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LUNA-Lao Final Report

**Modernizing Lao PDR's Legal, Business,
and Trading Environment through Trade
Agreements**

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LUNA-Lao Project Final Report

Modernizing Lao PDR's Legal, Business, and Trading Environment through Trade Agreements

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Acronyms

AEC	ASEAN Economic Community
ASEAN	Association of Southeast Asian Nations
BTA	U.S.-Lao PDR Bilateral Trade Agreement
DIT	Department of Information Technology (MOST)
FTPD	Foreign Trade Policy Department (MOIC)
GATS	General Agreement on Trade in Services (WTO)
GiZ	Gesellschaft für Internationale Zusammenarbeit (German Development Agency)
IP (IPR)	Intellectual property (rights)
LNCCI	Lao National Chamber of Commerce and Industry
LUNA-Lao	Laos-United States International and ASEAN Integration (LUNA-Lao) project
MAF	Ministry of Agriculture and Forestry
MOF	Ministry of Finance
MOH	Ministry of Health
MOIC	Ministry of Industry and Commerce
MOJ	Ministry of Justice
MPI	Ministry of Planning and Investment
MPT	Ministry of Posts, Telecommunications and Communications
MOST	Ministry of Science and Technology
NA	National Assembly
NAST	National Authority for Science and Technology (upgraded to MOST)
NIU	National Implementation Unit (MOIC)
PMO	Prime Minister's Office
PSC	Project Steering Committee
RDMA	USAID Regional Development Mission/Asia
SPS	Sanitary and phytosanitary measures
TBT	Technical barriers to trade
TDF	Trade Development Fund (funded by the Multilateral Donor Fund)
UNCTAD	U.N. Conference on Trade and Development
UNDP	U.N. Development Program
UNIDO	U.N. Industrial Development Organization
USTR	U.S. Special Trade Representative
WTO	World Trade Organization

1. Introduction and Summary of Key Results

The USAID-funded Laos-United States International and ASEAN Integration (LUNA-Lao) project operated for nearly six years (4 years with a resident advisor), from December 18, 2007 through November 2013, with total funding of \$5.316 million. It was funded as part of USAID's ADVANCE Project, with the goal of reducing development gaps in ASEAN in line with the Initiative for ASEAN Integration (IAI), specifically by accelerating development in the Lao People's Democratic Republic (Lao PDR) through the implementation of key trade agreements.¹ At the start of the project, Lao PDR was the only ASEAN country that had not become a member of the World Trade Organization (WTO), which is particularly relevant because the WTO is the foundation for much of the ASEAN Economic Community (AEC).

LUNA-Lao had three phases:

- **Phase I:** December 19, 2007 to December 18, 2008—established the Lao BTA/WTO Program: a small, Washington-based program with \$375,000 of funding;
- **Phase II:** December 19, 2008 to December 19, 2009—added \$248,000 to continue the Washington-based program;
- **Phase III:** December 2009 to September 30, 2011—scaled up USAID support to establish LUNA-Lao as a resident project in Vientiane, Laos on January 19, 2010, with additional funding of \$1.49 million from December 2009 through September 2011 for a full-time resident project director and trade adviser, a small staff, an office, and short-term technical advisers;² and,
- **Phase III Extension:** October 2011 to November 29, 2013—because of the high demand for LUNA-Lao's technical assistance, the project was extended with \$3.2 million added

¹ ADVANCE, the ASEAN Development Vision to Advance National Cooperation and Economic Integration Project, was a regional indefinite quantity contract managed by the USAID Regional Development Mission for Asia (RDMA) in Bangkok. It was designed to strengthen the ASEAN Secretariat, provide assistance to certain ASEAN sub-regions and member states, and facilitate economic integration and improved governance in the ASEAN region. LUNA-Lao was managed by USAID/RDMA as a bilateral technical assistance project under ADVANCE, in close cooperation with the U.S. Embassy in Lao PDR.

² The scaled-up resident project in 2010 was originally called the "Assistance for Lao BTA Compliance and WTO Accession Project". The name was changed to Laos-U.S. InterNational and ASEAN Integration (LUNA-Lao) project to provide a project identification that was easy to say in the Lao language and with the full name expressing our core objectives. For use inside Laos, the project was typically called the USAID-LUNA Project. In this report, LUNA and LUNA-Lao are used interchangeably.

for October 2011 to September 30, 2013 (with a no-cost extension granted until November 29, 2013).

The functional objective of LUNA-Lao was to support the Government of Lao PDR 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:

- Implementation of the U.S.-Lao PDR Bilateral Trade Agreement (BTA);
- Timely accession to the WTO; and,
- Meeting its commitments to the AEC.³

These trade agreements had far-reaching impact, not only on Lao commercial activity, but also on its governance and the rule of law. This is an inherent result of implementing major trade agreements in any developing country, but the impact was particularly profound in a country such as Lao PDR. As the project took form in 2008, Lao PDR (similar to Vietnam a decade before) was both at an early stage of development and was transiting toward a market-based, outward-looking, private-sector-led development strategy from an anti-market system based on central planning, state enterprises and economic isolation.

At the beginning of the process, Lao PDR's legal system consisted of outdated laws and regulations based on a mixture of "old" French Code and Soviet principles that often focused on government control and administration rather than facilitation of market-based economic activities by private firms. As well, there were major gaps in the legal system, were laws important for market activity simply did not exist (for example, there was no law on e-commerce and no legal basis for private arbitration). As a result, almost all commercial and relevant judicial-related laws and regulations along with institutional structures had to be both reworked and modernized to not only meet the technical requirements of the trade agreements, but also to provide a domestic foundation for a new, more market-oriented development strategy.

³ Each of these trade agreements are linked, aiming to provide a widely accepted international/regional legal and policy environment to promote international trade and investment. The BTA normalized economic relations between the two countries, providing Lao PDR with normal trade relations (most-favored nation) that gave its exporters access to the U.S. market on a par with almost all other countries (before normalization, Lao exporters faced essentially prohibitive tariff rates on most products imported into the U.S.). It required Lao PDR to make a number of reforms to become a more market-oriented economy, including improvements in access to goods and services markets for some U.S. products and service providers. The BTA incorporated many of the core elements required in the WTO agreements, and thus served as a stepping stone toward WTO accession. It also included several WTO + requirements that are important for U.S. businesses, such as for commercial arbitration. The WTO, which includes now more than 160 member countries, includes more than 15 major agreements and many additional smaller ones that provide a comprehensive and often quite technical set of requirements for trade and investment policies and processes, including a formal dispute settlement process. The AEC, with its focus on the ten Southeast Asian economies, builds upon the WTO agreements and adds even more policy objectives – for example including competition and consumer protection policy, better regulatory practices and national single windows linked to an ASEAN Single Window. All together, these provide a strong representation of international best practices and provide essentially a road map for what a least developing (and transition) country needs to do to shift its development policy toward a more market-oriented and outward-looking approach. They also represent a massive challenge to revise and develop anew a huge swath of legislation and institutional capacity to conform to these numerous and often-quite technical requirements, typically in a relatively limited time span. As well, these international best practices must be adapted in a way that conforms to domestic legal structures and that can be implemented effectively in the local context.

Thus, although the “functional” mandate for the project was to support implementation of the trade agreements, the more general, and ultimately more important, goal of the project was to help Lao PDR use the trade agreements to lay a strong foundation for sustained, inclusive development with poverty reduction through pro-market policies with cost-effective implementation and protection of the health and safety of its citizens, strengthened rule of law and governance, and greater integration into regional and international markets.

DEFINING AND EXCEEDING EXPECTATIONS

Expectations at the Beginning of the Project. It is a bit difficult to clearly state what the initial expectations and targets were for the project, since expectations rose continually over the first several years as Lao PDR moved forward its pace of reforms faster than expected and the resident TA staff became increasingly engaged in many of the most important reform efforts. And, the project was structured not to meet specifically definable outputs, but rather to support a broad-based process of economic and legal reforms needed to comply with major trade agreements, which provided a quite broad potential scope of work that was applied on a demand-driven basis in response to requests from a wide range of ministries, the National Assembly, the courts, and the private sector. Further, the most concrete accomplishments of the project, accession to the WTO as a result of the passage of many modern and better-written laws and regulations in compliance with international best practices, depended on domestic political and legislative development processes that were beyond the formal reach of the project.

LUNA-Lao was the first USAID technical assistance program in Lao PDR since 1975, starting at the end of 2007 as a small, Washington-based program in a Communist-Party-led, least-developing country that was just beginning to move forward an outward-oriented, market-reform agenda. With a limited U.S. presence in Lao PDR and in a country with little history of dynamic policy reform, the small initial program reflected a desire to expand U.S. engagement but with limited expectations. The initial scopes of work emphasized a relatively small number of trainings and workshops to help Lao PDR officials to understand key BTA and WTO concepts and requirements, although these initial but strategic programs helped build strong working relationships with key Lao officials responsible for trade agreements.

