Lao People’s Democratic Republic

Statement
by
H.E. Dr. Kikeo Chanthaboury,
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at the High-level Euro-Asia Regional Meeting on Improving Cooperation in Transit, Trade Facilitation and the 2030 Agenda for Sustainable Development

Statements by Heads of delegations and inter-governmental organizations

Sheraton Hanoi Hotel
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Excellencies,
Honorable Ministers, Distinguished Ladies and Gentlemen,

1. At the outset, on behalf of the Ministry of Planning and Investment and the Government of Lao PDR, I would like to express our appreciation and thank you the Government of Vietnam and the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) for jointly organizing this important meeting. I pledge my country’s full support in improving cooperation on transit, trade facilitation and the 2030 Agenda for Sustainable Development.

Ladies and gentlemen,

2. The convening of this important meeting is timely as it takes place after the adoption of the historic global development agendas such as the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda, the Paris Climate Change Agreement, and the Vienna Programme of Action for Landlocked Least Developed Countries for the Decade 2014-2024 in 2014 in which all of them, in particular, the Vienna Programme of Action seek to address the special development need and unique challenges of the Landlocked Least Developed Countries.

3. Thus, the most important task before us now is the need to effectively implement these global development agendas. Landlocked Least Developed Countries, including my own country, the Lao PDR, are committed to implementing all the six key priorities of the Vienna Programme of Actions which are fundamental transit policy issues, infrastructure development and maintenance, international trade and trade facilitation, regional integration and cooperation, structural economic transformation and means of implementation.

Excellencies,

5. With my country commitment to implement the global development agenda as I mentioned, I will highlight key areas which are important for Improving Cooperation in Transit, Trade Facilitation and the 2030 Agenda for Sustainable Development.

6. The Lao Government has increased investment on infrastructure development, particularly roads and railways linking the country with the Asian Highway and Trans-Asian Railway networks though the implementation of various bilateral and multilateral agreements, including sub-regional road networks and
economic corridors in order to facilitate trade, investment and tourism in the region.

7. Moreover, the outstanding achievement was the accession of our country to the WTO in early 2013, which led to the deepening of economic integration into the regional and global economies and resulted in the substantial increase in trade and services.

8. Currently, the Lao PDR continues to integrate its economy into regional and global economy through making economic and legal reforms in line with WTO requirements and regional arrangements, especially those under ASEAN Economic Community Blue Print, important steps are also being made in area of business environment, and SME competitiveness. The chairmanship of the ASEAN last year, in particular, provided a great opportunity for my country to deepen our relationship and greater partnerships with our neighboring countries which are great important for the achievement of our country development goals and those of the region.

9. In order to make breakthrough in area of trade facilitation, our Government has made the decision to view ourselves as a “Land-linked” country, and not just a “Land-locked” country. For this, Trade Facilitation is of paramount importance. We recognize that we need to reduce the costs of trading in order to ensure the competitiveness of our exporters as well as the overall economy.

10. Efforts are being made to introduce automated information systems for customs clearance, along with more modern risk management techniques at the border to reduce clearance times and improve the efficiency of revenue collection.

11. Encouraging steps have been taken to improve inter-agency border coordination through the establishment of a National Trade Facilitation Secretariat, the approval by Cabinet of a National Trade Facilitation Strategy and Action Plan, establishment of the first ever trade information portal - Lao Trade Portal (LTP) designed to provide traders with information needed for importing and exporting goods, and recent adoption of comprehensive roadmap for import export process simplification and harmonization.

Excellencies, ladies and gentlemen

12. With achievements made over the years, Lao PDR has also been facing a few key challenges associated with high logistics and trade facilitation costs, partly due to a landlocked supply chain and how we are leveraging Aid for Trade
to improve our competitiveness through improving trade facilitation and enhancing regional and international economic integration.

13. In particular, while significant gain in the efficiency of logistics and trade facilitation along Lao PDR’s key transport corridors has been achieved, costs remain relatively high, which is partly associated with imbalanced trade and high frequency of movement of empty containers; and partly associated with poor infrastructure; inadequate transit facilities; insufficient human resources in areas of logistics and trade facilitation; cumbersome border crossing procedures in both Lao PDR and transit countries; low level of automation and harmonization of customs procedures, and finally non-tariff measures are increasingly seen as binding constraints for effective transit transport system in the sub region.

14. In addition, as a least developed, landlocked country, Lao PDR is facing significant challenges to provide efficient transit services to neighboring countries, to promote multimodal transport operation and mitigate the negative impacts caused by the landlocked supply chain of the country, our future support and efforts to transit, trade facilitation and the 2030 agenda for Sustainable Development will focus on the following key areas:

- Further develop and enhance the capacity of the road network while maintaining the existing infrastructure;
- Develop an efficient regional transport network to increase competitiveness;
- Improve transport-related legislation and country capacity in order to facilitate cross-border and transit transport;
- Strengthen the capabilities of the National trade Facilitation Secretariat and National transport Committee as part of efforts to improve coordination among agencies with border management responsibilities;
- Mainstream Trade and Transport Facilitation across relevant line ministries;
- Work towards the simplification, harmonization and modernization of trade and customs procedures;
- Implement WTO, ASEAN, GMS and bi-lateral trade commitments;
- Develop private sector capacity to trade efficiently in compliance with rules and regulations;
- Automate and reform substantive import export and transit procedures in order to improve consistency and performance standards;
• Ensure and enhance the sustainability of the Lao Trade Information Portal as part of efforts to make import/export procedures more transparent and predictable for the private sector;
• Explore opportunity to reduce transport cost by facilitating creation of full integrated cross border logistic operations and others.

15. As we have a very ambitious Trade Facilitation and Economic Integration Strategy, implementation of which requires substantial financial and technical resources, and closed collaboration from the Government, development partners, the Private Sector and other stakeholders. Therefore, we are using Trade and Private Sector Working Group - Government and Donor policy coordination mechanism as a platform for dialogue and coordination on policy issues as well as issues related to program formulation and execution.

16. Some of key areas and experiences that I highlighted are not only important for Lao PDR but also relevant to our discussions throughout this high level meeting. are relevant to other countries and useful for our efforts to remove physical and non-physical barriers to trade. In this connection, I wish to thank our neighbouring countries, as transit countries for their support and assistance on the development cooperation of such infrastructures that links Laos with their countries and the wider region.

Excellencies, ladies and gentlemen

17. Let me conclude by reiterating that the Lao Government is committed and determined to realizing the Vienna Programme of Actions. We, therefore, once again call upon the international community, including transit countries, UN agencies, development partners, private sector and other stakeholders to support the implementation of the Vienna Programme of Actions.

I thank you.