



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

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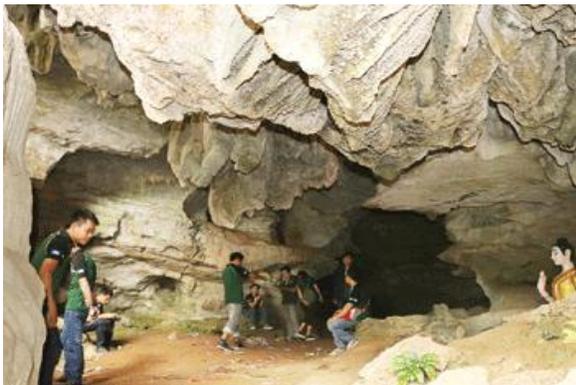
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Undiscovered Phabong cave awaits developer

(By Sisay Vilaysack)

Undiscovered Phabong cave is one of the most striking in Vientiane province and presents a great opportunity for a developer to turn it into a really enticing visitor attraction. While the cave waits for someone to unlock the mysteries that lie within, many people, mostly from the local area, have already visited the site and local authorities have organised events there on special occasions such as Lao New Year. Relying on information passed down by word of mouth, villagers say for over 200 years people have been coming to see the Phabong cave and the rocky cliff that overhangs it.



Visitors explore the entrance to Phabong cave. --Photo Sisay

A few people have ventured inside, but they don't stay for long because it's too dark. The cave is 150 to 200 metres in length. The village takes its name Phabong from the name of the cave, which is hidden away under craggy rocks. The area is known as the Phabong focal development zone and is in Hinheup district, Vientiane province. It consists of 10 villages that are home to more than 6,000 people, with over 90 percent being farmers. Head of the Agriculture and Forestry Office in Hinheup district, Mr Amphay-Phanthavong, who is also Head of the Phabong focal development zone, told *Vientiane Times* on Friday "Phabong cave is not far from the centre of Hinheup district, just over

21km. Not many people from outside our district and province come here even though the cave has been listed as a tourism site for more than 10 years, because it's not well-known like the caves in Vangvieng." There are also no facilities or services of any kind, so there is no charge to see the cave. "People who come here are usually just passing through from Meuangfeueng and Vangvieng districts, including foreign motorbike riders. So, we're hoping that a developer will make the cave more attractive to visitors like other places in our province." "We plan to upgrade the road linking central Hinheup district to this area by paving it with asphalt by 2020. This road also goes to Meuangfeueng district, which is about 8km from the Phabong area," he said. The most popular tourist destination in Vientiane province is Vangvieng district, whose fame has spread far and wide and attracts a large number of overseas visitors. According to the Vangvieng Tourism Office, the growing number of tour groups from Asia is largely responsible for the surge in visitor numbers, with more Koreans, Chinese, and Thai nationals coming to the town. Vangvieng was expecting to welcome about 180,000 people by the end of last year. Statistics supplied by the Tourism Development Department of the Ministry of Information, Culture and Tourism show there are now over 1,490 officially listed tourist sites in Laos, but some of them require further development to cater to visitors. Laos is now conveniently connected to many cities by air and land transport which makes it easy for people living overseas to visit the country. It is predicted that the number of foreign visitors will reach 4.6 million by the end of 2016, so transport authorities and tourism bodies need to make sure the transport options available to visitors are reliable.

(*Vientiane Times* 21 May 2016)

Donors pledge millions to extend fight against poverty

(By Times Reporters)

Switzerland has agreed to provide a grant of US\$16 million, while the World Bank has expressed its intention to offer a low interest loan of US\$30 million to fight poverty in Laos, a senior official has said. If secured, the funds will be used to finance Phase III of the Poverty Reduction Fund (PRF), which is expected to be implemented from 2017-2019, the Fund's Executive Director Mr Bounkhuang Souvannaphanh said on Friday. The Lao government will contribute another US\$6 million bringing the total to US\$52 million to finance Phase III of the Fund – the government's main poverty-fighting agency. Mr Bounkhuang told *Vientiane Times* that the Swiss Agency for Development and Cooperation (SDC) has agreed to provide the grant. He added that officials from Laos and the World Bank met on April 28 when both sides discussed Phase III including the financing needed to fund the activities planned under Phase III. The outcomes of the discussion will be submitted to the World Bank's executive board to seek approval for the financial support (in the form of loans). The Swiss grant and the World Bank's expressed intention to extend support for Phase III follow on from the significant achievements of Phase II of the Fund from 2012-2016, which benefited from significant contributions by the Bank and the SDC. Over the past four years from 2012-2015, more than 683,000 people in more than 1,300 villages in provinces across the country have benefited from the Fund's activities, which included 1,426 projects costing more than 300 billion kip. Of the