From USAID’s previous experience supporting Vietnam to implement its BTA and accede to the WTO, and given basic requirements for WTO accession applied to all acceding countries, it was clear that a large number of laws and regulations as well as related institutional-capacity building would be required for Lao PDR to fully implement the BTA, accede to the WTO and meet the evolving AEC requirements.

Few expected, however, that Lao PDR would move forward so aggressively and effectively to meet this challenge, and few expected a U.S.-supported TA project to become so integrally engaged with so many key reforms, given the history between the two countries and the potential for suspicion of U.S. objectives.⁴

⁴ Given the close political relationships between Lao PDR and Vietnam, Lao officials knew well the successful working relationships developed nearly a decade earlier by USAID through its STAR-Vietnam Project to support Vietnam’s implementation of their BTA and successful accession to the WTO, and the resulting rapid growth with booming trade and investment stimulated in Vietnam. As well, adding continuity, USAID through Nathan Associates brought in Steve Parker in early 2010 to serve as LUNA’s Project Director and to develop the resident TA program in Lao PDR, building upon

By 2010, Lao PDR had begun to show solid movement forward in the WTO accession process, which led to the development of the Phase III program to provide funds to establish a resident TA program, followed in 2011 with an extension and further expansion of funds, as the WTO accession continued to advance and a new National Assembly came into place that scheduled an ambitious program of legislative development over the next five years. At this stage, the Phase III extension proposal included supporting an ambitious set of specific reforms, as it was clear that Lao PDR was advancing a major reform effort and that LUNA-Lao, even with its limited resources, was fully engaged supporting many of the key reforms.

Exceeding Expectations. With project funding of only \$5.3 million, LUNA-Lao exceeded all expectations in its support of the Lao PDR to implement the BTA, accede to the WTO and move forward its obligations for the AEC.⁵ Lao PDR became the 158th member of the WTO on February 3, 2013, advancing through the rigor of the accession process at a much faster pace than many expected. This happened in considerable part through the hard and effective work of a wide range of Lao PDR officials who moved the negotiations forward aggressively along with the extensive legislative reforms needed to meet WTO requirements.

LUNA-Lao provided timely, strategic assistance to support most of the key reforms, often of a highly-technical nature, required for WTO accession and BTA implementation, which in turn provided the foundation for advancing compliance with the extensive AEC obligations. Most tangibly, 31 laws and regulations that met WTO member approval were drafted, vetted and approved with LUNA-Lao assistance (see below and Appendix C for more detail). We also raised the capacity of a wide range of State agencies to understand and operate around the new international best practices initiated through the trade agreements, targeting their staffs that were most responsible for developing and implementing the reforms. We helped to greatly enhance transparency and participation in the legislative development process, including through numerous public-private policy dialogues, and to raise awareness among the business community of the core principles imbedded in the international trade agreements and the key elements of the many new laws and regulations affecting business activity in Lao PDR. Although the reform process inherently focused on work in the Vientiane, the capital, LUNA-Lao extended policy dialogue and public awareness throughout the country.

This acceleration of reform happened in a country that had little history of major and quick-paced reform, but whose political leadership had made the decision to modernize its commercial environment and use trade agreements as catalysts to achieve its objectives of becoming a middle-income economy and a rule-of-law state by 2020. Perhaps optimistically at the time, USAID and the Government of Lao PDR laid the foundation in 2008-2009 through evolving Washington-based efforts to build strong initial working relationships between the project's consultants and the Foreign Trade Policy Department in the Ministry of Industry and Commerce, which was tasked with leading the trade agreement initiatives within the Lao PDR Government. When LUNA-Lao expanded into a resident advisory team, it was

his experience in developing and leading STAR-Vietnam from 2001 to 2007, which also was the first USAID-funded TA program in Vietnam since 1975.

⁵ See the USAID Midterm Evaluation completed in November 2011: "Acceding Expectations: A programmatic evaluation of USAID's ongoing efforts to assist Lao PDR to meet requirements associated with the U.S. Bilateral Trade Agreement, ASEAN Economic Community, and the WTO". This evaluation was completed well before WTO accession and before LUNA's most productive period of work from mid-2011 through mid-2013.

well positioned to respond full bore, even within its limited funding levels, to meet a plethora of demands in partnership with a wide range of Lao counterparts who were directly responsible for moving forward the accelerated agenda of reforms.⁶ This foresight by both Governments enabled LUNA-Lao to be organized, funded and staffed just at the right time and in the right way as the Lao PDR began to move forward their robust reform program.

Our multi-ministry Project Steering Committee that was developed in 2010 as LUNA-Lao ramped up into a resident project, worked under the leadership of the Ministry of Industry and Commerce (with strong technical leadership from the MOIC's Foreign Trade Policy Department) along with USAID and the U.S. Embassy. The PSC and LUNA-Lao to develop a demand-driven approach to allocating technical assistance that was designed to be highly responsive and carefully tailored to the on-going needs of each of our many counterparts. In almost all cases, we worked in close partnership with each counterpart to support initiatives where they had prime responsibilities for moving forward reforms typically with exacting deadlines. In practice, this meant that LUNA-Lao's assistance had to respond and adapt to the needs of our counterparts over time, positioning our project to be continually on the frontier of change, strategically supporting and thus leveraging the efforts of our Lao counterparts to move forward priority reforms.

In a number of cases, we were able to leverage assistance and funding from other donors and from other U.S. Government sources. In particular, LUNA-Lao cooperated with TA and institutional building efforts supported by the Trade Development Fund, a multi-donor fund administered by the World Bank and managed by a National Implementation Unit in the MOIC. In general, the TDF focused more on larger, institution-building activities and on trade facilitation, while LUNA-Lao concentrated more on moving forward the drafting and approval of the laws and regulations needed to comply with the trade agreements and needed to strengthen the rule of law more broadly. In practice, however, the TDF focused on some key specific reforms and LUNA-Lao supported important institution building. Both approaches contributed importantly to advancing the immediate WTO accession requirements and to building institutional and capacity foundations to stimulate trade and investment over time (see additional discussion on cooperation with the TDF below). As explained in other parts of this report, LUNA-Lao also cooperated on a range of programs with the GiZ private-sector development project, the IFC, the WB and the ADB, and with several U.S. Government organizations, particularly the U.S. Patent and Trademark Office.

In terms of implementing the BTA, accelerating the WTO accession process and meeting AEC obligations, LUNA-Lao's support was most critical in bringing Lao legislation into line with core BTA/WTO/AEC Agreements in the following areas:

- **Transparency and Participation in the Law-Making Process.** LUNA-Lao played a lead TA role in the drafting and implementation of the landmark Law on Making Legislation and the establishment of the Electronic Official Gazette. These established path-breaking requirements for transparency and participation in the legislative development process along with a number of innovations to improve its efficiency,

⁶ Illustrating the commitment to accelerating reform, the seventh National Assembly scheduled the revision or development of 90 laws during 2011–2015—as many laws as passed in the history of Lao PDR (since 1975). Some but not even the majority of those laws were required by the trade agreements. Of course, for each new law, the government had to develop implementing regulations, requiring even greater effort and providing further opportunities for introducing reforms.

including a requirement that all legislation of general application at the national and provincial level be published in the Official Gazette for 15 days before coming into force (for local legislation, they had to be posted in public places), that all such draft legislation have a 60-day public comment period, that regulatory and budgetary impact assessments be completed for draft legislation and that all existing legislation not published in the e-Gazette by January 1, 2015 would be revoked. As well, LUNA supported legislation to develop and operate the Electronic Official Gazette and provided the support needed to create the webpage with supporting IT equipment, systems and training – the e-Gazette was launched and in operation before the end of the project! (see Success Story 2 for more detail);

- **Modern Intellectual Property Legislation.** LUNA-Lao provided lead TA to help develop a comprehensive revision of the Law on Intellectual Property, along with six major, highly-technical implementing regulations, all of which were drafted and approved in about one year's time. As well, we provided TA that supported Lao PDR to accede to the Berne Convention for the Protection of Literary and Artistic Works, and the drafting and approval of an Instruction on Customs Measures for the Protection of Intellectual Property Rights;⁷
- **Meeting Technical Barrier to Trade Requirements.** LUNA-Lao provided intensive TA on the drafting and implementation of the Prime Minister Decree to Implement the Law on Standardization that brought Lao PDR into line with the TBT Agreement (in around one year) and also supported legislation and training to establish TBT and SPS Enquiry Points⁸;
- **Streamlining and Making Trade Licensing Processes More Transparent.** LUNA-Lao with other donors helped develop the Prime Minister Decree on Imports and Exports of Goods, which streamlined and clarified the trade licensing system;
- **Facilitating Customs Clearance Processes.** LUNA-Lao with other donors supported revisions to the Law on Customs and Instruction on Customs Valuation, with a focus on meeting requirements in the WTO Agreement on Customs Valuation;
- **Legally Enabling e-Commerce and e-Government.** LUNA-Lao provided lead TA to develop the Law on Electronic Transactions (key for the AEC, including the Single Window), which provided a solid legal framework for e-commerce and e-government;
- **Strengthening Commercial Dispute Settlement.** LUNA-Lao provided lead TA to revise the Law on Resolution of Economic Disputes (to meet BTA requirements), which

⁷ Although Lao PDR is a least developing country, USTR and other WTO member countries hold all acceding countries to strong IPR standards. LUNA-Lao's intensive support to develop this set of comprehensive and highly technical IPR legislation that passed WTO member acceptance was our most important contribution to the WTO accession process. This involved not only working closely with a small group of drafters in MOST, but also briefing and raising understanding of international requirements among key National Assembly Committees that were critical for passage of the law in tack.

