



Comité de Coopération avec le Laos

Boîte postale 4791, Vientiane, Laos

Tél : (856-21) 25 40 39 - Télécopie : (856-21) 21 69 25

Email : cclvientiane@ccl-laos.org

Site : www.ccl-laos.org

Revue de presse du 25 au 29 Avril 2016



Vous trouverez ci-joint un choix d'articles publiés au Laos en anglais dans le quotidien "Vientiane Times"

Bonne réception et bonne lecture,
Cordialement,
Bureau du CCL à Vientia

➤ **Vientiane Times:**

- [NA mulls law enactment, amendment](#)
- [National Assembly approves govt's budget adjustment](#)
- [Parliament approves development plans](#)
- [Laos, China share views on future cooperation](#)
- [PM highlights opportunities and challenges ahead](#)
- [Oudomxay opens exciting forest retreat](#)
- [Laos signs Paris Agreement on climate change](#)
- [Laos prepares for timber trade agreement with EU](#)
- [Storms ravage localised areas in Laos, Thailand](#)
- [Five-year budget approved, deficit continues](#)
- [Economists support PM's measures to bolster economy](#)
- [LuangNamtha eyes cave as new tourist attraction](#)
- [Laos facing increasing drought impacts](#)
- [Singapore's SilkAir to begin flights to Laos](#)
- [LuangPrabang awaits decision on Buddha images](#)
- [Parliament's past five-year performance summarised](#)

NA mulls law enactment, amendment

(By SomxaySengdara)

The National Assembly will have an uphill struggle to meet the target of enacting and amending some 105 laws in the next five years, with some members expressing doubts about this being possible.



The National Assembly debates its five-year plan on law enactment and amendment yesterday.

The 105 laws, including 50 that will be newly created, were outlined in the Assembly's plan for consideration and approval at its nine ordinary sessions over the next five years. Four of the five NA members who gave their opinions on the plan expressed concern about whether it could be achieved. Member for Luang Namtha province Mr Kongphet Keobuapha noted that during the Assembly's Seventh Legislature it was planned that 90 laws be enacted or amended but only 75 were completed. He commented on the folly of rushing the process, which he said resulted in poor quality and sometimes meant laws were unenforceable and required amendment soon after they were passed. Referring to the nine ordinary sessions the NA will hold in the next five years, member for Phongsaly province Mr Kongchi Yangcheu said that as things stood about 11 laws would have to be considered during each session. He was concerned

about the practicality of this, saying that other issues would also have to be considered in this timeframe. He also said it would take time to sound out public opinion on the drafts of laws. Of the 50 laws that are scheduled for enactment, five concern governance and justice, 27 relate to the economy, and 18 fall within the cultural-social sector. NA Vice President Somphanh Phengkhammy agreed that members' concerns were reasonable. He also referred to the improved structure of the NA to meet changing conditions and circumstances. He noted that the Seventh Legislature's Law Committee had been heavily burdened as it was not only responsible for enactment, but also for petitions and naturalisation. However, the Law Committee in the Eighth Legislature had been divided into two, namely the Law Committee and the Committee of Justice, with the first to deal with law enactment, translation and explanation, and assessment of the suitability of laws. Mr Somphanh said the Economics, Technology and Environment Committee, and the Finance, Planning and Audit Committee, had to take responsibility for the laws relating to their sectors. He also pointed to the higher number of members in the new legislature, whom he said were ready to work with the related ministries and agencies on law enactment and amendment. Mr Somphanh named newly written laws that were ready for NA consideration, especially the Criminal Code and Civil Code, which he said the Ministry of Justice had finalised but missed submitting to the Seventh Legislature. He pointed to the lessons learned from the previous legislature, saying the target could be met if everyone made an effort and worked together.

(Vientiane Times 23 April 2016)

National Assembly approves govt's budget adjustment

(By SomsackPongkhao)

The National Assembly (NA) has approved the government's proposal to reduce the 2015-16 fiscal year budget following lower than expected revenue collection over the past six months. This means revenue collected this fiscal year will fall from the projected 26.159 trillion kip to 23.7 trillion kip while expenditure will be adjusted down from 31.946 trillion kip to 31.118 trillion kip. Deputy Prime Minister and Minister of Finance Mr Somdy Duangdy described the budgetary challenges when he asked the ongoing NA session to approve the change to the budget. He said the previous budget was formulated at a time when growth targets were more optimistic but the new plans are more realistic. The higher targets were set to help the country tackle outstanding chronic debt and a large budget deficit. Mr Somdy said the global economy had slowed with declining prices for minerals and fuel on the world market, making it essential for the government to reduce the budget. According to the government's report, revenue collection for the first six months of the 2015-16 fiscal year reached 8.013 trillion kip, equal to only 30.6 percent of the plan for the year. Of the total figure, domestic revenue was 7.418 trillion kip, which equalled 31.4 percent of the plan. The main sources of the country's revenue are taxes, tariffs, state enterprises and state assets, but income from all these sources failed to reach their targets. In the meantime, ex-

