

WTO accession

LAO PEOPLE'S DEMOCRATIC REPUBLIC

Project Name: Policy WTO Accession Laos, Phase II

Project Duration: February 2010 - January 2012

Project Partners: Ministry of Commerce, Vientiane, Lao People's Democratic Republic
State Secretariat for Economic Affairs (SECO), Berne, Switzerland

Implementing Agency: IDEAS Centre, Geneva

Financed by the Swiss State Secretariat for Economic Affairs (SECO)

1. Background

Lao People's Democratic Republic (PDR) is the last country in South-East Asia (and the only ASEAN member) that is not a Member of the WTO, but Lao PDR has been seeking membership since 1997. The Working Party through which Lao PDR is negotiating the terms of its accession was struck on 19 February 1998, and the first important step of the negotiations – the submission of the Memorandum outlining the Lao Trade Régime – was made available to the Working Party in March 2001. The Laotian government has been preparing other documents relevant to the accession process, including Questions and Answers, Implementation Action Plans and market access (goods and services) offers.

Over the past years, IDEAS Centre has become a close advisor for both bilateral and multilateral negotiations of the Ministry of Industry and Commerce (MOIC), which is responsible for Lao's WTO Accession negotiations. The "first phase" of the project started in November 2007 and came to an end in January 2010. The project evaluation has been highly favorable and has confirmed that the project has contributed to increase considerably the negotiating capacity of the MOIC.

The current phase (Phase II) sponsored by the Swiss State Secretariat for Economic Affairs, intervenes with a specific mandate (described below) during what can hopefully be considered as the final phase of accession

2. Overall Goal and Content

The overall goal of the project is to further integrate Lao PDR into the multilateral trading system through WTO membership in line with Lao PDR's development policies and its trade negotiation agenda on the bilateral and regional level.

IDEAS Centre's mandate is to provide Lao PDR's Ministry of Industry and Commerce with the necessary support in preparing WTO negotiating documents (or reviewing them for overall coherency where these documents are prepared by multiple agencies) and negotiating strategies that play into Lao PDR's development goals. On the "multilateral" side of the negotiations, IDEAS Centre seeks to help the government preparing answers to the working party member's questions; prepare analytical notes on issues raised during the revision of Question and Answers; prepare short internal description briefs on unclear issues in the Factual Summary.

On the "bilateral" side, IDEAS Centre assists in the definition and revision of the goods and services offers; consult with line ministries and government agencies to collect information on current situation in all sectors covered by the offers and on the plan of reforms, new laws; compile information and formulate policy recommendations for the Ministry of Trade.

IDEAS Centre also assists Lao PDR in the areas of Technical Barriers to Trade, Sanitary and Phytosanitary measures, customs valuation, intellectual property rights; definition, revision and follow-up of specific Action Plans. On the legislative side, some specific analytical and advisory work is done on some laws and reforms to help the government solve issues. On the legislative side, specific analytical and advisory work is done on some laws and reforms to help the government solve the issues.

3. Objectives

The Program aims at:

- Support Lao PDR in the policy and strategic aspects of its WTO negotiations
- Facilitate the timely accession of Lao PDR to the WTO through strong and coherent arguments to promote its development agenda and take into account its (planned) Preferential Trade agreements in WTO negotiations.
- Ensure timely and sequenced internal policy reform coordination related to fulfilling WTO obligations in line with Lao PDR's development policies and Preferential trade Trade Agreements.
- Promote coherence and coordination among line ministries to hasten WTO required reforms, including through regional exchanges.

4. Activities

The Program consists of two main sets of components with related activities:

- A Trade Policy Advice component for the preparation of WTO documentation (or review if prepared). This information is to be gathered and considered in cooperation with partners in the Ministry of Industry and Commerce and line ministries. Capacity building is built into the project design, as it foresees that the Laotian negotiators progressively take on more responsibility for the substantive and analytical work required to prepare these documents.
- A coherence and coordination component which seeks to use the catalyst of external expertise to assist line ministries in understanding the WTO perspective of the requested reforms and helping them to bring about these changes more quickly. Activities here include expert seminars and regional negotiator exchanges.

5. Contacts

Lao People's Democratic Republic, Ministry of Commerce
<http://www.moc.gov.la/default.asp>

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www.seco.admin.ch

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