beneficiaries, 50 percent were women. The Fund's projects have constructed and improved 225 roads totaling 1,228 km in length in rural communities. Some 45 bridges have been repaired and constructed and 18 small-scale electricity networks have also been installed. Some 386 schools have been built and repaired. In addition, the Poverty Reduction Fund's projects have built and repaired 33 village dispensaries. Some 63 irrigation systems and reservoirs have also been constructed along with 10 community markets among other facilities. Mr Bounkhuang said the PRF has piloted livelihood improvement activities in Hiem and Xon districts of Huaphan province and in Savannakhet province's Xepon and Nong districts in an effort to improve living standards. Activities included establishing savings funds, introducing income-generating activities and campaigning on nutrition and hygiene. Mr Bounkhuang said Phase II of the PRF contributed significantly to raising six poor districts out of poverty. The districts are Phoukhoun, Khoun, Vilabouly, Bachiengchleunsouk, Soukhouma and Thathom. Some US\$83.37 million was used to finance Phase II including US\$10 million contributed by the Lao government. Of the total, US\$61.70 million was in the form of grants and the rest was in the form of loans. The World Bank provided US\$36.60 million comprising US\$25 million as grants and 11.60 as loans. The SDC gave a grant of US\$17.25 million. Australia provided US\$16.90 million as a grant and a Japanese social development agency gave US\$2.62 million as a grant.

(*Vientiane Times* 23 May 2016)

EU concludes capacity building project for civil society groups

(By Times Reporters)

Most Lao people are poorly informed about the necessary procedures for project proposal writing and the European Union (EU) has been trying to correct this. For several years, groups in Laos have been submitting project proposals to the EU but they don't receive approval because they fall short of the standards required by the EU. To remedy the situation, the EU has been running a series of workshops to teach people how to write a successful project proposal. The European Union Delegation in Vientiane yesterday held the final workshop in its series of 12 trainings and coaching workshops supported by the European Union since early 2015. The trainings were structured around two EU grant programmes - Civil Society Organisations-Local Authorities and the European Instrument for Democracy and Human Rights. Speaking at the opening ceremony of the workshop, EU Chargé d'Affaires Mr Michel Goffin said the EU recognises the very important roles of civil society in the sustainable development of Laos, which could not be achieved by the government alone. So "we should not only provide them means to operate, but also a more favourable space for their full engagement in sustainable development of this country." He said the capacity

building initiative aims to strengthen Lao civil society organisations' and local authorities' capacity in proposal writing and the management of grant contracts under EU procedures. There are 12 new projects with EU funding of €8.8 million under two EU specific aid programmes for Laos: "Civil Society Organisations - Local Authorities" and the "European Instrument for Democracy and Human Rights" which are expected to start this year or in early 2017, Mr Goffin said. These actions complement the EU's bilateral assistance to Laos, which focuses currently on three key sectors: education, food and nutrition security, and governance and the rule of law. More than 140 staff members from civil society organisations, mostly from Lao Non-Profit Associations (NPAs) attended the 12 trainings designed to help civil society become an effective force for driving the development of the country at both the national and local levels. There are currently about 30 ongoing projects with a total EU contribution of €28.3 million implemented in Laos by civil society organisations, among which at least 20 Lao NPAs are being involved as a project partner or direct implementing agency.

(Vientiane Times 23 May 2016)

Boten-Mohan economic zones attract billions in investment

(By Souksakhone Vaenkeo)



Several projects are under construction at the Boten Specific Economic Zone.

Businesses have poured more than 100 billion yuan into the Laos-China Boten-Mohan border economic cooperation zone, lured by investment incentives offered by the governments of both sides, the latest data shows. In September last year, the governments of Laos and China signed an agreement to establish the economic cooperation zone at the Boten-Mohan cross-border area, aiming to boost trade, investment and tourism in the region. Authorities in charge of the zones

expect that even more investment will be forthcoming if certain issues are addressed. These are mainly visa facilitation for businesspeople and better transportation, which should materialise when the planned Laos-China railway is operational. So far, more than 60 investment projects amounting to 100 billion yuan (123,864 billion kip) have been signed for operation in the Yunnan Xishuangbanna Mohan Economic Development Zone, according to information from the authorities in charge. Located at the Mohan Border Port, which is China's gateway to Laos and provides access to Southeast Asia's most convenient land route, the zone has significant investment potential, said Deputy Head of the Committee in charge of the Yunnan Xishuangbanna Mohan Economic Development Zone, Mr Ai La Xiang. He made the comment during a media visit to the Mohan Border Port Office, which was part of a one-week media tour to Xishuangbanna prefecture from May 7-13 organised by the Yunnan Daily Press Group. The zone's focus is on building a logistics base, processing base and modern services base in four areas, with emphasis on the Yunnan Mohan Port International Logistics Park, Mohan warehousing logistics base, the State Grain Reserve Depot strategy, Vegetable Association base, mahogany market, mineral products trading centre, cross-border market, cross-border tourist resort, the old duty-free shops, hotel, and other projects. Meanwhile, the Boten Specific Economic Zone in Luang Namtha province has attracted more than 10 billion yuan (more than 12,370 billion