penditure over the first six months of this fiscal year amounted to 11.592 trillion kip, equal to 36 percent of the target for the whole year. Of the total figure, 3.927 trillion kip, equal to 40 percent of the plan, was spent on salaries and allowances for government officials. 1.190 trillion kip (equal to 43 percent of the plan) was used to repay domestic debt and 876 billion kip (equal to 25 percent of the plan) was used to repay debt to foreign countries. 1.339 trillion kip (equal to 35 percent of the plan) was invested in projects aiming to boost national growth. In conclusion, revenue collection this fiscal year will be lower than in previous years. Economists have warned that the government will have to work harder to collect revenue in the last six months of this fiscal year to ensure they achieve the target as stipulated in the adjusted budget approved by the National Assembly. Laos is facing rising budgetary tension in the aftermath of the country's failure to collect revenue over recent years, sparking concerns that revenue shortfalls will continue to affect economic growth and development in the near future. Laos is one of the least developed countries in Southeast Asia with an economic growth rate of 7.6 percent which is driven by the inflow of foreign investment. Overall, GDP in Laos is now valued at 102.320 trillion kip (US\$12.7 billion) and annual income per capita is 14.9 million kip (US\$1,857).

(Vientiane Times 23 April 2016)

Parliament approves development plans

(By Souksakhone Vaenkeo)

The inaugural session of the National Assembly (NA)'s 8th Legislature ended on Friday with the approval of the 8th five-year National Social Economic Development Plan for 2016-2020, the 10-year Strategy for 2016-2025, and the 15-year Vision for 2016-

2030. The three-day session elected Mr Bounnhang Vorachit as President of the Lao PDR, Mr Phankham Viphavanh as Vice President and Mr Thongloun Sisoulith as Prime Minister, while Ms Pany Yathotou was

re-elected as President of the National Assembly.



Ms Pany Yathotou addresses the closing ceremony.

Mr Khamsane Souvong was re-elected as Head of the People's Prosecutor General Organisation and Mr Khamphanh Sitthidampha was re-elected as President of the Supreme People's Court. The session also re-elected Mr Somphanh Phengkhammy and elected Lieutenant General Sengnuan Sayalath, Dr Bounpone Bouttanavong and Ms Sisy Leudethmounsone as vice presidents of the National Assembly. Members also approved the structure of the Assembly, which consists of eight committees and a Secretariat. The session approved the new government cabinet and the structure of the government, which remains unchanged with 18 ministries and three ministry-equivalent bodies. Dr Bounthong Chitmany, Dr Sonexay Siphandone and Mr Somdy Duangdy were named deputy prime ministers, while 24 ministers were assigned posts in the cabinet. In her closing remarks, Ms Pany said the three-day session had been successful and gone according to plan. Approved by the NA, the 8th five-year National Socio-economic Development Plan targets annual economic growth of not less than 7.5 percent and the removal of Laos from Least Developed

Country status by 2020. Laos will strive to increase per capita Gross Domestic Product (GDP) from the current US\$1,970 to US\$3,190 by 2020 when the Lao population is expected to exceed seven million. Another major goal is for the national poverty rate to fall below 10 percent. In addition, the government will strive to raise the literacy rate among people aged 15 years and above to 95 percent of the total population by 2020, and ensure the healthcare network is widely expanded. The 10-year Socio-economic Development Strategy for 2016-2025 has also set a target of maintaining annual economic growth at not less than 7.5 percent with GDP per capita set to be more than double the 2015 figure of US\$1,970. This timeframe targets a poverty rate of less than 5 percent. The 15-year vision for 2016-2030 aims to develop Laos further with the goal of achieving upper middle income country status by 2030, which would categorise Laos as a developing country. In addition, the session approved the National Assembly's five-year plan, 10-year strategy and 15-year vision. The five-year plan targets the formulation of 50 new laws and the amendment of 55 existing laws. The 10-year strategy aims to formulate and amend laws systematically in all areas, to smooth the path towards transforming Laos into a state governed by the rule of law so the country can better integrate with the region and the world. By 2030, Laos hopes to have systematic and comprehensive laws in place in all fields, with the rights of the entire population protected by the strict enforcement of laws so that society enjoys security, justice, democracy and civilisation, according to the 15-year vision.

(Vientiane Times 25 April 2016)

Laos, China share views on future cooperation

(By Times Reporters)

Laos and China will support each other on the regional and international stages and will continue their traditional close coordination for the benefit of the two nations.



Mr Saleumxay Kommasith (right) and Mr Wang Yi give a press conference after their meeting at the Ministry of Foreign Affairs in Vientiane. -- Photo Khamphanh

The shared intention was voiced by Laos' Minister of Foreign Affairs Mr Saleumxay-Kommasith and his Chinese counterpart Mr Wang Yi when they met for talks in Vientiane on Saturday. The Chinese Minister of Foreign Affairs and his delegation visited Laos from April 22 to 24 at the invitation of Mr Saleumxay. Mr Wang Yi was Mr Saleumxay's first official guest after being appointed foreign minister last week. The two sides said they highly valued their cooperative ties, which they said have persistently strengthened and deepened in many sectors such as economics, trade and investment, and tourism, resulting in many successes. They referred to the launch of Laos' first Lao satellite and the Laos-China railway as historic cooperation projects between the two countries. "The two sides are pleased to coordinate and cooperate closely for the successful and effective implementation of the projects, bringing real benefit to the two nations," Mr Saleumxay said at press conference after the meeting. The two ministers also discussed preparations to celebrate the 55th anniversary of the establishment of diplomatic relations between the two countries this year, and preparations for a friend-