⁸ Given the pace of the accession negotiations, a decision was made that it would take too long to revise the existing Law on Standardization, which was not fully in compliance with the WTO-TBT Agreement. LUNA-Lao was asked to work with the MOST on an expedited basis to draft and have approved an implementing decree that would comply with key elements of the TBT Agreement without contradicting the existing Law. This was done in rapid fashion, and when reviewed by WTO members, this Decree was accepted as meeting the legislative requirements for compliance with the TBT Agreement.

provided a solid legal basis for implementing the New York Convention on the Enforcement of Arbitral Awards and enabled the development of private arbitration processes to resolve domestic commercial disputes.⁹

In addition to extensive legislative development, LUNA-Lao provided a range of support to strengthen institutional structures and human-resource capacities for a number of agencies in the Government, the National Assembly and the private sector, with initial efforts beginning for judges with the Supreme People's Court.¹⁰ Capacity was enhanced through on-the-job training on legislative drafting and public-private dialogue linked directly to advancing legislative development in "real-policy-time" from drafting to approval to implementation. LUNA-Lao strengthened the communication and connectivity of key Government agencies with the public through webpages, improved internet/ICT capacities, references and a wide range of workshops, increasing awareness of international best practices (especially for the WTO and AEC) and the new legislation. The program developed institutional capacities for implementing several key legislative initiatives, for example, training was provided across all Government agencies for implementing the Law on Making Legislation, and intensive support for was provided to create and operate the Electronic Official Gazette and the TBT Enquiry Point.

In sum, by using implementation of the trade agreements as a means to an end, not as an end or a final objective in itself, LUNA-Lao not only helped the Lao PDR to develop policies and capabilities to expand trade and investment – a key objective in itself – but it also played a major role in helping the Lao PDR to develop more modern and credible rule of law and governance systems. The project achieved these transformative outputs by improving the quality and quantity of legislation affecting domestic and international commercial activity, by creating a new paradigm for public transparency and participation in the legislative development process, and by raising capacity and understanding of international best practices for operating a market-economy integrating into global markets among a broad range of Government ministries, the National Assembly, the courts and private businesses.

By necessity, given our limited project funding and period of operation and the fact that so many news laws and regulations were introduced in such a short period of time (2010-2012), LUNA-Lao's success can be measured most firmly in terms of a significantly improved "letter of the law" in Lao PDR, large numbers of better trained and more aware government officials and private-sector leaders, and several strategic institutional innovations. The new laws and regulations developed and passed during our project period (especially from late 2010 to mid-2013) are more clearly worded and much more in line with modern, international best practices, are more systematic and thus with fewer unnecessary overlaps and inconsistencies, and there is a new legislative development process with far greater transparency and participation by the public.

While LUNA-Lao was quite productive, remaining challenges abound. Most importantly, the initial advances made to develop the structures, capacities and awareness to more effectively

⁹ This is not to diminish the importance of the other new legislation supported by USAID-LUNA, but this list highlights the legislation that could have slowed down significantly the WTO accession process as well as BTA implementation and preparation for the AEC.

¹⁰ See sections below that provide descriptions of various capacity-building activities, particularly in the Highlights section and the full list of specific activities in the various annexes.

and uniformly implement the many new laws in practice throughout the country is foremost. Improving the “letter of the law” is a necessary and important first step in developing a legal and policy environment that will further spur inclusive economic development. Looking beyond LUNA-Lao, the longer-term challenge that will take more time and resources is to create a new system of governance and rule of law that breaks away from past norms and control-oriented approaches to develop institutions, incentives and capabilities on-the-ground for creating a modern commercial environment that stimulates tangible, productive economic activities throughout the economy. Lao PDR leadership has adopted an approach of “Break Throughs” that can form a basis of post-WTO political will for strategic follow-on technical assistance in this area.

TESTIMONY TO THE MAJOR IMPACT OF THE USAID-LUNA PROJECT

The systematic impact and success of the LUNA-Lao project has been noted by leadership in both the Lao and U.S. Governments, as follows.

Minister of Industry and Commerce Nam Vayaketh noted in his keynote speech to a major National Assembly Forum on November 12, 2012 to review the core elements of the recently signed technical approval of the WTO Accession Package: *“I want to thank USAID-LUNA for their critical support for our WTO accession and for helping us to strengthen our economy and rule of law.”*¹¹

At the opening speech by Minister of Justice Chalean Yiabaoher at the public launch workshop for the landmark Electronic Official Gazette on October 11, 2013 attended by a number of Vice-Ministers and other senior Government officials with highlights presented on the national television news, he noted:

*“I would like to express my sincere appreciation and welcome the representatives from the USAID-LUNA-Lao Project who [have] ... supported the development of the Official Gazette Website.”*¹²

At a close-out reception for the LUNA-Lao project on November 25, 2013, hosted by U.S. Ambassador Daniel Clune with some 50 senior Lao counterparts and fellow donors, Ambassador Clune noted:

¹¹ This forum included about 120 National Assembly leaders, members and staff along with leaders of the Ministry of Industry and Commerce and other Government agencies. It provided an opportunity for technical discussions on the WTO Accession Package between the Government and National Assembly in preparation for National Assembly review and debate of the package during the December 2012 General Session of the National Assembly, where it approved the package. Steve Parker, Project Director for USAID-LUNA, was the only foreigner asked to present at this forum.

¹² LUNA-Lao provided extensive technical assistance for the development and approval of the landmark Law on Making Legislation, which was approved in July 2012 and entered into force on January 19, 2013. This law, among many other forward-looking reforms, required that legislation of general application be posted in the Official Gazette for 15 days before coming into force and that a 60-day public period be allowed before approval of such legislation. USAID-LUNA continued support for the development of a Ministry of Justice Decision to operate and implement the Official Gazette and for the MOJ to design and operate a website that would serve as the electronic Official Gazette. See Success Story 2 for details on this effort.

Thanks to everyone for joining me tonight to celebrate one of the most successful bilateral projects ever between the United States and Lao PDR—the Laos-U.S. International and ASEAN Integration Project, which we all know and love as “LUNA Lao.” LUNA has been hugely successful in reaching the goals of fully implementing our bilateral trade agreement, assisting Lao PDR in WTO accession and preparing for the ASEAN Economic Community in 2015. This is due to the hard work, flexibility and sense of purpose of all those in attendance tonight, and doubtless many others who cannot be with us. It is also due to wise policy choices and political commitment at the highest levels of the Lao government. Without strong backing from the top, many difficult and even painful reforms could not have taken place. LUNA Lao has also contributed to strengthening the bilateral relationship between our two countries. We know that our partners in the Lao government appreciate that the U.S. has been with them for the long haul, and that we’re here for the long haul, and for the right reasons.¹³

On February 5, 2014, the Deputy Prime Minister and Minister of Foreign Affairs Dr. Thonglan Sisoulith hosted a ceremony attended by many Lao political and economic leaders to present awards for contributions to the WTO accession process. The U.S. Embassy was one of only three foreign organizations to receive “certificates of appreciation” signed by the Prime Minister for their contribution to the WTO accession process. Steve Parker, Project Director for the LUNA-Lao project, was one of only eight foreign individuals to receive the honor. The Project Director for LUNA-Lao and the Head of the World Bank Office in Lao PDR were the only resident technical-assistance providers to receive such certificates. USAID/RDMA received a “certificate of appreciation” signed by the Minister of Industry and Commerce for its contribution to the WTO accession process, recognizing the important support by USAID in Bangkok and Washington for the LUNA-Lao project. These unsolicited recognitions from the highest level of Lao political leadership recognized the strategic and tangible contributions by the U.S. Government to help Lao PDR achieve one of its highest development objectives, and as reflected in the comments above by Ambassador Clune, contributed to advance the bilateral relationship between the two countries.¹⁴

KEY ELEMENTS OF SUCCESS AND LESSONS LEARNED

To engage successfully on so many different issue areas with a limited resource base, the two Governments and the LUNA-Lao project team had to develop in partnership a relatively complicated project approach that involved a number of key elements. These key elements

¹³ Ambassador Clune ended his speech with the following statement: “Before I finish tonight, I would like to give special recognition to one person—Mr. Steve Parker, Director of the LUNA program. . . .As an American and an economist, Steve has served the highest ends of his own country and profession through his work here. As a human being, his contributions to the Lao people and to the cause of good governance and prosperity will be felt for generations to come in this country.”