kip) in investment from more than 10 companies, mostly from China, Logistics Deputy General Manager of the Lao Boten Economic Zone Development and Construction Group, Mr Kangpeng, said. "The Lao government has extended sound support for the operation of the Boten Specific Economic Zone as a cooperation project between Laos and China," he said as translated by an interpreter. However, he called for authorities on both sides to consider granting multi-entry visas or visa exemptions for investors doing business in the 16.4 square kilometre Boten Specific Economic Zone, saying that business operators have encountered difficulties in having to apply for visas repeatedly. He explained that only residents of Xishuangbanna are allowed to use a border pass when crossing into Laos, while residents of other parts of China need a passport and a visa. Mr Kangpeng said he believed that once the visa issue was addressed, it would help to attract more Chinese investors to the zone. Investment promotion at the zone focuses on four mega projects including a duty free centre, complex bus station, a warehouse and a resort that comprises a large natural marsh, a hotel, meeting hall and leisure facilities. Business operators in these zones enjoy tax exemptions, which are a big investment incentive. Businesses and officials on both sides said they believed that once the planned railway linking China to Southeast Asian countries via Laos is complete, it will significantly boost investment in the zones where the railway will pass through.

(Vientiane Times 24 May 2016)

Govt, UNDP agree project to conserve Savannakhet's ecosystems

(By Times Reporters)

The government of Laos has just signed a new UNDP programme funded by the Global Environment Facility (GEF), which is set to conserve and manage forests in five districts of Savannakhet province, over the next six years.



MsKaarinaImmonen shakes hands with MrSommadPholsena at the project signing ceremony.

The programme was signed on Friday by UNDP Resident Representative and UN Resident Coordinator in Laos MsKaarinaImmonen and Minister of Natural Resources and Environment MrSommadPholsena. The project, titled Sustainable Forest and Land Management in the Dry Dipterocarp Ecosystems of Southern Laos, will be financed by US\$10.8 million from the GEF as well as US\$1.2 million from the United Nations Development Programme (UNDP). MsImmonen emphasised the project's contribution towards achieving Laos' national objectives. "The overall goal of the country, as outlined in the National Socio-Economic Development Plan, is to graduate from Least Developed Country status," she said. "The development of the protected area network can support this goal through enhanced livelihoods, income generation, environmental sustainability and disaster risk reduction. The project also helps to reach Laos' forest cover target of 70 percent by 2020." UNDP will implement the project in partnership with the Department

of Forest Resources Management in the Ministry of Natural Resources and Environment. Dipterocarps are a tree species prevalent in South East Asia, valuable for their resin and timber. Drydipterocarp forests are under pressure as large areas have been converted into farmland to plant cash crops, and other activities such as logging, hunting and harvesting of non-timber forest products all contribute to the degradation of this environment. Savannakhet province, however, has managed to retain large areas of this forest type. Drydipterocarp forests in the Lower Mekong region are of global priority for biodiversity conservation, because they contain an exceptionally wide variety of animals and plants and are representative of this ecosystem type. In Laos, this habitat is home to globally significant species such as the Eld's Deer, which is threatened and currently numbers only 30-40 individuals in the country. These forests also regulate groundwater supplies through absorbing rainwater in tree roots and leaves, reduce greenhouse gases and store valuable carbon as well as stabilise slopes by binding soil into the ground. Additionally, the forests are important for local communities as they provide for a diversified diet with non-timber forest products such as fruits, mushrooms and insects. Recognising the global and national importance of these forests, Laos has prioritised their conservation and sustainable management. The project will seek to ensure that partnerships are built to coordinate the management of protected areas, enhance community forestry and livelihoods, as well as promote the development of eco-tourism activities. Protected areas in Laos are profitable assets due to their development potential and the value of their natural resources which can contribute to economic growth. Creating incentives to conserve and sustainably manage these forests is central to

the project. To support the government in its endeavour to effectively manage the country's unique natural resources, improve livelihoods and develop new opportunities for income generation, UNDP has partnered with other development entities to ensure synergies with on-going projects in Savannakhet province. These include the Asian De-

State budget embezzlement exposed

(By Times Reporters)