ship visit by the General Secretary of the Lao People's Revolutionary Party Bounnhang Vorachit to China from May 3-5. They planned to coordinate closely ahead of the upcoming visit to ensure it was highly successful. Preparations to open Lao General Consulates in China's Yunnan and Sichuan provinces were also on the agenda and the two ministers named officials to further discuss the matter. The two ministers also touched on issues relating to the South China's Sea. Mr Saleumxay expressed the Lao government's view on China's involvement with reference to Article 298 of the UN Convention on the Law of the Sea. He said the concerned parties should resolve any disputes through peaceful means, bilateral talks or in suitable ways in line with international laws and conventions. "The Lao PDR fully supports the implementation of the Declaration on the Conduct of Parties in the South China Sea, and takes the view that its implementation has made progress, which will bring about the resolution of disputes through peaceful means," he added. Mr Wang said Laos and China would cooperate in developing the One Way, One Road initiative and continue the development of the Laos-China railway as new milestones in the friendship between the two countries. Speaking through an interpreter at the press conference, Mr Wang said China continued to support the building of the Asean Community which would allow Asean to enhance its main role in regional cooperation, and supported Laos' chairmanship of Asean this year. Concerning the South China Sea issue, Mr Wang praised the Lao position on the dispute, saying Laos' view represented objectivity and justice. The Chinese minister and his delegation also paid courtesy visits to Prime Minister Thongloun Sisoulith and President Bounnhang Vorachit.

PM highlights opportunities and challenges ahead

(By VisithTeppalath)

Newly elected Prime Minister ThonglounSoulith has drawn attention to opportunities and challenges in developing the nation over the next five years amid complex global changes. Speaking at the National Assembly last week, MrThongloun highlighted key measures to address challenges facing the nation so that Laos can be competitive in regional integration. One of the opportunities he noted was consensus within the nation, which he said should serve as a strong force for national development. Secondly, Laos has political stability which creates confidence among foreign investors looking to do business here and generate development and jobs. Centrally located in the region and surrounded by five countries including China and Vietnam, Laos is favourably situated to create links with other nations. Businesses can operate factories in Laos and export their products to markets in the region. MrThongloun said Laos had good potential in terms of natural resources and did not suffer from severe natural disasters. In addition, the multi-ethnic Lao people live in harmony and are big-hearted. The country has an attractive culture and the trustworthiness of local people helps to attract foreign investors. The prime minister stressed that Laos was willing to get to know and cooperate with all nations in the world through its consistent foreign policy of peace, independence, friendship and cooperation in the interests of

development. In contrast, one of the country's main challenges is that Laos does not have much capital. "If we don't use our resources in a focused manner, it will impact on our development and economic growth," he said. MrThongloun described the economic situation in Laos and the need to follow sound financial principles to avoid major impacts on the country's economy. "If we don't follow sound financial principles and tackle financial leakages, it will without doubt affect the country's development and economic growth in the next five years," he said. He also stressed the need to use natural resources in a wise and sustainable manner in line with the country's socio-economic development. MrThongloun also touched upon issues relating to human resource development, saying Laos needs to work hard to provide a sufficiently qualified workforce for development needs. "We have to accept that we still don't have enough qualified workers to respond to the needs of national development in this era of regional integration. We have to work on this matter." The prime minister has announced key measures that the new government will focus on to address the challenges facing the nation. He highlighted measures to improve mechanisms to address the economy, investment climate, government oversight, enforcement of law and order, and scientific research.

(Vientiane Times 25 April 2016)

Oudomxay opens exciting forest retreat

(By VisithTeppalath)

A spectacular tourist activity centre named NamkatYolaPa has opened in Oudomxay province in a protected forestry area, adding to Laos' many visitor attractions and opening up a largely unexplored area. The centre is situated along the Namkat River in Xay district, within the Namkat basin area in the PhouHippi National Conservation Forest.



Officials gather for the opening ceremony on April 2.

It lies about 25km from the provincial capital and is surrounded by mountains and an abundance of flora, fauna, and rivers. The hills are covered in rainforest and are full of breathtakingly beautiful biodiversity, while the serene scenery guarantees full relaxation for body and soul. Visitors can experience more than 20 interesting activities such as trekking, a hike across a suspension bridge, waterfalls, zip lines, rock climbing, elephant rides, motocross, a shooting range, tree house stays, campgrounds, tribal villages, learning about traditional farming methods, and winter crop farming classes. Jungle tours and rainforest treks provide tourists with insights into the local ecology, culture and nature, as well as offering plenty of adventure for thrill seekers. The area is also a great place to be if you just want to enjoy Laos' marvellous beauty. An official opening ceremony took place on April 2 to mark the completion of the first phase of develop-