¹⁴ Lao PDR’s accession to the WTO is a strategic objective of the U.S. Government at both the political and economic development levels. Both former Ambassador to the Lao PDR Karen Stewart and current Ambassador to the Lao PDR Daniel Clune have noted that LUNA-Lao contributed to advancing the bilateral relationship between the United States and Lao PDR, a relationship that at the beginning of the project was on much less firm footing than by the end of 2013 when the project closed. Helping Lao PDR comply with the many technical WTO requirements also supports U.S. Government policy objectives for trade and investment. And even more comprehensively, the extension of key elements of WTO/AEC-related reforms to all parts of the economy and society advances the rule of law, transparency, and participation in the legislative process, better governance, and trade, investment and economic development, in line with the comprehensive development objectives of USAID.

may serve as useful lessons learned for other projects. These are summarized here, and described in more detail in various sections throughout the report.

- **Creating a Project Approach and Structure that Fits the Current Political Economy**—Most profoundly, the U.S. and Lao PDR Governments worked together to create a quick-response, demand-drive project approach and structure with adequate resources that evolved to meet the needs of a Lao PDR with a strong political will to systematically reform almost all of its legislation and policies affecting trade, investment and domestic commercial activity. Learning from the U.S. and Vietnamese Government’s successful STAR-Vietnam project that operated in a similar situation, a multi-ministry Project Steering Committee was developed that met the highly motivated and rapidly evolving TA needs from a wide range of counterparts – positioning the LUNA-Lao team to be at the right place at the right time with the right TA, on the cutting-edge of reform. A more structured and administratively-burdened project with a more proscribed scope of work would have most likely missed many key opportunities for supporting important reforms. On the other hand, such flexibility may have proven less powerful if the mandate for reforms were less intense or more focused on a few counterparts, leading to requests for TA that were not targeted on priority reforms. Such an expansive and enabled scope did cause some problems within the Lao PDR Government structure in terms of the jurisdiction of the PSC working under the lead supervision of the Ministry of Industry and Commerce to authorize TA in areas covered by other ministries who were not in the PSC.
- **Using Trade Agreements to Spur Systematic Domestic Reform**—Trade agreements provide a quite powerful structure and focus for reforms to a government with limited understanding of modern, market- and private-sector-led growth strategies. They also cover such a wide range of issues (both at and behind the border) that they can serve as a roadmap for not only stimulating international trade and investment but also for creating a more productive domestic commercial environment and, even more systematically, contribute to strengthening domestic rule of law and governance. As treaties, trade agreements cement in reforms well into the future, increasing predictability and confidence in the long-term economic development approach of a country (especially a country transiting from an anti-market approach). A key lesson learned is that counterparts and donor teams should look at the trade agreements not as the end result, but as an enabler of systematic change. Thus, as much as possible, reforms around implementation of trade agreements should use strict interpretation of treaty compliance as the minimum objective, looking more expansively where appropriate to use the political dynamics around trade agreements to deepen and extend reforms to improve the business environment for all businesses operating in the country and to strengthen their domestic rule of law and governance. To be effective over time, it is critical that such results be fully owned, understood and approved through open domestic policy processes. In most cases, Lao counterparts asked LUNA-Lao to develop expansive reform approaches, but in several situations recommended reforms that went beyond strict treaty requirements faced opposition and could not be advanced. In these cases, analysis and arguments for reform were made and discussed, which had value in itself, but ultimately reforms were not approved.
- **Building Project Capability to Operate in “Real Policy Time”**—Luna-Lao’s contract and funding evolved over time as the Lao reform process accelerated. While the PSC helped position our TA among key counterparts, the design of the USAID contract and USAID/Embassy facilitation enabled LUNA-Lao to develop a TA-delivery capability that was highly flexible, responsive, productive and cost-

effective. Even though LUNA-Lao was the first USAID TA program in Lao PDR, and had to build largely new relationships between USAID-funded technical advisors and a wide arrange of Lao counterparts, the positioning and effective response capability of the project helped it gain credibility and to build deep and effective working relationships that allowed us to work in partnership with our counterparts in their “real-policy-time”. Cost-efficiency came by establishing a small but productive resident office that positioned and leveraged expertise from a larger team of short-term international specialists. In each case, our short-term advisors were positioned to work effectively during their trips to Laos and to build long-term working relationships with counterparts. We then used email and Skype to communicate with our experts from their home to technical support the resident office to advance day-to-day reform momentum. Compared to STAR-Vietnam, LUNA-Lao had a much smaller resident staff because of the smaller level of funding available. This limitation was offset a bit because as a least developing country, Lao PDR in their WTO accession package was required to make fewer reforms with often longer phase-in periods than was the case for Vietnam. Most importantly, LUNA-Lao’s team developed close working relationships with counterparts, where we supported their efforts to move their agenda forward. We developed straight-forward program support processes that became well known by our counterparts and that met USAID requirements, which allowed us to often conduct 2-3 workshops a week as needed to move forward different reform tracks. The challenge of this approach was that the project had to continuously balance requests for “important” TA from a number of counterparts that caused us to be regularly over-committed. Resolving this tension of getting as much done as possible, but not fully responding to all requests, required strong leadership by the PSC and effective communication to ensure that TA was effectively balanced month-by month so that priorities could be achieved. A key lesson is that in such a dynamic environment, were it is hard to say “no” to important requests but where resources are not available to fully meet all requests, it is critical to have a supervisory process like the PSC that can resolve priorities and access to TA among counterparts.

- **Productive Donor Cooperation and Integration with Other U.S. Government Programs**—With a scope as broad as was the case for LUNA-Lao, there were often opportunities for coordination and synergy with other donors, but there were also possibilities for wasteful overlap. This was especially the case for LUNA-Lao relative to the Trade Development Fund process (explained in detail below), which had been established before LUNA-Law was ramped up, and thus had a pre-developed scope dealing with some WTO accession issues that raised potential overlap concerns with the “demand-driven” and rapidly evolving LUNA. The PSC process, where all relevant donors received LUNA’s work plans and were involved to attend PSC meetings, helped greatly to resolve donor coordination issues. Informal discussions among donors, as well as effective management of donor assistance by counterparts were also important. One mandate held strongly by LUNA-Lao was that all donors (and domestic interests) should be encouraged to comment and make recommendations to improve draft legislation – that is, it is not inappropriate overlap for one donor, particularly a bilateral donor, to provide comments on a piece of draft legislation, even if that draft was being developed through other TA. There are rarely exact right answers to first-best legislation and policy choices. It is critical for our counterparts to become exposed to different and potentially conflicting advice on policy reform, which is the nature of international diplomacy as a country integrates into regional and international markets. In practice, LUNA-Lao worked through some issues of “turf” but in almost every

case in a way that ultimately led to quite positive result for our counterparts. Relative to future TA in this area, the MOIC has developed a Project Executive Committee as part of the Enhance Integrated Framework to more formally coordinate and manage TA by donors in the trade sector. Coordination with other USG assistance providers was basically not an issue since there were no other USG advisors working in-country on areas covered by LUNA-Lao. The project developed two quite productive workshops with the U.S. Patent and Trademark Office, and communicated as requested with USTR. In other countries where the U.S. bilateral relationship may be more mature, relationships with other USG assistance providers can be much more important.

- **Good Communication Channels**—To work with so many different counterparts on so many different issues required strong (formal and informal) coordination and communication between LUNA-Lao, the Project Steering Committee (FTPD and Lao technical counterparts, and USAID and the U.S. Embassy (and through them with USTR).
- **Strong USG Support**—Throughout the development of LUNA-Lao, USAID (through the RDMA in Bangkok since there was no USAID office in Laos) and the U.S. Embassy supported the program structures and approaches that most fit the needs of our Lao counterparts, worked to facilitate the fast-moving and often quick-response TA that contributed so importantly to the project's success, and gained access to steadily higher levels of funding so that the project could grow in line with rapidly increasing demands by our Lao counterparts. LUNA-Lao met regularly with the U.S. Embassy to keep them informed about our TA activities and to ensure that our activities were well coordinated and in line with U.S. priorities. In addition to support from the USAID-RDMA, the USAID mission in Vietnam and the STAR-Plus project provided important assistance in carrying out several important study missions to learn from Vietnam's reform experiences.

BUILDING A FOUNDATION FOR FUTURE USAID PROGRAMMING IN LAO PDR

As the first resident TA project in Lao PDR since 1975, a strong foundation has been laid for a follow-on project to fully implement the trade agreements and to support further legislative reforms and increasingly deep institutional-capacity building to implement the new reforms effectively and uniformly.