Financial officials who embezzled state funds in Vientiane as well as Champassak and Savannakhet provinces have been exposed, with authorities vowing to retrieve all the money misappropriated. The Ministry of Finance's Inspection Department recently unveiled its latest findings in a report on the financial sector in provinces across Laos for the 2015-16 fiscal year, which highlighted the misuse of state funds. In Champassak province, treasury officials were found to have embezzled electricity taxes amounting to over 2.3 billion kip. Fortunately, the authorities have retrieved all of the misappropriated money. In Savannakhet province, five officials were apprehended after they issued fake documents to fraudulently collect passenger and vehicle fees at the second Lao-Thai Friendship Bridge. Losses from the fraud amounted to over 1.2 billion kip, of which 667 million kip has been retrieved. Another case in Savannakhet province concerned five officials falsifying documents to collect taxes from a sugarcane project in Xonbouly district, which resulted in over 3.39 billion kip being diverted from the state budget. Authorities have so far retrieved 2.24 billion kip and confiscated two houses worth 734.8 million kip. Director General of the Inspection Department, Mr Phoxay Manphilaphanh, said his department agreed with a report by the people's prosecutor in Savannakhet province which identified budget spending without properly referenced documents amounting to over

885 million kip. The third case of embezzlement involved the collection of taxes on timber exports at the Dansavan-Lao Bao international border crossing in Savannakhet province, with 12 officials found to have falsified documents so they could siphon off more than 1.16 billion kip. Authorities have so far recovered 563 million kip. In Vientiane, over 277.45 million kip was found to have been spent in violation of financial regulations. Deputy Prime Minister and Minister of Finance Mr Somdy Duangdy told the annual national inspection meeting held in Vientiane two weeks ago that officials' misdeeds must be addressed in a timely fashion in order to avoid public criticism. He agreed that stronger inspections were needed to ensure that officials acted conscientiously and complied with the laws. This would help to boost revenue collection and ensure more money found its way into government coffers. Mr Somdy called for all sectors to fight against corruption which he considered a serious threat to national development. The Deputy PM said it was critical to minimise the loopholes that resulted in financial leaks. He agreed to push for more effective and efficient revenue collection methods and spending of the state budget. Laos has long suffered from the effects of corruption and it seems that this practice is on the increase. When corruption and bribery succeed, the goals of fairness and equality remain unmet. The State Inspection and Anti-Corruption Authority has stated that stronger law en-

(Vientiane Times 24 May 2016)

forcement is essential in order to curb corruption. Since 2014, a number of corruption cases have been exposed including one concerning the embezzlement of almost 10 billion kip of state funds in Huaphan province. The case shocked the public when it was

reported in the media. New Prime Minister Thongloun Sisoulith has said he will spearhead the fight against corruption and clamp down on financial leaks in order to spur national development.

(Vientiane Times 24 May 2016)

Lao economy to grow 7 percent this year: World Bank

(By Times Reporters)

The Lao economy is projected to expand by 7 percent in 2016, with power generation expected to increase by more than 30 percent over 2015, according to the World Bank's latest update of the Lao Economic Monitor 2016.



Ms Sally Burningham chairs the meeting in Vientiane yesterday.

Laos has one of the fastest growing economies in the East Asia and Pacific region. It expanded by around 7 percent in 2015, after growing by 7.5 percent in 2014. The World Bank found that increased power generation, services and construction contributed most to economic growth. Speaking at a dissemination workshop on the Lao Economic Monitor Report 2016, World Bank Country Manager for Laos Ms Sally Burningham said "Growth has been strong and many people have escaped poverty, but poverty reduction can be even stronger." "With its growing economy, the government can take steps to improve Laos' business environment and attract investment to create quality non-farm jobs and raise wages, while strengthening overall competitiveness," Ms Burningham said. Meanwhile the World Bank Chief Economist for the East Asia and Pacific (EAP)

Region Mr Sudhir Shetty also said the developing EAP grew faster than other emerging economies and that inflation remained subdued. "For Laos, the growth prospects for 2016-18 still appear favourable, but reliance on natural resource exports and FDI inflows imply vulnerability to global and regional risks," he said. Mr Shetty also noted that trade in services has potential within the AEC because this sector is the strength of Asean and increased Asean integration will open up opportunities including in transport, trade and increased participation in value chains and tourism. The report also said that similar trends are expected to continue over 2017 and 2018. While the near-term outlook remains favourable, external risks have increased, including from the economic slowdown in China, and continuing slow growth in Thailand. In addition, the report also finds that poverty has declined in Laos and now stands at 23.39 percent, although many households are still vulnerable and risk falling back into poverty. "Households that recently escaped from poverty are still at risk of falling back into poverty because they live close to the red mark of poverty. Most farmers rely on rainwater for their agriculture productivity; if they suffer from climate change they will be in trouble and will be back in poverty," an economist at the World Bank for Laos Ms Keomanivone Phimmahassay told *Vientiane Times* yesterday. She explained that the rate of poverty reduction would continue to decline in the years to come due to the factors mentioned above. When asked how the government

could accelerate poverty alleviation, she said the government should boost private investment in areas that create more job opportunities. "More usage of alternative and modern

technologies in agriculture will also boost job recruitment and poverty reduction because people will move to other areas with higher wages," MsKeomanivone said.