ment, and the centre is now ready to receive visitors. The project has three phases: phase I from 2011-2015; phase II from 2016-2020; and phase III from 2020-2025. The centre has a 75 year concession as the Forestry Area Conservation Ecological Tourism (FACET) project and is spearheaded by Mr Somphet-Maopaseuth. Oudomxay is going all out to promote tourism, making the most of its natural beauty, and hopes to attract a large number of visitors each year. The centre provides sustainable tourism services in the NamkatYola Pa protected area. It aims to educate the traveller, to provide funds for ecological conservation, to directly benefit the economic development and political empowerment of local communities, and to foster respect for different cultures and human rights. The area is truly one of the most beautiful and desirable eco-tourism destinations in Laos and South East Asia. The core ideology is to encourage responsible travel, promote education and awareness of the NamkatYola Pa environment and heritage, help finance future conservation, and improve the well-being of the local people and environment. The centre offers guests many facilities and activities. All kinds of facilities are available such as a restaurant, coffee shop, room service, concierge service, swimming pool, children's pool, fitness and spa, massage parlour, wifi access, limousine, organic garden, cooking classes, international food, Lao and Thai cuisine, rainforest tours, and camping. The mission of the operators is to provide safe, fun and unforgettable experiences through superior service that creates memories and smiles that last a lifetime. When you visit this place, you will enjoy full resort hospitality and services. The operators organise tours, provide accommodation, and organise transport and guides, but above all they give you the services of a highly trained team that is always available

to ensure that everything is performed to your satisfaction. There are so many wonderful experiences and adventures awaiting you at NamkatYolaPa. A visit here will immerse you in mother nature, whether trekking or camping in the rainforest or awed by the amazing landscapes and views over the mountaintops. Spend your days having the wildest adventures or simply enjoy the beautiful scenery from a tree house and the peaceful atmosphere. Once the sun is about to set, relax by the poolside with a cocktail or fresh beer, have a romantic dinner in our restaurant, calm your body and mind with a traditional massage, or ask room service to prepare some Asian and western delicacies. Head of the provincial Department of Information, Culture and Tourism, MrPhonesavanhPhanthavichith, said the centre is the first nature-based tourist attraction in the province. It is very important and meaningful for the people of Oudomxay because it will help to promote tourism in the province

as well as in Laos. It will also help to preserve natural resources and generate income for the local community. "Oudomxay has good potential for eco-tourism and we welcome the official opening of our first such site. Of course there will be more places opening up in the future," MrPhonesavanh said. The Director of FACET, MrSomphet-Maopaseuth, said he was pleased to work with the project because it would help the province to develop tourism and provide a source of income for local people. "I would like to invite both Lao and foreign visitors to come here and use our services. If you want to experience complete wonder, exotic beauty, ethnic culture, thrilling adventures, natural serenity and the biodiversity of flora and fauna that Laos can provide, or if you are looking for a place for the adventure of a lifetime, a relaxing getaway, a romantic and unforgettable honeymoon, please visit NamkatYolaPa," he added.

(Vientiane Times 25 April 2016)

Laos signs Paris Agreement on climate change

(By PhetphoxaySengpaseuth)

The Lao PDR partnered with other 174 Parties of the United Nations Convention on Climate Change in signing the Paris Agreement on Friday, a turning point in efforts to reduce global warming. The signing of the agreement took place at United Nations Headquarters in New York, USA. The Lao delegation was headed by Minister of Natural Resources and Environment, MrSommadPholsena. On the same day that MrSommad signed, 15 other Parties also ratified the Agreement. Speaking at the signing ceremony, MrSommad said Laos was a fervent advocate of the global climate change agenda. "We fully recognise the challenges posed by climate change as a critical development issue." "We are implementing our Intended Nationally Determined Contribution and have mainstreamed climate change and disaster risk reduction, along

with the Sustainable Development Goals, in our National Socio-economic Development Plan for the years to come. So, we look forward to the successful implementation of the Paris Agreement," he added. Effective implementation of the Paris Agreement requires strong commitment and political will by all Parties, a win-win approach, sufficient budget, qualified human resources and efficient coordination, MrSommad said. "Without the successful realisation of the Paris Agreement, we will not be able to reach sustainable development. Yes, we're all here for the sake of our children, grandchildren and great-grandchildren, in a joint endeavour to limit the increase of global temperatures and secure a healthy environment for their future," he added. MrSommad explained that the Paris Agreement, within the framework of the United Nations

Framework Convention on Climate Change, dealing with greenhouse gas emissions mitigation, adaptation and finance, was adopted at the 21st Conference of Parties of the

UNFCCC–COP21 on December 12, 2015. It will replace the Kyoto Protocol by the end of the year 2020.

(Vientiane Times 26 April 2016)

Laos prepares for timber trade agreement with EU

(By Times Reporters)

The Technical Working Group of the Lao Forest Law Enforcement, Governance and Trade (FLEGT) process has elaborated a first draft Timber Legality Definition in preparation for the first face-to-face FLEGT/Voluntary Partnership Agreement (VPA) negotiations between Laos and the European Union.



Mr Manohack Rasachack.

