
- ❑ There are high degree and rising intra-regional trade and intra-regional investment due to extensive expansion of Global Value Chains linking the whole Asian Region.
- ❑ The establishment of ASEAN-FTAs and the proposed Regional Comprehensive Economic Partnership (RCEP) contributed to the progress.



# Importance of GMS Economic Corridors

- ❑ To reach the RECP markets and to be part of emerging global value chains, Lao PDR would need to improve its logistics links.
- ❑ So Lao PDR is very active in the GMS Program to enhance connectivity by the development of economic corridors
- ❑ The characteristics of Economic Corridors are;
  - the creation of links to major markets; with nodal points –centers of enterprise development;
  - extend the benefits of improved transport linkages to remote locations and integrates them with more prosperous areas;
  - open up investment opportunities; promote synergies through the clustering of projects; and provide demonstration effects.



# Support to the Business Sector

- ❑ GMS-BF has created GMS-FRETA with the aims to facilitate the implementation of the CBTA signed by the GMS Government.
  - GMS-FRETA focus is to upgrade the standard of local transport and logistic companies to be able to service the industries in the regional value chains linking Lao PDR, the ASEAN and the RCEP region.
  - GMS-FRETA needs support for stating up its activities in the form of truck drivers and managers training and access to finance for SME to upgrade their facilities. This support concern enterprises in the CMLV countries at the most and could be supported by JETRO and other assistance program from Japan.
- ❑ LNCCI appreciate the decision by the Japan Government to establish a JETRO Office in Vientiane.
  - Lao Business Sector will benefit from direct support in the development of join venture with Japanese investors.
  - Good experience with JETRO on silk export to Japan under Lao Branding “Chai Lao”, such model to be expanded widely.

# THANK YOU



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