(*Vientiane Times 25 May 2016*)

Mayor proposes new highway through city centre

(By *SomsackPongkhao*)

Vientiane authorities have stressed the need for a new highway that would run parallel to KaysonPhomvihane Road in a move to minimise traffic congestion in the capital. The capital's mayor DrSinlavongKhouthphaythoune put the plan to the Vientiane People's Council last week, saying that without a new road, traffic congestion in the city would certainly worsen. "There are about 800,000 people living in Vientiane and the number of vehicles has now risen to over 770,000," he said. The mayor said the number of vehicles was rising by 15 percent annually but the road network was expanding by only 4 or 5 percent a year. DrSinlavong could not name a timeframe or say when construction of the new highway might begin, but said he had assigned officials to conduct a project survey. He said construction should begin in the next one or two years. He did not clarify whether funding would come from the state budget or if a private company would pay for the project upfront and be repaid by the government after completion. A senior official from the Vientiane Public Works and Transport Department, MrKhambaySitthixay, told *Vientiane Times* yesterday that the new highway would be built on the eastern side of the city, cutting through the That Luang marsh to the 450 Year Road and perhaps to Road 13 South. "The new highway will be as wide as KaysonPhomvihane Road," MrKhambay said. He was unable to say where exactly the new road would begin and

end as a detailed survey has not yet taken place. When asked how many local residents might be affected, he said the new road would mainly pass through rice fields and marshland. "We have carried out a partial survey but have yet to demarcate the road," MrKhambaysaid. DrSinlavong alluded to the daily traffic congestion on KaysonPhomvihane Road, especially in the rush hour, with motorists spending hours waiting in queues. This situation demanded that a new highway be built. "When the authorities suggested building the 450 Year Road in 2010, some people were against the idea. But imagine the situation today if we didn't have this road. Heavy trucks transporting goods for import and export would now be travelling through our city and the centre would be paralysed," the mayor said. The 450 Year Road was built to mark the 450th anniversary of Vientiane as the country's capital in 2010. The road cuts 7 kilometres off the journey between Dongdok and the Lao-Thai Friendship Bridge. Motorists can save time and fuel by using the road, which bypasses the capital's often congested urban centre. Infrastructure improvement is vitally important for the development of Laos, with road building essential to reduce traffic congestion in urban areas. Vientiane authorities are expanding the road network, not only to accommodate regional and international events hosted by Laos, but also to divert development to the suburbs.

(*Vientiane Times 25 May 2016*)

Laos to carry out second social indicator survey

(By Times Reporters)

Indicator Survey (LSIS) for 2016-2017, to provide essential social data for monitoring purpose and drawing up plans in line with government policies. A meeting to launch the second Lao Social Indicator Survey took place yesterday in Vientiane, co-chaired by the Head of the Lao Statistics Bureau under the Ministry of Planning and Investment Dr Samaychanh Boupoua, UNICEF's Representative to Laos Ms Hongwei Gao, and UNFPA's Representative to Laos, Ms Frederika Meijer. The survey will be the largest effort to date to measure the country's progress on social development. As a result, the government expects an expansive picture of the country's status on social issues – from health and education to access to safe water. According to a press release from UNICEF, the Lao Social Indicator Survey is a nationally representative sample survey which combines the Multiple Indicator Cluster Survey and the Lao Reproductive Health Survey. The two surveys, which are conducted at a similar time, produce different national figures for social indicators. Both surveys are then combined to create the LSIS. The first such survey was carried out in 2011-12 and had a sample size of 20,000 households. The second survey will take a larger sample size of 23,400 households nationwide. The total cost of the survey is US\$2.3 million with collaborative funding from the government and a number of international partners. “As we build on the success and learn the lessons from the first survey, we will improve both the quality of the government, with support from development partners, will carry out its second Lao Social and availability of existing data,” said Dr Samaychanh. “This will allow us to make comprehensive plans and improvements in the use of both our financial and human re-

sources.” The survey is being carried out by the Lao Statistics Bureau and Ministry of Planning and Investment, in collaboration with the Ministry of Health and Ministry of Education and Sports. It is expected that more than 150 field workers from provincial government departments around the country will be tasked with collecting the household and personal data required. “The LSIS is a major household survey that brings together a number of actors signifying our coordinated efforts to improve the lives of children, adolescents, young people, women and men in Laos,” said Ms Frederika Meijer. The survey findings will, among other things, provide quality baseline data for monitoring and informing the 8th National Socio-Economic Development Plan, support the monitoring of the Sustainable Development Goals and produce a range of disaggregated population and social indicators that are statistically sound and help advocate for policy making, programme formulation and monitoring. “Today more than ever the availability of quality, up-to-date data is of critical importance in reaching out to the most remote and poor people, as well as the country's broad range of ethnic communities,” said Ms Hongwei Gao. “The data from the LSIS II will be an invaluable resource and form an integral part of social planning, providing solid baselines informing the work of the government and development partners in the Lao PDR into the next decade.” Funding and technical support for the survey is being provided as a collaborative contribution from the Lao government, UNICEF, EU, UNFPA, USAID, World Food Programme, Swiss Development Corporation, Japan International Cooperation Agency, and the Government of Luxembourg.