LUNA-Lao has established a reputation among Lao PDR counterparts that USAID provides high-quality and responsive technical assistance that aims to support the key needs of Lao counterparts. It has developed close, productive working relationships with a broad range of counterparts, ranging across a number of ministries, the National Assembly, the Supreme People's Court and the Lao National Chamber of Commerce, all of which have strong demand for continued USAID assistance. It has enhanced U.S. understanding of legislative and reform processes in Laos PDR, and has facilitated relationships between key USG and Lao PDR officials that can serve to advance further economic and legal reforms of mutual interest.

2. USAID-LUNA Program Highlights

Although LUNA-Lao was a small project in terms of funding, it was quite ambitious and productive in terms of output. USAID/Embassy and the Lao PDR positioned LUNA-Lao to “catch the wave” of reform, and the project team worked hard to ride that wave as effectively and efficiently as possible. With only \$5.3 million of funding over nearly six years, LUNA-Lao worked closely with Government, State and private-sector counterparts to support the many reforms and institutional innovations needed to comply with the demanding requirements for WTO accession, as well as to implement the BTA and begin to meet the wide-ranging obligations in the ASEAN Economic Community. In this process, LUNA-Lao cooperated with other donor programs and other USG groups to gain leverage and enhance synergies among international supporting groups. The following summarizes the extensive and far-reaching contributions by this small project (details are provided in Appendices A through F).

WORKSHOPS AND STUDY MISSIONS

LUNA-Lao supported 123 workshops with 9,542 participants (6,849 male and 2,693 female) and 9 study missions with 81 participants (57 male and 24 female). Workshops were focused on a range of target audiences -- some to facilitate public-private dialogue on legislative reforms, some to provide training on specific issues to advance legislative drafting or implementation skills, and some for raising awareness among government agencies and private-sector groups. Participants from every province attended LUNA-supported workshops, with a number of workshops held outside of Vientiane with the aim of extending policy dialogue and awareness throughout the country, not just in the capital. Study missions were organized strategically to meet with public and private colleagues in more advanced countries in the region to gain practical experience on how targeted legislation/policies were drafted and implemented. (Details of each workshop and study mission are listed in Appendix A and the study missions are listed separately in Appendix B).

LEGISLATION SUPPORTED

LUNA-Lao substantially supported the development, approval and promulgation of 31 laws and regulations, one international treaty (WTO), one international convention (Berne Convention) and one international code (WTO/ISO Code of Good Practice for Standards), in many cases following up promulgation of new laws and regulations with initial efforts to build implementation capacities and to raise public awareness. In total, LUNA-Lao supported 12 Laws passed by the National Assembly and promulgated by the President along with 19 Government Decrees and Ministerial Regulations/Decisions/Instructions. Appendix C lists each of the approved laws, regulations and international initiatives supported by LUNA. For

each of these, LUNA-Lao provided detailed comments and recommendations with a focus on requirements in the trade agreements and international best practice while grounding these in the domestic context for implementation in Lao PDR. Comments were typically made on multiple drafts of each piece of legislation as they moved through the legislative development process. Unlike most other donor programs in Lao PDR, LUNA-Lao was designed to support legislative development from the initial drafting stages, through inter-ministerial and cabinet review, through public review and dialogue, through all stages of National Assembly review, approval and editing, and then into implementation and public awareness for the reforms.

Particularly given the lack of understanding of international best practices among many State agencies, the National Assembly and the business sector when the Project started, this ability to ensure exposure about requirements in trade agreements and best practices at all stages of legislative development, including importantly for National Assembly leaders, members and staff, helped greatly to enhance the effectiveness of LUNA's legislative development support. In addition, LUNA-Lao supported technical and public consultation workshops, supported translation, development of reference materials and organized study missions, with the mix of technical assistance targeted specifically to respond to the needs of our counterparts around the development and implementation of each piece of legislation or around an issue area identified by our counterparts. With the close-out of LUNA-Lao in November 29, 2013, 2 draft laws, 2 draft Government Decrees and 5 draft Ministerial regulations that had been supported by LUNA were pending further development and approval. These are listed in Appendix D.

TRANSLATIONS

LUNA-Lao provided translation for around 50 major documents, which in a number of cases were done on an expedited basis from Lao to English to allow timely reporting to the WTO negotiating committee and upon becoming a member of the WTO, for WTO and ASEAN notification. Similarly, translations of many key references from English to Lao were done. As well, translations back and forth between Lao and English were made to facilitate LUNA comments on almost every piece of legislation affected by the Project. In almost all cases, these were translations of highly technical and often quite long pieces that were difficult and time consuming to do, especially since many of the international technical terms related to these documents do not have straight-forward equivalents in the Lao language. And in a number of cases, these were done under quite tight time constraints. A list of translated documents is provided in Appendix E.

WEBSITES, IT COMMUNICATION CAPABILITIES AND TRADE INFORMATION SUPPORTED

LUNA-Lao supported the development and provided training to operate the following websites:

- Foreign Trade Policy Department Website (2011)
- Electronic Official Gazette (2013)
- Technical Barriers to Trade Enquiry Point (2012-2013)
- Sanitary and Phytosanitary Enquiry Point (2012-2013).

Given weak communication capabilities that seriously hampered the effectiveness of key Government counterparts to communicate with the public and with negotiating partners, LUNA-Lao provided limited but strategic support in the form of computers, printers, office

equipment and internet access, as well as training. This was done for (1) the Foreign Trade Policy Department to facilitate communication with the public, with WTO/ASEAN members, with the Lao WTO negotiations team, and to support a Trade Reference Room; (2) for the Ministry of Justice to facilitate communication capabilities to facilitate legislative development, operation of the Center for Economic Dispute Resolution, and establishment and operation of the Electronic Official Gazette; and (3) for the TBT Enquiry Point in MOST's Department of Standardization and Metrology.¹⁵

Each of these capacity support activities served to meet specific trade agreement requirements or to more broadly facilitate transparency and communication among government agencies and between government agencies and the public (and in terms of the Enquiry Points, also with WTO and ASEAN members). The websites, in particular, were not easy to do in the Lao context, given the limited budgets provided by ministries for IT capabilities in terms of hardware, software, virus protection, internet connectivity, and IT staff. LUNA not only provided support for website design, internet connectivity and IT equipment, but also helped to train staff to operate and maintain the websites.

REFERENCE AND PUBLIC RELATIONS MATERIALS AND PUBLICATIONS

LUNA-Lao supported the publication (with USAID branding) and distribution throughout Lao PDR of a wide range of reference and public awareness materials, especially late in 2012 into 2013 when the WTO Accession Package was being reviewed for approval by the National Assembly and then after formal accession, as follows (see Appendix F for a complete list of publications):

- 10,430 books, references, and reports (including 200 CD-ROMs) ranging from WTO texts to laws and regulations;
- 22,030 brochures and posters;
- 8,800 promotional notebooks;
- 16,550 WTO accession promotion items; and,
- 1,500 special report magazines on the WTO accession for wide circulation.

INSTITUTIONAL CAPACITY BUILDING

While the most urgent focus for LUNA was to advance the legislation needed to meet the requirements of the trade agreements, we worked in parallel to build capacity in our counterparts to understand these requirements, to improve their legislative development skills and public-private dialogue practices, to build the capacity to implement the reforms, and to have the capacity to communicate and raise awareness among other Government agencies and

¹⁵ LUNA-Lao provided support for developing the SPS Enquiry Point webpage, but we did not provide support to purchase equipment. Unlike our support for the successful operation of the TBT Enquiry Point, the operation of the SPS Enquiry Point made much less progress given the inability by ministries responsible for the SPS-EP to assign qualified staff and to make its operation a priority. To leverage other available donor assistance, equipment to the Ministry of Agriculture and Forestry was provided by an ADB project along with responsibility for supporting training and maintaining the website. By the end of 2013, nevertheless, limited progress had been made.

the business sector to promote more effective implementation of the reforms. This was done as follows:¹⁶

- On-the-job training on drafting and transparency for drafting teams among many ministries and National Assembly committees, including numerous public-private dialogues, with a focus on raising understanding of international best practices, improving legislative drafting capabilities, and increasing transparency and participation in the legislative process;
- Workshops and reference materials (including translations) on trade agreement requirements and international best practices;
- Website development and training to operate and maintain websites;
- Communication equipment purchases;
- Awareness seminars and wide distribution of reference materials and public relations materials on the WTO primarily, but also the AEC;
- Speaking engagements at university programs for faculty and students; and,
- Strategic study missions to more advanced regional neighbors who had recently made reforms similar to those proposed in Lao PDR, both in terms of legislative drafting and then once approved, in terms of gaining experience on implementation.

Over the years of LUNA-Lao's work, there was a marked improvement in the number of leaders and especially mid-level technical staff in a wide range of Government ministries, the National Assembly, the courts, and the Lao National Chamber of Commerce and Industry who now understand much better the core principles and technical requirements of international best practices embedded in the trade agreements. This has occurred in part from LUNA direct support, but also importantly by learning on the job by Lao officials engaged with trade negotiations and related legislative development.

