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# **3<sup>rd</sup> Quarter Report 2010**

**Laos-United States International and  
ASEAN Integration (LUNA) Project**



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## **Laos-United States International and ASEAN Integration (LUNA) Project**

**Submitted to the**  
USAID/RDMA,  
Ministry of Industry and Commerce, and  
LUNA Project Steering Committee

**Prepared by**  
Steve Parker  
Project Director and Resident Trade Adviser

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# 1. Introduction

The objective of the USAID-funded Laos-United States International and ASEAN Integration (LUNA-Lao) project is to support the government of Laos in drafting, analyzing, promulgating, and implementing the array of legal and economic policy reforms and institutional capacity building needed to accomplish the following three objectives:

- Support the effective implementation of the U.S.-Laos Bilateral Trade Agreement (BTA);
- Support the timely accession of Laos to the World Trade Organization (WTO); and
- Support Laos in fulfilling its commitments to the ASEAN Economic Community (AEC).

The three trade agreements form the pillars for establishing priorities for LUNA activities. These trade agreements have far-reaching impact, not only on commercial activity in Laos, but also on governance and the rule of law. To be most successful, the modernization and deepening of the Lao legal system and the integration of its economy into regional and global markets, which are driven by effectively implementing the trade agreements, should be integral and positive components of Laos' long-term development strategy. Although the mandate for the project is to support implementation of the trade agreements, the more general, and ultimately more important, goal of the project is to help Laos use the trade agreements to lay a strong foundation for sustained, broad-based development, poverty reduction, and strengthened rule of law and governance.

LUNA provides technical assistance consisting of legal and economic policy analysis, comments on draft laws and regulations, training, and support for workshops and seminars, publications, study missions, translation, research, and certain equipment purchases. As much as possible, the project attempts to provide on-the-job and other types of training to counterpart staff, and project technical advisors work in teams with government counterparts to produce outputs. In this way, not only will useful legal and policy reforms be advanced, but the capacity of staff will also be enhanced, which will contribute significantly to the sustained impact of the project into the future.

## **PROJECT OFFICE AND TEAM OPERATIONS**

Over this period, LUNA began to move forward several project activities on important trade issue areas, and solidified the capacities of the small local project office and team.

## **REPORT DELIVERABLE REQUIREMENTS**

This is the 3<sup>rd</sup> Quarter Report for 2010.

## 2. A Summary of Activities Completed from June to September 2010

LUNA Project activities conducted from June to September 2012 are reported in line with the normal issue categories as follows:

1. Analytical frameworks and general trade-capacity building to advance the BTA, WTO and AEC;
2. Transparency and dispute settlement;
3. SPS and TBT;
4. Trade facilitation and management;
5. Customs;
6. Intellectual property rights;
7. Trade in services; and,
8. Public-private policy dialogue on trade policy.

### **1. ANALYTICAL FRAMEWORKS AND GENERAL TRADE-CAPACITY BUILDING TO ADVANCE THE BTA, WTO AND AEC**

#### **Activity 1.2: Support MOIC-FTPD Capacity-Building Programs**

**Activities Completed from July to September 2010.** Over this period, LUNA supported the FTPD to upgrade its communication capabilities, including supporting the development of a trade policy website and upgrading internet capacity, the establishment of a WTO and Trade Reading Room, the translation of U.S. product manuals on five promising sectors for Lao exporters, and the development of an options memo on enhancing public-private dialogue on trade policy issues.

LUNA also provided comments to update the Laos-US BTA Implementation Matrix and the SPS/TBT Checklist for WTO Accession.

#### **Activity 1.3: Support the National Assembly to Develop the Laws and Capacities Required for WTO Accession, BTA Implementation, and AEC Obligations**

**Activities Completed from July to September 2010.** LUNA supported a major 4-day Intersession Workshop from September 13-16 in Thalath for around 120 officials from the National Assembly, including leadership of all relevant committees and a number of deputies and staff. Among various topics and presentations, the Minister of Industry and Commerce presented on priorities for WTO accession and how the WTO serves to promote socio-economic development in Laos and LUNA's Project Manager made a presentation on lessons learned from the recent WTO accession process for Lao PDR. This workshop was co-sponsored with the UNDP-Selna Project.

### **3. SPS AND TBT**

**Activities Completed from July to September 2010.** LUNA worked closely from July to September 2010 with the FTPD, NAST, MAF and MOH to continue to raise understanding of WTO/BTA requirements for SPS and TBT measures and to develop key SPS-TBT regulations. LUNA supported the National Authority for Science and Technology to organize a workshop on September 8-9 with 68 participants to review the WTO requirements for SPS and TBT measures and for developing SPS and TBT Enquiry Points. LUNA made several sets of comments on the draft PM Decree on Notification and Enquiry of Trade-Related Information for SPS and TBT, #363, which was enacted on August 19, 2010. LUNA provided detailed comments on the draft MOIC Decision on the WTO-SPS/TBT notification unit. LUNA also worked closely with staff from NAST to begin the development of a draft Prime Minister Decree to Implement the Law on Standardization.

### **4. TRADE FACILITATION AND MANAGEMENT**

**Activities Completed from July to September 2010.** LUNA supported the FTPD to advance the Prime Minister's Decree on Export and Import of Goods by including this issue for attention in a study mission to Vietnam.

### **6. INTELLECTUAL PROPERTY PROTECTION**

**Activities Completed from July to September 2010.** Mobilizing LUNA's intellectual property rights expert Judy Goans for 3 weeks in August, LUNA worked with the NAST-DISM team on intellectual property to revise and edit a comprehensive assessment of Laos' legal framework and institutional capacity for IP protection that was initially drafted in 2009, supported analysis and a workshop on August 26 in Vientiane with 59 participants to provide an overview of key elements of the Berne Convention on the Protection of Literary and Artistic Works and its impact on Lao PDR, and provided technical assistance and training to the Patent Office to develop a process for speeding up the examination of patent applications.

### **7. TRADE IN SERVICES**

**Activities Completed from July to September 2010.** LUNA provided the MOJ with a set of comments and recommendations for strengthening a draft Law on Lawyers, which is critical for increasing the quantity and quality of legal service provision in Laos and to meet requirements in the trade agreements.