(Vientiane Times 25 May 2016)

Flooding alert for northern provinces

(By Times Reporters)

Floods and landslides may affect parts of northern Laos if heavy rain continues to sweep in from China's Yunnan province, while Cyclone Roanu is lashing Myanmar. The provinces of LuangNamtha, Oudomxay and Phongsaly border on Yunnan province, while LuangNamtha and Bokeo provinces share a border with Myanmar. Head of the LuangNamtha provincial Administration Office, MrKhamlaySypaseuth, told *Vientiane Times* on Tuesday the office had broadcast weather warnings over radio and television on Monday. The warning came after the Prime Minister's Office cautioned that floods and mudslides could follow on from torrential rain. There have been heavy rain showers in almost all parts of these provinces since Monday. "We may not be affected because there are not many mountains in LuangNamtha province and there are many trees in this area," MrKhamlaysaid. In China, the national observatory forecast on Tuesday that heavy rain would continue to sweep across south and east China over the next three days. According to a report by Xinhua on Tuesday, the China

Meteorological Administration (CMA) and the Ministry of Water Resources on Sunday evening jointly issued a warning for mountain floods from Sunday night to Monday night. The floods are expected to hit southeastern Tibet, eastern Guangdong and, in particular, western Yunnan. A separate statement issued by the Ministry of Land and Resources and the CMA warned of a high risk of unspecified geological disasters in western Yunnan from Sunday night to Monday night. According to a news agency report on Tuesday, at least 11 people died in a Myanmar jade mine landslide and many are feared missing after Cyclone Roanu hit Myanmar on Saturday. Last year Laos experienced flooding twice during the rainy season. The first floods began at the end of June and continued until early August, with more flooding occurring at the end of August and early September. Floods occurred in the provinces of LuangPrabang, Xayaboury, Huaphan, Khammuan, Savannakhet, Saravan, Champassak, Xekong, and Attapeu. More than 90,000 people were affected and three people died in the floods.

(*Vientiane Times* 25 May 2016)

Govt demarcates new mandates for ministries, adopts revenue collection measures

(By Times Reporters)



DrChaleunYiapaoher addresses the press conference.

The government has demarcated new mandates for ministries in an attempt to avoid overlapping of assigned management tasks and responsibilities. The new assignments were announced at the government's monthly meeting for May in Vientiane from May 24-25, Minister to the Prime Minister Office and Government spokesman DrChaleunYiapaoher told a press conference yesterday. The meeting was chaired by Prime Minister ThonglounSisoulith. According to

the new assignments, the Ministry of Agriculture and Forestry takes sole management for all kinds of forest. The Ministry of Energy and Mines takes sole management mandate for all mining. Land management and land title issuance affairs remain under the management of the Ministry of Natural Resources and Environment, while land tax collection falls under the Ministry of Finance's responsibility. Clearance of unexploded ordnance (UXO) falls under the mandate of the Ministry of Labour and Social Welfare. The Ministry of Home Affairs takes sole responsibility for the Three-Build Devolution Directive. In addition, the meeting discussed and approved the report on the implementation of the budget plan for June to September and measures for the last three months until December. In this regard, the meeting instructed the relevant sectors to ensure that revenue collection meets the set target approved by the National Assembly, Dr Chaleun said. The meeting told the bodies concerned to introduce modern technology in revenue collection to ensure transparency and take measures to address any irregularities. The relevant sector was told to revise policy regarding import tax exemption for petrol and strictly implement import tax collection rules for imported vehicles. The authorities in charge were told to work out clear measures to address vehicles stored in warehouses. The meeting endorsed a report on the implementation of the dry season agriculture production plan and that for the coming rainy season and measures to pursue the plan. Measures on sustainable manage-

ment of forests were also approved. The meeting instructed the relevant sectors to strictly implement the Prime Ministerial Order issued recently to tighten management and inspection of timber exploitation, timber movement and timber businesses. The order has prohibited the export of timber in a move to promote domestic processing and close loopholes for illegal logging. In addition, the meeting agreed to form a task force committee comprising representatives from relevant ministries to work with provinces to realise the Prime Ministerial Order. At the end of the meeting, PM Thongloun instructed the security forces to pay attention in maintaining security and political stability, the spokesman told the press conference. Police officers were told to work harder to address social ills, especially the abuse and trading of drugs, robbery, street racing along public roads and traffic accidents. The Ministry of Agriculture and Forestry was told to work harder in collaboration with the relevant sectors to promote agricultural production in the coming rainy season and devise drought and flood mitigation measures. Officials were told to prepare for tree planting on the occasion of the National Arbor Day that falls on June 1. PM Thongloun instructed the Ministry of Industry and Commerce to ensure that goods prices did not increase unreasonably. He told the Health Ministry to pay attention to preventing potential disease outbreaks along with properly monitoring to ensure that foods were not contaminated with dangerous chemicals.

