

Laos BTA/WTO Project



LAO-10-008

M E M O R A N D U M

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COTR, Laos BTA/WTO Project, USAID RDM, Asia (RDMA)

FROM: Steve Parker
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Contract No. 486-I-00-07-00008-00, Task Order 02

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SUBJECT: Laos BTA/WTO Project Quarterly Report: January – March 2010

The second task order awarded under the five-year ADVANCE indefinite quantity contract, the Assistance to Laos BTA Compliance and WTO Accession (Laos BTA/WTO) project supports the Government of Laos (GOL) in drafting, analyzing, promulgating and implementing the array of legal and economic policy reforms and institutional capacity building needed to:

- Support the effective implementation of the U.S.-Laos Bilateral Trade Agreement (BTA);
- Support the timely accession of Laos to the WTO;
- Support Laos to fulfill its commitments to the ASEAN Economic Community by 2015; and,
- More generally, support the long-term development strategy of Laos to sustain strong, broad-based economic development and poverty reduction with strengthened rule of law and governance.

In December 2009, the Lao Ministry of Industry and Commerce (MOIC) and USAID/RDMA agreed to extend and expand the on-going Laos BTA/WTO Project into a Phase III period from December 2009 to September 18, 2011 with an additional \$1.493 million of funding.

CURRENT STATUS OF ACTIVITIES

In the first quarter of 2010, the Laos BTA/WTO Project: a) deployed the new Resident Project Advisor, Mr. Steve Parker, on January 25 and subsequently made preparations to open a local project office in Vientiane; b) conducted a Public-Private Dialogue Workshop; c) led a study tour of Lao government officials to visit USAID's STAR program in Vietnam; d) made significant progress in developing the Foreign Trade Policy Department's (FTPD) website; and, e) started drafting a Phase III work plan.

Project highlights for the first quarter, January to March 2010, include:

Deployed Resident Project Advisor and Initiated Preparations for a Local Project Office.

Immediately after Mr. Parker started at Nathan, he began mobilization procedures, starting with a series of meetings in the Nathan home office to become familiar with ADVANCE and Chief of Party (COP) operating procedures. Following an orientation day at the RDMA in Bangkok with the ADVANCE IQC Manager, Ms. Teri Simpson Lojewski and RDMA/ADVANCE supervisors, Mr. Parker started work in Vientiane on January 25, 2010. Upon arrival in Laos, Mr. Parker, Ms. Lojewski and RDMA supervisors Michael Satin and Chanyut Nitikitpaiboon met with key counterparts at the FTPD and MOIC and the U.S. Embassy in Laos. Emphasis was placed on finalizing Phase II outputs and developing a strategic work plan for Phase III implementation.

Parker and Lojewski met with the project's key subcontractor -- Enterprise and Development Consulting, Inc. (EDC), who will remain critically engaged with local project implementation and will provide office space, supplies, employment services and logistic administration for the project office and its staff. Several weeks following deployment, Mr. Parker attended a 2-day set of meetings at the RDMA in Bangkok for ADVANCE COPs. After establishing a solid foundation for developing key elements of the Phase III expansion in Vientiane, Mr. Parker returned to the U.S. for approximately three weeks in March 2010 to work in the home office on project-related administrative tasks, and to meet key Washington-based USG officials (including the U.S. Ambassador to ASEAN). Plans have been initiated for hiring staff and establishing an office (most likely in the EDC office), in close cooperation with the FTPD.

Implemented a Public-Private Dialogue for Trade Agreements Workshop. On January 28-29, 2010, over 50 representatives from the Lao public and private sectors explored opportunities for enhancing policy dialogue around trade-agreement issues and negotiations during a project-sponsored seminar in Vientiane, Laos. Local and foreign experts discussed how policy formulation and implementation could be strengthened through effective communication and coordination between government agencies and non-government stakeholders, with the goal of developing recommendations for dialogue improvements that could be applied to Laos. Opened by Lao Vice-Minister of Industry and Commerce Khemmani Pholsena and U.S. Ambassador to Laos Ravic Huso, the seminar also demonstrated how public-private dialogue will help Lao businesses understand Laos' trade negotiations, economic integration, and implementation of BTA and WTO accession commitments. The Phase III work plan will take into account recommendations from this seminar for further work in increasing transparency and policy dialogue in Laos.

Conducted a Study Tour to Hanoi, Vietnam for Lao Government Officials. Responding to a request from FTPD leadership, the project organized a study tour to Hanoi on February 4-5, 2010, for eight Lao PDR government participants (six from the FTPD, one from the Ministry of Foreign Affairs, and one from the National Assembly). The delegation met with a range of Vietnamese government officials and USAID technical advisors to share experiences regarding Vietnam's successful BTA implementation and WTO accession processes and to highlight how the Vietnamese successfully utilized the USAID-funded STAR-Vietnam Project to support their efforts. As background for developing the Phase III work plan for the newly expanded BTA-WTO Project, the Lao officials were particularly interested in how the Vietnamese Government established a multi-ministry Steering Committee chaired by the Office of Government that supervised and facilitated STAR to provide a wide-range of demand-driven

technical assistance to more than 40 state agencies. In addition, the Vietnamese stressed the importance of developing a comprehensive roadmap of laws and regulations required for implementation the BTA and WTO. Such a roadmap provides a substantive basis to organize and set priorities pro-actively for the accelerated legislative agenda required to modernize and bring Vietnam's legal system into compliance with the international best practices included in these trade agreements. The importance of greater legal transparency was stressed as well.

Made Significant Progress on Developing the FTPD website. Throughout February and March, Mr. Parker engaged both the FTPD Website Team and Cyberia, the FTPD's web developer, to advance a mutual understanding of the policy objectives of the FTPD Task Force relative to the technical constraints of the established website capabilities. An extensive review of FTPD functions and operations was conducted. Operational compromises were reached, and the website construction was adjusted accordingly, in line with FTPD objectives and website technical capabilities. Several training programs have been conducted for FTPD staff on website management and uploading materials. Plans have been developed to upgrade the MOIC's internet capacities and to purchase a new server and related equipment to allow for the effective operation of the website and, more generally, to enhance the communication capabilities of FTPD and MOIC staff. The project has received quotes from local internet providers and equipment suppliers, and is awaiting formal approvals by the MOIC to finalize the procurements and activate the website. Before launching the fully-operational website, Cyberia will provide further training for webmasters and will undergo a pilot/test phase for fine tuning once the internet upgrade and procurements are completed.

Drafted Initial Phase III Work Plan. Mr. Parker drafted a preliminary work plan outline and met with the Director General and key staff from the FTPD to kick off a set of discussions on how to most effectively continue support for FTPD activities and to facilitate an expansion of the project's reach to provide demand-driven technical assistance to multiple government ministries (numerous ministries, the Prime Minister's Office and the National Assembly are involved with the many legal and policy reforms and capacity enhancements needed to implement the three trade agreements). Additional meetings will be conducted, with an informal goal of completing a full-draft work plan by the first week of May 2010.

OTHER WORK PLAN ACTIVITIES

As the Phase III work plan is developed, the project will continue to complete Phase II activities, including publishing and translating the five import manuals and the IPR Needs Assessment, preparing recommendations for enhanced public-private dialogue on trade agreements, and supporting the development of inquiry points for SPS, TBT and the GATS.

OTHER ISSUES

There are no other issues to report at this time.