Furthermore, LUNA-Lao has helped to greatly increase transparency regarding trade and legislative development. There are now established capacities for key trade policy Departments to provide trade information to businesses and to communicate more effectively with trading partners, especially through the FTPD's trade policy website and the TBT and SPS Enquiry Point webpages (and most profoundly through the Lao Trade Portal that was developed with support by the Trade Development Fund but with cooperative support by LUNA for incorporating the Enquiry Points). Lao PDR is now regularly notifying the WTO and ASEAN of pending trade policies, and responding to requests for trade information from trade partners and businesses.

Lao PDR has made huge breakthroughs in legal transparency, first through the passage of the landmark Law on Making Legislation and then through the establishment of the Lao Electronic Official Gazette, for which LUNA-Lao provided lead support at every step of their development. With the close out of LUNA, the Ministry of Justice has a well-established e-Gazette webpage with supporting IT equipment and trained staff to operate and maintain on a sustained basis the publication of approved legislative and draft legislation for public

¹⁶ More specific examples of institutional development capacity are provided throughout the report.

comment. As well, focal points in all Government ministries and the National Assembly have been trained to feed new legislation into this system.

As well, a legacy of many policy dialogues among Government and the National Assembly and between Government and the business sector on draft legislation has been established that has helped to incorporate a culture of open dialogue in the policy formation process. This was much less the case at the beginning of the project.

Through LUNA-Lao supported efforts, a large cohort of faculty and students at each of the main universities, as well as business groups, throughout the country have been exposed to the key elements of the trade agreements, to the many new laws and regulations, and to their key opportunities and challenges.

3. How Did Such a Small Project Accomplish So Much?

LUNA-Lao was highly productive for a number of reasons.

POLITICAL WILL FROM THE HIGHEST LEVEL

LUNA-Lao was asked by Lao PDR to support one of its top policy objectives—accession to the WTO, along with implementation of the BTA and AEC. Political support by leadership at the highest levels empowered Government and National Assembly leaders and their technical experts to move forward major new legislation to bring Lao PDR into compliance with BTA and WTO Agreements and AEC obligations, with the aim of incorporating international best practices into core Lao laws and regulations in a context practical for domestic implementation, and with a “WTO Accession-induced” urgency that pushed the legislative system forward at an accelerated pace.

WTO AND OTHER INTERNATIONAL AGREEMENTS PROVIDED A STRUCTURE, PRIORITIZATION AND TANGIBLE GUIDELINES FOR DOMESTIC REFORMS

These trade agreements provided a structured set of requirements that have been adopted by most of the countries of the world (and all other ASEAN members) to facilitate trade and investment and to resolve policy disputes among members. For leadership and experts in the Lao PDR who have had limited exposure to “western-style” market economies and to WTO principles, the structured detail and procedures set out within the trade agreements, particularly those related to the WTO, provided a much-needed focus on prioritizing and sequencing reforms. A call from the highest political leadership to conform to treaty obligations carried significant weight in moving key reforms forward, and the detailed technical requirements in the trade agreements provided a concrete basis for increasing understanding and then incorporating international best practices into Lao legislation and institutional procedures.

INTENSE DEMAND TO UNDERSTAND THE TECHNICAL DETAILS OF INTERNATIONAL BEST PRACTICES

Although there was a strong political push for making reforms to meet the requirements of the trade agreements, few in Lao PDR fully understood those requirements. It was not possible for foreign experts to just incorporate trade agreement requirements into drafts and expect passage. Legislation in Lao PDR is developed through a process of interaction among lead

Government drafters and inter-ministry discussions, then approval by the Cabinet that represents the interests of all ministries, and then review by technical committees and voting by the National Assembly, which represents the broadest interests of society. At each stage of this process, legislation is vetted and drafts can be adjusted. Thus, it was critical that key elements at each stage of this process have an understanding of the best practices included in the trade agreements and how these could be effectively integrated into the Lao policy and legal context. Without this knowledge, at a practical level, draft language would have drifted away from forward-looking best practices and back to established ways of doing things, and at a process level, the new reforms would not be fully owned by Lao entities and interests and would not be deeply integrated into policy implementation.

Given the long isolation and lack of exposure to “market-oriented” international best practices by most leaders and staff in the Government (especially among non-trade line ministries), the National Assembly and even the private sector at the beginning of the project, there was a huge demand for training and technical assistance support to catch up and become more fully versed in core elements of the trade agreements that guide policy formation in most of the countries of the world. Further, there was a demand to understand how these “foreign” practices could be incorporated effectively into law and practice in the Lao political economic and institutional context.

STRONG LAO OWNERSHIP THROUGH THE PROJECT STEERING COMMITTEE

LUNA-Lao was supervised by a Project Steering Committee (PSC) that included all key State agencies responsible for implementing the trade agreements. Building upon the successful experience of the USAID-funded STAR Project in Vietnam from 2001 to 2007 that supported implementation of the U.S.-Vietnam Bilateral Trade Agreement and Vietnam’s successful accession to the WTO (and that was well known in Lao PDR), the Lao Government established a multi-agency Project Steering Committee to supervise USAID-LUNA’s work to ensure that our technical assistance was fully owned by the Lao PDR Government and allocated most productively to those agencies most directly responsible for advancing legislative and capacity-building reforms needed to comply with the trade agreements (see below for a more detailed description of the PSC). This PSC was modeled around the existing Lao PDR WTO Committee and WTO negotiating team, so that it had a clear and coherent link between the WTO negotiations and the priority domestic reforms needed to advance those negotiations. The PSC included all the key line ministries, National Assembly Committees, Supreme People’s Court and the lead private-sector organization that were directly responsible for moving forward the legislative and institutional reforms needed to meet the core requirements of the trade agreements. USAID and the U.S. Embassy were co-chairs of the PSC, ensuring that LUNA-Lao met broader U.S. Government policy objectives as well. This ensured that LUNA’s technical assistance focused efforts on the agencies most responsible for moving forward the highest priority key reforms related to the trade agreements and in the context of meeting broader U.S.-Lao PDR bilateral policy objectives.

TIMELY, RESPONSIVE (DEMAND-DRIVEN) TECHNICAL ASSISTANCE

Working under the supervision of the PSC, LUNA-Lao met regularly with counterparts and developed technical assistance packages that were tailored to meet the specific needs of each counterpart, with the flexibility to adjust such TA packages over time as the political

economic environment in Lao PDR evolved. Thus, our TA approach ensured that LUNA-Lao was continually on the frontier of reform, responding on a timely basis to the top needs of our counterparts.

ABILITY TO SUPPORT ALL STAGES OF THE LEGISLATIVE DEVELOPMENT PROCESS

Unlike most other donor programs in Lao PDR, LUNA-Lao was designed to support legislative development from the initial drafting stages, through inter-ministerial and cabinet review, through public review and dialogue, and through all stages of National Assembly review, approval and editing, and then into initial implementation and public awareness mode. Particularly given the lack of understanding of international best practices among many agencies and the National Assembly when the Project started, this programming reach helped to ensure exposure about requirements in trade agreements and best practices at all stages of legislative development, particularly for National Assembly leaders, members and staff. This in turn helped our counterparts at all stages of the legislative process to ensure that the core international practices required by the trade agreements were maintained and increasingly embraced throughout the full policy process, which greatly enhanced the quality and quantity of tangible outputs supported by LUNA.

LEVERAGING COUNTERPART INITIATIVES

Given the strong ownership of LUNA-Lao's programming priorities by the PSC, almost all of the activities that we supported were organized and led by our counterparts. We helped them conduct training and policy-dialogue workshops, contribute to legislative drafting and raise public awareness under their priorities and their leadership. LUNA's contribution was to help our counterparts carry out these activities most effectively and to ensure that international best practices were presented as widely as possible (again given the limited knowledge among many in Lao PDR of these practices).¹⁷ Ultimately, however, the success or failure of these activities depended upon our counterparts – these were counterpart led and driven efforts. More than anything, this strong and deep partnership between LUNA-Lao and our counterparts enabled us to achieve results far beyond what would be expected by our limited resources.

¹⁷ In addition to LUNA's substantive input, the flexibility to fund activities in a quick and responsive way greatly increased the project's effectiveness. As with any government, our Lao Government counterparts had limited discretionary funding, particularly for training programs and public-private dialogues, and funds were typically locked in at the beginning of each fiscal year. Over the 2010-2013 period when many new laws and regulations were developed, in most cases our Government counterparts had little if any funding for quick-response workshops, especially with the private sector and especially outside Vientiane. As a result, during such a legislatively dynamic period, the capability for LUNA-Lao to provide small but strategic discretionary funding of activities over the course of the year responded to high-demand by our counterparts and leveraged their leadership of these activities. For example, typically a public-private dialogue on a piece of draft legislation could be organized in a matter of several weeks for costs rarely exceeding several thousand dollars each. The high demand by our counterparts and the relatively inexpensive costs for workshops helped LUNA to support a disproportionate number of workshop activities relative to our limited resources and staff. These did not just build up output numbers for the project, however, but were used strategically to advance a large number of concrete legislative reforms and related capacity-building results.