(Vientiane Times 26 May 2016)

Natural ginseng found in southern Laos

(By Times Reporters)

Natural ginseng has been harvested in the forests near 10 villages of Dakcheung district, Xekong province over the past five years. Some households pick up ginseng seedlings in forests near their villages to

grow and sell them in local markets in the district for around 50,000 kip per kilogram. Natural ginseng is called Dakcheung Ginseng by local communities and they believe it enhances your physical strength and

wellbeing, slows the aging process and is also good for skin care as well. Dakcheung Ginseng can be used as an ingredient for cooking, mixed in alcoholic drinks and processed into a kind of tea. Dakcheung District Governor Mr Laysuan Mithsouvanh told *Vientiane Times* yesterday that local communities have foraged for and also planted the Dakcheung Ginseng over the past five years. Most natural ginseng is found in cool weather areas of Dakcheung district. Some households are growing Dakcheung Ginseng for cooking and some are growing it in small gardens to sell in local markets. Mr Laysuan said currently, district authorities do not have any official promotion to grow Dakcheung Ginseng for delivery to other markets. Presently there are not any orders from official markets. However, they would like to encourage local communities to enlarge their ginseng plots and local officials have arranged 20 hectares of land to grow Dakcheung Ginseng. Mr Laysuan added

that if various markets were interested in ordering Dakcheung Ginseng, district officials would make an effort to enlarge the production areas as well as promote more local villagers to grow the crop. It is expected that farmers could supply Dakcheung Ginseng totalling 400-500 kilograms a day and more if markets required. District authorities recently requested the government observe Dakcheung Ginseng production and register it to be a product of Dakcheung district, Xekong province. According to district officials, there are two kinds of Dakcheung Ginseng, including naturally harvested ginseng and that grown by local communities. Natural ginseng is generally of a smaller size while planted ginseng is larger and used for cooking or mixed in alcoholic drinks. Dakcheung Ginseng has a sweet taste and cultivation is similar to sweet potato but it should be grown in cool weather regions and harvested from 5-12 months.

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LuangPrabang sees unexpected dip in tourism growth

(By SomsackPongkhao)

Although more tourists visited Luang Prabang province this year than ever before, the rate of growth has not been as high as anticipated, a senior tourism official has noted. Director of the LuangPrabang provincial Department of Information, Culture and Tourism, MrOnechanSouvannalit, told *Vientiane Times yesterday that much more needs to be done in terms of marketing and creating confidence among international tourists, to encourage them to visit the World Heritage town.*The town has become increasingly popular since UNESCO inscribed it on the list of World Heritage Sites in 1995.“The number of tourist arrivals in the province reached 500,000 people in 2015 and we expected that the figure would increase to about 600,000 people this year,” he said.The plan set by the province targeted at least 600,000 tourist arrivals, but the industry has seen slower growth than expected due to a number of factors including storms, security and poor road conditions.“We must work harder when it comes to tourism promotion and improve road access to tourist sites. We also need to encourage local residents to keep the town and tourist sites clean, as well as protect forests in catchment areas,” MrOnechansaid.He said the Asian Development Bank (ADB) has agreed to help improve the province's road network and local authorities are working with villagers to protect forests and tourist sites.

On the positive side, more events have been organised or are on the drawing board for Luang Prabang this year. Next month leaders from 10 countries will gather in LuangPrabang for the 15th meeting of the Asean Socio-Cultural Community Council. They will not only attend the meeting but also take the opportunity to experience this wonderful and lively city.Also of significance is that more direct flights are now operating between LuangPrabang and other cities in the region. ThaiAirAsia launched flights to LuangPrabang from Bangkok on March 24 - the first low-cost airline to break a virtual ban on budget airlines flying to the town .Singapore'sSilkAir will launch three weekly flights to Vientiane and LuangPrabang from October 31. Another low cost carrier, HK Express, has also stated that it plans to operate flights to LuangPrabang by the end of 2016, providing Laos with its first nonstop link from Hong Kong.LuangPrabang is the top destination for all travellers to Laos, with 83 percent of visitors citing it as their first choice, followed by Vientiane.Tourists mainly visit temples, admire the architecture, make trips to waterfalls and caves, and observe the lifestyle of local people. Luang Prabang was awarded a gold medal after being voted World Top City by readers of the British travel magazine Wanderlust in 2006, 2007, 2008, 2010, 2011, 2012 and 2015.