The Department of Forest Inspection of the Ministry of Agriculture and Forestry is holding a workshop to agree on the first structure of the Timber Legality Definition with Principles, while providing a venue to further discuss the draft Timber Legality Definition of the Thematic Expert Group on Log Landing 1-3 in production forests. The two-day workshop brought together 50 key stakeholders from various government agencies, and private sector and civil society organisations. “Having a concrete definition on what is legal timber is crucial for Laos as it acts as an ‘entry ticket’ to generate new export opportunities in the Asean Economic Community and other export markets such as Eu-

rope, the US, China, Asean, Australia, Japan and South Korea, requesting legally verified timber,” said Director General of the Department of Industry and Handicraft, Ministry of Industry and Commerce, Mr Manohack Rasachack. “Once legal timber is defined, the next milestone is to enhance the competitiveness of the Lao timber industry through the improvement of the supply of raw materials, qualifications of staff and workers in the wood processing industry, sector associations and access to market and product information for each individual company,” he added. A well-defined description of what legal timber is will generate advantage to a series of stakeholders, ranging from local communities to the private sector and related government agencies. Forest dependent communities in Laos will be able to maintain their livelihoods in a sustainable way as they will be able to exercise their rights to access resources in areas as allowed and managed by the government. Company owners especially in timber processing, furniture and handicraft industries will be able to plan their operations more effectively due to a more regulated and sustainable supply of raw material. “Definitions of legally-produced timber should incorporate laws applicable not only to a country's forest sector but also other relevant areas, namely industry and commerce, imports and exports,” Senior International Adviser to the German Development Cooperation's project ‘Support to the Lao EU-FLEGT process’ (ProFLEGT), implemented by the GIZ (Deutsch Gesellschaft fuer International Zusammenarbeit), Mr Heiko Woernersaid. Conducting wide consulta-

tions with all interested parties ensures that the different stakeholders such as local and indigenous communities, the private sector and the government jointly benefit from legal trade in wood products,” he added. During the two-day workshop, participants also discussed the scope of the FLEGT/VPA negotiations regarding product, market destinations and timber sources with the study results of the supply chain control and verification procedures in natural production forests presented. As part of the

Action Plan on FLEGT to combat illegal logging globally, the EU is concluding VPAs with timber producing countries. A VPA is an international trade agreement to reduce illegal wood harvesting and promote legal timber trade. The legal definition of timber forms an important component of timber legality assurance systems that are part of VPAs. Laos has started to negotiate such an agreement with the EU with assistance from the GIZ project support to the Lao EU-FLEGT process.

(Vientiane Times 27 April 2016)

Storms ravage localised areas in Laos, Thailand

(By Khonesavanh Latsaphao)

Hundred of houses in Laos and Thailand have lost their roofs in recent days during storms and squalls that whipped through parts of both countries.



The fence surrounding Sikhottabongstupa in Thakaek district, Khammuan province, came down in high winds yesterday afternoon. --Photo Somsack Duangpanya

Since the Lao New Year (Pi Mai Lao) holiday ended in the middle of the month, storms have battered several provinces in Laos. A resident of Phonsa-at village in Thakhaek district, Khammuan province, told *Vientiane Times* on Tuesday that a storm rampaged through the area in the afternoon. “On my way home, after the rain had stopped, I saw that some houses had no

roofs and some trees had been toppled by heavy winds, but there may be more damage in remote areas,” he said. On Friday and Saturday scores of roofs on houses and schools were damaged when storms hit, especially in Nongbok and Yommalath districts of Khammuan province. Thailand's Nakhon Phanom province could also have been affected as it borders Khammuan along the Mekong River. Thailand's Meteorological Department warned on April 26 that thundershowers were likely in the provinces of Chiang Rai, Lampang, Nan, Phrae, Phetchabun, Loei, Udon Thani, Nong Khai, Buengkan Sakon-Nakhon, Nakhon Phanom, Chaiyabhum, Nakhon Ratchasima, Nakhon Nayok, Prachinburi and Sa Kaeo. According to the Bangkok Post, hundreds of houses were damaged and an elderly woman was killed in her orchard when a storm passed through Nan and Phrae districts on Monday evening. In Laos, from last Friday to Tuesday storms caused damage in Luang Prabang, Khammuan and Oudomxay provinces. In Luang Prabang province, three people are known to have died since Friday after storms hit several parts of the province. Over the weekend, a person on a boat died when the craft sank while it was moored on the Mekong riverbank in Luang Prabang. Another person was electrocuted

in Pakxaeng district when a tree branch toppled an electricity pole, while a third died in Ngoy district after being struck by lightning. An official from the Luang Prabang provincial Administration Office, Ms Souni-pha Sormmalath, said on Tuesday that hundreds of roofs in the province's eight districts

had been damaged and some houses had been blown over completely. She said a powerful storm passed through the province on Monday night, with strong winds and heavy rain, as had happened on Friday. The authorities have yet to give any details of the most recent damage.

(Vientiane Times 27 April 2016)

Five-year budget approved, deficit continues

(By Souksakhone Vaenkeo)

The National Assembly (NA) approved the state budget plan for the next five years (2016-2020) last week, which will include a budget deficit of 27,119 billion kip. The deficit is in line with the parliament's approval of the five-year plan that sets the deficit at 3.6 percent of Gross Domestic Product (GDP) with the maximum deficit not to exceed 5 percent of GDP. The five-year budget sets a target to collect revenue of not less than 149,601 billion kip or 20 percent of GDP. This will be an increase of 50,052 billion kip compared to revenue collected over the last five years. Of the next five years' targeted revenue, 131,894 billion kip or 17.7 percent of GDP will be collected from internal revenue, while 17,707 billion kip or 2.4 percent of GDP is expected to come from grants and aid. The next five years' expenditure is limited to not exceeding 176,720 billion kip or 23.7 percent of GDP. State investment is set at 67,550 billion kip or 9.4 percent of GDP including internal capital, which is set at not exceeding 24,900 billion kip, while the remainder will come from other sources. Over the last five years (2011-2015), the government collected revenue of 99,549 billion kip, representing 24.6 percent of GDP, which exceeded the five-year target to reach 19-21 percent of GDP. The collected revenue included internal revenue amounting to 77,648 billion kip, representing 19.9 percent of GDP. Over the last five years, expenditure reached 118,639 billion kip, equivalent to 29.3 percent of