LEVERAGING OTHER DONOR AND USG PROGRAMS

Although LUNA-Lao was the only donor project entirely focused on supporting the implementation of trade agreements in Lao PDR, given the wide scope of LUNA's activities we worked with a number of counterparts on a range of issues where other donors also provided assistance. LUNA-Lao often worked through our PSC to coordinate and in some cases co-fund activities.

With regard to co-funding with other U.S. Government agencies, USAID-LUNA cooperated with the USAID-Washington Partnership for Trade Facilitation (PTF); the Jakarta-based USAID-funded ADVANCE Projects, including the ASEAN Single Window (ASW) Project, the Value Project (a regional value chain project) and the MARKET Project (a regional food security project); and the U.S. Patent and Trademark Office, as follows:

- For the PTF, LUNA received funding to support several key trade facilitation activities, including advancing legislation and training on appealing customs disputes and on assessing Lao's transit guarantee system;
- For the ASW Project, LUNA cooperated closely on an ASW-funded legal needs gap assessment for the Lao National Single Window and various related workshops in Vientiane, and benefited from a key ASW-funded technical advisor to help us support the drafting of an enabling Government Decree to establish and operate the Lao National Single Window;
- For the Value Project, LUNA benefited from several presentations by its Chief of Party on private-sector development and export promotion in Laos;
- For the MARKET Project, LUNA leveraged funding and the provision of a key technical advisor by MARKET to support the drafting of major revisions to the Food Law; and,
- For the US-PTO, LUNA co-funded two major training programs with funding and technical support from the US-PTO regional office in Bangkok, one for a major 3-day training on intellectual property rights (and other commercial law issues) for almost all economic judges in Laos, and a second for a one-week program to enhance practical understanding of IPR border measures at a joint Thai-Lao study mission to the Nong Khai border check point with Laos. The US-PTO provided two U.S. federal judges and its own regional IPR expert for the quite-well received program with the Supreme People's Court.

LUNA cooperated both in terms of in-kind and co-funding of a number of activities with other donors in Lao PDR, including the following:

- several National Assembly Technical Retreats with 100-150 participants that took place several weeks before General Sessions with a range of donors, including the World Bank, UNDP and GIZ;
- with the IFC on seminars on drafting revisions to the Law on Industrial Processing;
- with the Trade Development Fund¹⁸, a number of programs related to the National Quality Infrastructure Strategy, public awareness programs on the WTO and AEC for

¹⁸ The Trade Development Fund is a multi-donor, multi-million dollar fund managed by the World Bank and the MOIC to support activities in line with needs identified in the Diagnostic Trade Integration Study (DITS). This is a host-country managed program that adopted its own procurement processes based on WB and Lao requirements. The TDF provided key, complementary support for advancing implementation of the WTO.

Government officials and business groups throughout the country; efforts to develop a TBT system compatible with the WTO, including a TBT Enquiry Point; the incorporation of the TBT and SPS Enquiry Points into the TDF-led Lao Trade Portal; close cooperation with a TDF-funded SPS legal expert through the FAO, especially on animal health and food safety issues; and,

- With the ADB, cooperated with TA to build the capacity of TBT and SPS Enquiry Points and with another TA team on the implementation of regulatory impact notes in line with the mandate in the Law on Making Legislation.

STRONG AND FLEXIBLE U.S. SUPPORT: Providing Responsive Technical Assistance through USAID-Administered Funding

The contract modality used by USAID to fund LUNA enabled the project to provide funding quickly and directly to meet the needs of our counterparts, which allowed LUNA-Lao to mobilize the right technical advisor and support the most relevant workshop or study mission when most needed by our counterparts. The flexibility and quick response capability was particularly important in the Lao context, where our counterparts had a rigid and largely inflexible budget process to meet the rapidly evolving demands for reforms to meet trade agreement deadlines. In many cases, the added responsibilities given to our counterparts to advance reforms related to the trade agreements were not matched by available internal funding sources. As a result, LUNA was commonly asked to provide expedited technical assistance and to support other activities that were needed to advance policy objectives but for which internal counterpart funding was not available. In many cases, this allowed LUNA-Lao to be at the right place at the right time with the right mix of technical assistance relative to diverse counterpart needs; that is, it allowed LUNA to respond in “real Lao policy time.”

As noted above, although LUNA-Lao “controlled” the funding, the responsive (demand-driven) technical assistance approach with strong leadership and supervision by the PSC enabled our technical assistance to be strategically applied in a rapidly moving programming environment and to have full and strong ownership by our counterparts.

FIREWALL FOR BILATERAL TECHNICAL ASSISTANCE DURING BILATERAL TRADE NEGOTIATIONS

Neither USTR nor the Lao negotiating team wanted LUNA-Lao to become involved, directly or indirectly, with the bilateral negotiations on WTO accession. Learning from similar USAID experience in Vietnam, both the U.S. Government and the Lao Government decided to establish a “firewall” such that LUNA could provide confidential technical assistance to Lao counterparts who were moving reforms forward that could help move the negotiations forward, but LUNA would not provide any assistance directly or indirectly related to the negotiating process.

As a result, LUNA-Lao assisted neither the Lao negotiating team nor USTR. The project focused on working domestically with counterparts to move forward the legislative and institutional innovations needed to meet WTO and other trade agreement requirements. When the negotiators so desired, they could recommend that LUNA support identified priority areas related to the negotiations. For example, it was made clear from both the U.S. and Lao sides that advancing a comprehensive revision of intellectual property legislation was a highest priority for negotiations. With this guidance, LUNA concentrated on supporting the

systematic revision of the Law on Intellectual Property and the development of six long, technical implementing IP regulations, achieving approval in only about one year's time. The highly technical implementing regulations – these represent the most technical and extensive pieces of legislation ever approved and promulgated by the Lao PDR. Given the high priority placed by USTR on developing WTO-TRIPS-compliant legislation even for least developing countries like Lao PDR, whereas with LUNA's intensive support the comprehensive law and six implementing regulations were drafted and approved in little over a year, without our TA, the WTO accession process would have been almost surely seriously delayed, possibly by many years.

USING TRADE AGREEMENTS TO SPUR BROAD-BASED AND DEEP DOMESTIC REFORMS

Trade agreements are in place to establish a rule of law among countries for exporting and importing goods, and for foreign direct investment. As tariff levels and other barriers to trade at the border have declined over time, new generations of trade agreements increasingly include requirements that influence policies “behind the border” that affect not only international trade and investment but increasingly domestic trade and investment and domestic rule of law and governance. Furthermore, developing/transition countries often apply these international rule of law practices to all sectors, not just trade sectors. For example, core elements of trade agreements require that countries publish legislation of general application before coming into force and in some cases require mandated public comment periods. With the Law for Making Legislation, Lao PDR required legal transparency and a 60-day public comment mandates to all legislation, not just to those affecting trade. Further, the U.S.-Lao BTA requirements for functional commercial dispute settlement processes, especially arbitration, were applied for both international and domestic disputes. Another key trade agreement requirement is the “right to appeal” government decisions, with appeal processes in writing and with due process, with final resolution of such disputes by the courts. In Lao PDR, to date this is only being applied for Customs procedures, whereas Vietnam, for example, applied the right to appeal to all administrative disputes, whether international or domestic.

MANAGERIAL AND ADMINISTRATIVE INNOVATIONS— MAKING THE MOST OF LIMITED STAFF AND FUNDING

At the function level, LUNA-Lao utilized a number of administrative innovations to create a highly productive but quite small and efficient work unit. Nathan established a sub-contracting relationship with a local, small-business, women-owned consulting firm to provide core administrative support for the project, including hiring staff in line with Lao and USAID regulations, and accounting for financial flows without leakages and in line with Nathan and USAID accounting requirements. Standard procedures were developed for procurement, and for supporting various types of project activities that became well understood by our counterparts and that required less and less administrative inputs to meet the desired outputs. Given the nature of supporting such a wide range of sectors and policy issues with such a small resident staff, LUNA-Lao utilized highly qualified short-term technical advisors who were positioned to work with key counterparts intensively during their time in Lao PDR. Resident staff maintained effective engagement when STTA were not in country, benefiting from communications with experts via the internet. In every case possible, strong short-term technical experts who had built up trusted and effective working relationships with counterparts were maintained over time to generate optimal results.