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Phongsaly town waiting to be discovered by foreign tourists

(By Times Report)

Local authorities are hoping more foreign visitors from America and Europe will visit picturesque Phongsaly district but admit it currently remains a best kept secret from tourists. An official from the provincial Information, Culture and Tourism Department, who asked not to be named, told *Vientiane Times* on Thursday that Phongsaly offers many natural and cultural attractions but not many western visitors are being seen there. "I don't know why not many foreign visitors are visiting Phongsaly district in the province. Maybe they are put off by its perceived remoteness," she mentioned. Phongsaly province shares a border with Yunnan province of China and Dien Bien province of Vietnam. Many Chinese and some Lao people are travelling across the Laos-China Lantouy-Sobhun border in Phongsaly, but only some foreign visitors are crossing the Laos-Vietnam Panghok-Taichang border into the province. According to the department, only about ten Vietnamese or western tourists use the crossing per day, and some days there are none at all. Even when foreigners do enter Laos via the Panghok-Taichang border

crossing most of them are bypassing Phongsaly town and instead travelling on to Luang Prabang province and Vientiane. Foreigners entering Laos from Vietnam's Dien Bien province have often visited the famous Dien Bien Phu battle site which is celebrated by Vietnamese, Lao and Cambodia people as it ended French dominance in Indochina in 1954. Deputy Director of the provincial Public Works and Transport Department, Mr Sisouphan Chansavad said the road that connects the Laos-Vietnam Panghok-Taichang border to Phongsaly town is about 200 kilometres long and is already paved with asphalt while the road linking to the Laos-China border is still in the process of being paved. Currently, domestic visitors from Vientiane are predominantly coming by road to the province with only small aircraft flights available. Authorities are hopeful recent major road construction in the province will encourage more international visitors in the future which will contribute to development and the improvement of livelihoods in border areas.

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Govt, trade sector debate economic diversification

(By Times Reporters)

The Lao government is seeking advice from development partners, donors and the private sector for the improvement of non-tariff barriers and policy measures to promote economic diversification and SME competitiveness. The 9th Trade and Private Sector Working Group (TPSWG) meeting took place in Vientiane yesterday, organised by the Department of Planning and Cooperation under the Ministry of Industry and Commerce. The meeting was attended by officials from line ministries, the business sector, civil society, the World Bank, Asean country embassies, the German embassy and the EU. In her

opening remarks, Minister of Industry and Commerce Ms Khemmani Pholsena said the meeting was a useful platform to discuss policy frameworks in relation to economic diversification and SME competitiveness. "This meeting is held in challenging and interesting times. The 10th Party Congress was held earlier this year followed by the National Assembly election and the formation of a new government cabinet that is charged with implementing the 8th National Socio-Economic Development Plan," she added. She said the meeting would discuss several important issues, notably policy

measures and the framework to enhance the overall competitiveness of the non-resources sector as well as policy recommendations to improve productivity in key areas that have important implications for reducing poverty in rural areas. German Ambassador to Laos Mr Michael Grau said the meeting was the first since the establishment of the Asean Economic Community and that Laos' chairmanship of Asean this year offered opportunities while imposing responsibilities. "As the first Asean chair, it is an opportunity to present Laos to Asean and the world as a business, investment and tourism destination. Laos can also benefit from AEC integration both through intra-regional investment and integration into regional industrial value chains," he said. Mr Grau said the completion of measures unfinished under the AEC Blueprint 2015 by the end of 2016 was an important deliverable in the context of 'Implementing the Asean Community Vision'. As one of Laos' key development partners, Germany has offered support to the Lao government under existing cooperation schemes to elaborate a consolidated Action Plan for the implementation of Lao commitments under the AEC Blueprint 2015 and to support their realisation, mainly in the areas of trade, transport and logistics. "I hope that the work on the Asean Trade Facilitation Agreement, the Asean Food Safety Framework and the deliverables on tourism will be successful," Mr Grau said, adding

that the current revision of the Investment Promotion Law represents an opportunity to improve the framework conditions for intra-regional investments in Laos. Charge d'Affaires of the European Union Delegation to Laos, Mr Michel Goffin, said that non-tariff barriers and measures are potentially important for consumer markets. "Value chains are also crucially important because I've visited many provinces and villages in rural areas, and of course value chains will benefit farmers in rural areas across Laos and promote poverty reduction in those areas," he said. The first session of the meeting discussed the importance of removing non-tariff barriers and promoting healthy development of the services sector as a broad policy direction to promote economic diversification. Also on the agenda were the key findings and recommendations from three most recent studies carried out by the World Bank under the World Bank executed Trade Development Facility multi-donor trust fund. The second session discussed key findings of a Value Chain Analysis of the Rubber, Maize, Cassava and Cattle subsectors in Laos. The study was carried out by the Global Development Solution under financial support from the Enhanced Integrated Framework. The TPSWG is one of 10 sector working groups under the Round Table Process and is the main forum for policy dialogue between the Lao government and its development partners.

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