GDP, which exceeded the five-year target of 22-25 percent of GDP. Over the past five years, Laos recorded a budget deficit of 19,090 billion kip representing 4.7 percent of GDP, which was in line with the five-year plan that set the budget deficit at between 3-5 percent of GDP. However, in some years Laos recorded budget deficits above 5 percent. According to a recent government report, the deficit has increased from 5,787 billion kip (equal to 5 percent of GDP) to 7,418 billion kip (equal to 6.43 percent of GDP). Economists have warned that the government should not increase the deficit above 5 percent of GDP in the long term as it might push the country into chronic debt. A senior economist from the National Economic Research Institute, Dr Leeber Leebouapao, told *Vientiane Times* this week that raising the budget deficit above 5 percent should only be done in the short term, but even then the government needs to cautiously manage debt. The five-year budget plan was approved shortly after the NA approved the 8th five-year national socio-economic development plan, which set a target for annual economic growth of not less than 7.5 percent. Laos needs investment capital of 223,000 billion kip or 30 percent of GDP to finance the five-year plan and achieve its development targets. Of this amount, domestic investment should account for 9-11 percent of overall investment with 12-16 percent to be sourced from grants and loans. Private investment by domestic and foreign investors

is set to cover 54-57 percent while investment from the banking system is set to ac-

count for 19-21 percent.

(Vientiane Times 27 April 2016)

Economists support PM's measures to bolster economy

(By SomsackPongkhao)

Economists have expressed their support for key measures recently declared by Prime Minister ThonglounSisoulith to energise the investment climate in Laos. The measures aim to facilitate foreign investment in Laos to sustain the macro-economy and bolster resilience against external impacts. A senior economist from the National Economic Research Institute, DrLeeberLeebouapao, told *Vientiane Times* yesterday the new prime minister will try to improve the government's organisational structure and clearly define the roles of government agencies to make the economic sector more efficient. "Procedures to approve foreign investment need to be accelerated as stipulated in the laws," DrLeebersaid. MrThongloun reiterated that Laos has a sound investment promotion law, but said other aspects need to be strengthened. "We have to improve administrative mechanisms, ensuring quick, transparent and accountable services for entrepreneurs. If we fail to do this, we will not be able to attract investment to our country in this era of economic competitiveness and integration," he said. "Asean is establishing free trade areas with other countries and, if we cannot address this issue, foreign investors will not come to Laos but will look elsewhere." In recent years, the government has introduced a one-stop service to make it easier for companies to establish business operations in Laos, generating job opportunities for local people. But this initiative has not progressed as anticipated, creating

frustration for companies considering Laos as an investment destination. Economists warn that much more needs to be done when it comes to cooperation between government sectors in providing services for entrepreneurs. Vice President of the Lao National Chamber of Commerce and Industry, MsValyVetsaphong, yesterday commented that the PM's measures were on the right track and would drive the business sector forward, but said stronger action must be taken to realise the goals. She also called on the new government to include the business sector when drafting national socio-economic plans and developing policies, to enable businesses to grow. MsValy stressed that the government and the business sector need to work closely so the needs of businesses are clearly understood and both parties can discuss solutions to problems. The inflow of foreign investment in Laos has slowed in recent years triggered by both internal and external factors. The government's suspension of approvals for any new investments in mining or land concessions for rubber and eucalyptus plantations is also holding back foreign investment in Laos. The slowdown in investment is also linked to the sluggish global economy, particularly the slowdown in the Chinese economy, which is directly impacting Laos. The government projects that the economy will continue to grow by not less than 7.5 percent over the next five years, driven by investment.

(Vientiane Times 28 April 2016)

LuangNamtha eyes cave as new tourist attraction

(By Times Reporters)

LuangNamtha provincial authorities have recently given the go ahead for a local company to draw up a feasibility study and design for the development of Kao Rao Cave in Viengphoukhadistrict. A memorandum of understanding (MoU) on the project was signed last week by the provincial Planning and Investment Department Director MrKhonthongLeuangkhamma and Kong Trading Company Director Mr Inter Lao-kong. The signing was witnessed by provincial Deputy Governor DrPhengsavanhDao- phone. Under the MoU, the company will provide facilities at the cave to make it attractive to visitors, which will help to boost the provincial and local economy. In addition, it will help to promote production of goods and services, create jobs and improve the lives of people living near the cave. The company will spend 16 months to assess the environmental and social impacts and potentials of the project. KaoRao Cave was explored and registered as a natural tourist site in 2003 and opened to the public in 2008, according to MsSommalaHoumvisay from

the provincial Information, Culture and Tourism Department. The cave is located in Nam Eng village along Road No. R3 linking LuangNamtha to Bokeo province and is one of 11 intriguing caves in Viengphoukhadistrict. MsSommala said the provincial authorities had previously authorised a Chinese investor to conduct a feasibility study on the development of the cave but the project came to a halt. The authorities have now allowed a new investor to pursue development of the cave. LuangNamtha province has considerable tourism potential because it links to China and Thailand as well as to Myanmar. There are currently 123 officially designated tourist sites, 14 of which are of historical interest, 56 are cultural sites, and 53 are areas of natural beauty. A large number of tourists visit the province each year. In 2014-15, the number of visitors climbed to about 542,542 people, generating revenue of more than US\$60 million. In the first three months of 2016, the number of visitors to the province has reached 170,749 people.

(Vientiane Times 28 April 2016)

Laos facing increasing drought impacts

(By Times Reporters)

Climate change is expected to bring increasingly severe drought conditions to Laos, with agricultural yields possibly falling 10 percent by 2020 and 30 percent by the year 2050.



The lack of rain is affecting rice fields in Vientiane.

To reduce the damage caused by drought, the government is working with government agencies and non-governmental organisations (NGOs) to respond to and prevent problems. Government agency officials and NGO representatives who work with drought policy and planning issues in Laos are gathering in Vientiane for discussions. The two-day national workshop on drought risk, disaster risk reduction, and agricultural management is taking place from April 28-29 to educate officials on these vital issues. Topics to be explored include the definition of drought, drought impacts on agriculture, drought monitoring and early warning systems, integration of drought management in

policy and development plans, and lessons learned from drought risk management actions in neighbouring countries. The meeting will also allow participants to discuss the key elements of integrated drought risk management. These key elements include concepts, policies, roles, tools, rural agricultural communities, identifying key gaps to be addressed, and related action points. There are almost 200,000 households at risk of food insecurity due to drought. Areas at risk include Xayaboury, Vientiane, Khammuan, Savannakhet, Saravan, and Champassak provinces, according to the UN's Food and Agriculture Organisation and CARE International. The most severe drought impacts are always experienced by Laos' most vulnerable populations, who depend on agricultural production for their livelihoods and food security. Drought risk management aims to reduce the damage caused by drought. The goals of such management include lessening exposure to drought, lowering sensitivity to drought, and increasing resilience to support

drought recovery. Integrated drought risk management involves practical actions and progressive solutions. Small steps at the local level help to diversify actions and lower exposure to drought. Targeted projects at the district and provincial levels provide technical solutions and training to implement low-water agricultural activities that increase resilience to drought. National programmes can ensure that areas in need of drought risk reduction receive the support they need. Integrated efforts will decrease vulnerability to drought and build a more resilient agricultural system. Addressing the challenges of climate change on local agriculture requires technical expertise, regional awareness, and local knowledge to adapt to challenges. The workshop is being hosted by the Department of Planning and Cooperation of the Ministry of Agriculture and Forestry. CARE International in Laos and the Food and Agricultural Organisation are providing technical support.

(*Vientiane Times* 29 April 2016)

Singapore's SilkAir to begin flights to Laos

(*By Times Reporters*)

Singapore Airlines' full service regional subsidiary SilkAir has confirmed plans to launch flights to LuangPrabang and Vientiane in October, becoming the eighth foreign airline group to serve Laos. SilkAir's new Singapore-Vientiane-LuangPrabang-Singapore circular route is strategically important for the SIA Group as Laos is the only Southeast Asian and Asean country not yet served by the group. AirAsia is now the only airline group serving all the 10 countries that make up Asean, according to the CAPA Centre for Aviation. Subject to approvals, SilkAir will offer three weekly flights on Mondays, Thursdays and Saturdays to the two destinations on a circular routing, according to Singapore's *TTR weekly* published on its website on Wednesday. Flights from Singapore will make a stop in Vientiane and then continue to LuangPrabang, before head-

ing back directly to Singapore. The airline has not stated whether it has fifth freedom rights to pick up passengers on the Vientiane-Laos sector, or whether passengers can stop in Vientiane and resume their journey to LuangPrabang on a subsequent SilkAir flight. It will have third and fourth freedom rights that will allow it to sell roundtrip flights to Vientiane and LuangPrabang. The addition of Vientiane and LuangPrabang to the SilkAir's route network will increase its cover to 51 destinations in 14 countries, which now include Australia, Cambodia, China, India, Indonesia, Laos, Malaysia, Maldives, Myanmar, Nepal, Philippines, Thailand, Vietnam and Singapore. The new services will be operated with SilkAir's Airbus A320 aircraft, configured with business and economy class cabins. "Southeast Asia has always been an important market for us

and with the start of flights to Vientiane and LuangPrabang, we will offer travellers connectivity to every country in Southeast Asia,” SilkAir Chief Executive Mr Leslie Thngsaid. “We believe that this new service has great potential, as more travellers turn their interest to Southeast Asia and destinations such as Laos. This new service will also give Lao people increased connectivity to the rest of the world via Singapore.” The new service will connect Laos with the joint Singapore Airlines – SilkAir network of over 100 cities worldwide via the Singapore hub. Laos is a relatively small local market already served by Lao Airlines, which currently operates three weekly A320 flights from Vientiane to Singapore. In 2014, Laos

recorded some 10,000 visitor arrivals from Singapore. The number of annual Lao residents visiting Singapore is similar. Lao Airlines' Singapore services originate in LuangPrabang, providing a one-stop product in the LuangPrabang-Singapore market, but passengers must disembark and clear immigration in Vientiane. The new SilkAir flight will provide LuangPrabang-Singapore passengers with a new non-stop option in at least one direction, and for those flights stopping in Vientiane immigration can be cleared on arrival in LuangPrabang. While the local Singapore-Laos market is small, SilkAir and SIA will be able to offer connections beyond Singapore to larger source markets, including Australia and Europe.

(Vientiane Times 29 April 2016)

LuangPrabang awaits decision on Buddha images

(ByTimesReporters)

The people of Xiengthong village in the world heritage town of LuangPrabang are waiting for official guidance concerning 11 Buddha images that came to light after a storm lashed Xiengthong temple last weekend. Head of the village authorities, MrKhamtanPhuangswad, told *Vientiane Times* yesterday that locals told the LuangPrabang administration office they had found the 11 statues after strong winds raged through the town on Saturday. “A big tree fell down and broke a stupa in the temple compound. Monks and local people found one small golden Buddha image and 10 silver ones inside the stupa,” he said. The villagers are now waiting for the provincial government office and central government officials to advise them what to do with the newly revealed statuettes. MrKhamtan said he and the temple's abbot also reported the discovery to the provincial administration office and are waiting for a response. “If the Buddha images are registered as national property, they will be kept at the temple so that devotees can worship and pray to them. If we don't register them, they will be put

back inside the stupa,” he added. The villagers and the abbot all say they will comply with the recommendations of officials when they receive a response. In the meantime the statues are being kept at the temple under the care of the abbot. Xiengthong temple is one of the oldest and most revered in the town of LuangPrabang, so there is widespread public concern after some of the buildings in the temple compound suffered serious damage during the squall. “The stupa was cracked after a large tree fell across it, which also damaged part of the main temple and a wall. It will cost about 250 million kip to repair the damage,” MrKhamtansaid. “Individuals and businesses have already made donations towards the repairs and we think that both local people and foreigners will help with the restoration,” MrKhamtansaid. The storm swept off the roofs of several buildings and brought down trees and electricity poles. Boats on the river were tossed around and one craft sank, drowning a woman who was on board. Weather forecasters say storms are common during the hot season and people should be prepared for sudden downpours

and heavy winds. Storms were also reported in Khammuan province this week, where

buildings were damaged and trees blown down.

(Vientiane Times 29 April 2016)

Parliament's past five-year performance summarised

(By Times Reporters)

Over the five years of the National Assembly's 7th Legislature from 2011-2015, some 75 laws were enacted and amended, bringing the total number of laws promulgated to 119. Summarising the performance of the National Assembly's previous term, the legislative body's Vice President Somphanh-Phengkhammy told the inaugural session of the Assembly's 8th Legislature last week that the 119 laws covered all areas. Of the 75 laws dealt with in the previous legislature, 37 were newly enacted while 38 were amended. Also of note was the 7th Legislature's approval of an amended Constitution in 2015. The National Assembly's Standing Committee also enacted and passed a number of regulations. To raise public awareness of the need to observe the rule of law, the National Assembly, government and relevant sectors are disseminating the laws among people from all walks of life. The inaugural session of the 7th Legislature in 2011 elected the country's top legislator, state leader, prime minister and government cabinet. It also approved the 7th five-year national socio-economic development plan and budget for 2010-2015. Some mega projects were also approved. The Assembly also gave the green light for the ratification of conventions and agreements to which Laos is a state party. It also considered and agreed to pardon some prisoners and reduce the sentences of others who had shown good behaviour while in prison. Parliament granted Lao citizenship to several foreigners who met the set criteria. Over the past five years, the National Assembly has closely followed and inspected the performances of various state bodies including the government, as well as the implementation of the socio-economic development plan and budg-

et. Mr Somphanh said the National Assembly had worked earnestly to address petitions submitted by people calling for justice after their rights and interests had been violated by influential figures who were in breach of the law. However, he said that shortcomings needed to be addressed and that even though 75 laws had been enacted and amended, the number fell short of the target of 90 laws. In addition, the content of some laws was not sufficiently comprehensive, meaning some had to be amended several times. In some cases, Mr Somphanh added, the Assembly had considered and approved serious matters without first carrying out in-depth investigations. As a result there were contradictions to the Constitution and laws. Inspectors and auditors had urged the relevant sectors to address these issues and shortcomings but this had not been done, meaning that breaches of the laws and regulations continued. He admitted that the performance of Assembly members as dictated by their mandate was not of the required standard. Last week's session approved the National Assembly's five-year plan for 2016-2020, the 10-year strategy, and 15-year vision. The five-year plan includes the formulation of 50 new laws and the amendment of 55 existing laws. The 10-year strategy aims to formulate and amend laws systematically in all areas, and to smooth the path towards transforming Laos into a state governed by the rule of law so the country can better integrate with the region and the world. By 2030, Laos hopes to have systematic and comprehensive laws in place in all fields, with the rights of the entire population protected by the strict enforcement of laws so that society enjoys security, justice, democracy and civilisation, in line with the 15-year vision.

(Vientiane Times 29 April 2016)