DEVELOPING AN EFFECTIVE US-LAO GOVERNMENT STEERING COMMITTEE

Because trade agreements affect the responsibilities of a number of agencies, the Ministry of Industry and Commerce developed a Project Steering Committee (PSC) to ensure full ownership of the program, to provide direction, to assign the most important counterparts to work with, and to approve and supervise LUNA-Lao's technical assistance activities based on the three trade agreement pillars. The PSC, as set up in 2010, was chaired by the Vice Minister of Industry and Commerce, with the MOIC's FTPD Director General and Deputy Director General serving as its Secretariat. It included representatives from the following institutions:

- 1) Ministry of Industry and Commerce;
- 2) Ministry of Planning and Investment;
- 3) Ministry of Justice;
- 4) Ministry of Science and Technology;
- 5) Ministry of Agriculture and Forestry;
- 6) Ministry of Finance (including Customs);
- 7) National Assembly (including core Committees);
- 8) Ministry of Foreign Affairs;
- 9) Lao National Chamber of Commerce and Industry (LNCCI); and,
- 10) the FTPD ODA Division that evolved into the National Implementation Unit for the Trade Development Fund as part of the MOIC Department of Planning and International Cooperation.

MOIC's Vice-Minister asked USAID and the U.S. Embassy to co-chair the PSC.

The PSC initially assigned LUNA-Lao to respond to requests for technical assistance from the MOIC, MOJ, MOST, MOF (especially Customs), MAF, NA and LNCCI. Over time, as the reach of the trade agreements expanded, the Supreme People's Court, the Ministry of Health and the National Authority for Special Economic Zones were added as counterparts.¹⁹ Over

¹⁹ In a number of cases, LUNA-Lao worked with several Departments in one Ministry. In the MOIC, LUNA worked with FTPD as our lead counterpart and on all issues; we worked with the Department of Industry on drafting revisions to the Factory Law and the Department of Imports and Exports on trade licensing and certificates of origin. In the MOST, we worked with the Department of Intellectual Property on IPR issues, the Department of Standards and Metrology on TBT issues, and the Department of Information Technology on the Electronic Transactions Law. In the Ministry of Justice, we worked with the Department on Legislation on a number of drafts laws (they reviewed all draft laws), and specifically on the Law on Making Legislation, the Department for Law Dissemination for the e-Gazette, and the Center for the Resolution of Economic Disputes on dispute settlement processes. In the MOF, we worked with the Department of Customs on customs issues and the Department on External Affairs on the Insurance Law. In MAFF, we worked with the Department of Planning on the SPS Enquiry Point and the Department of Livestock on various implementing regulations on livestock. In the National Assembly, we worked with the Committee on Economic, Planning and Finance on most draft laws related to economics considered by the NA, and with the Law Committee on all relevant draft laws. In the MOH, we worked with the Food and Drug Department on the Food Law. Although MPI and MOFA served on the PSC, we did not provide TA directly to either of them. In addition, the PSC assigned us to work with the Supreme People's Court on the Civil Procedure Law and IPR training. We were assigned to work with the National Authority for Special Economic Zones toward the end of the project, but did not do provide any major TA to them. We worked with the Ministry of Posts, Telecommunications and Communications on several draft telecom laws, but our recommendations were not accepted.

time as this process matured and gained credibility, the Vice-Minister delegated authority to the FTPD Deputy Director to chair the PSC.

Once counterparts were assigned, LUNA-Lao met lead technical officials (typically the Director General) and discussed the technical assistance that was needed to move forward the highest priority work of each counterpart. Together, LUNA-Lao and each counterpart developed a set of priority activities. The PSC helped determine priorities among such requests, as needed. LUNA in cooperation with each counterpart developed work plans every six months, so that we could adjust and respond to the “real-policy-time” needs of our counterparts. Each biannual work plan reviewed the progress made on activities approved over the last six months, and submitted requests for the PSC to approve new activities over the next six months. The PSC met twice a year to discuss progress and approve new activities. To meet USAID reporting requirements, quarterly reports were submitted to USAID, but were not required by the PSC. This regularly re-calibrated, demand-driven approach to developing and approving LUNA activities ensured buy-in, consistency and prioritization among a wide range of donors, and responsive and targeted TA during a period of rapidly evolving needs and priorities.²⁰

The PSC was relatively easy to establish because it mirrored the WTO negotiating team, where most of these agencies worked together on a regular basis to prepare for and participate in negotiating sessions for the WTO accession. This proved to be highly beneficial, since it positioned LUNA-Lao to provide the highest priority technical assistance with a wide range of counterparts that were needed to advance the WTO accession process.

Importantly as well, the PSC provided a forum for Lao Government and USG officials to cooperate closely and ensure that LUNA activities supported priority, mutual objectives. Furthermore, all related donors were invited to PSC meetings, which helped to ensure donor coordination, synergy and limited unnecessary overlaps in donor assistance.

In 2013, the Program Executive Committee (PEC) was developed as part of the Enhanced Integrated Framework to provide a more systematic approach to managing all donor assistance in the trade area. With the pending close out of LUNA-Lao, it was decided that the PSC should continue to manage LUNA over the course of 2013, with the expectation that any USAID follow on to LUNA would be expected to work directly under the Program Executive Committee process.

NOT EVERYTHING WAS SUCCESSFUL: Examples of Where the Project Had Difficulties

LUNA-Lao has much to promote in terms of concrete and long-lasting success. But not everything worked as expected or hoped, as follows.

²⁰ In reality, most activities that were agreed to beforehand by our technical counterparts and LUNA were subsequently approved by the PSC. The process, however, required the technical counterparts to provide a written intra-government letter to the MOIC as secretariat of the PSC, and typically representatives from each technical counterpart raised and explained the importance of the proposed activity in the PSC meeting. Several approved activities that were deemed relatively low priority were not conducted, mainly in 2013 when funds became limited and close-out preparations drew away staff time. This occurred mainly for a range of SPS regulations on livestock that were deemed relatively far away from LUNA-Lao’s prime agenda.

Limited Strengthening of Capacity of the Lao National Chamber of Commerce and Industry. Throughout the project, an important objective was to strengthen the capability of the LNCCI to represent and advance the interests of the private sector, including participating more effectively in public-private dialogue activities. With LNCCI as a full member of our Project Steering Group, the door was open widely for LUNA-Lao to provide support. LNCCI proved to be a good “convening” partner in terms of facilitating out-reach to its members, helping LUNA-Lao to enhance understanding among 100s of businesses of the key principles underpinning international trade and investment, and to provide some training and perspective on how Lao exporters could benefit from the reforms and expand sales to the United States and other foreign markets. This included support for some of LNCCI’s most important activities, including policy workshops around their “Made in Laos” exhibitions, outreach programs to a number of their new provincial chambers, and ad hoc policy dialogue programs between members and government drafters on key policy reforms (it was rare for Government drafters to meet openly and directly with relatively large groups of business representatives).

After many discussions with LNCCI leaders, however, it proved impossible to strengthen their internal capacities, especially their capacities to provide stronger legal comments on draft laws and regulations, and to take a lead in promoting priority reforms. LUNA-Lao supported a leading Lao lawyer to work inside the LNCCI for a number of months, but LNCCI were not able to hire or provide from existing staff counterparts who could be trained on a sustainable basis. Such an experience happened with other donors as well. As a consequence, LUNA stopped its support for internal capacity building of the LNCCI, while still working with them vigorously to organize workshops for members on key reform issues and export marketing processes.

Unsuccessful Expansion of Domestic Commercial Arbitration Processes. One of the first major reforms supported by LUNA-Lao was to revise the Law on Resolution of Economic Disputes to not only fully recognize the treaty obligations related to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards but also to enable the development and expansion of private domestic commercial dispute settlement. These were in line with requirements in the BTA, as well as with well-established international best practice. At that time, domestic arbitration could only be done through Ministry of Justice assigned and administrated mediation and arbitration processes. While the then leadership of the MOJ’s Center for Resolution of Economic Disputes supported the revisions to the law, subsequently assigned leadership supported a continuation of the State-monopoly on domestic dispute settlement. After repeated discussions and draft sessions on the implementing regulation for domestic dispute settlement, it was not possible to develop a draft that could be approved by the MOJ, and thus, there is not yet a solid legal basis for developing private domestic commercial dispute settlement centers nor the provision of ad hoc arbitration in Lao PDR.

Limited Acceptance of Recommendations for Reform in the Telecommunications Sector. One of the most difficult reform areas under trade agreements typically relate to telecommunications, where the State often has a strong incumbent role. LUNA-Lao provided detailed comments and recommendations on the draft Law on Telecommunications. After several intensive discussions with the MPTC, the draft Law on Telecommunications was adjusted to recognize several key WTO requirements, but subsequent efforts to develop detailed implementing regulations in this area did not move forward.

Working within the Scope of the Trade Agreements. Although the bulk of LUNA-Lao's support focused on the highest priority requirements in the trade agreements, there were many additional laws and regulations that were important for establishing the basis for a well-functioning domestic market that were not specifically mandated by the trade agreements. For example, modernizing the contract law or developing a credible land law both provide critical foundations for domestic markets to function effectively. There was a tension between the requests LUNA-Lao would get to support such laws from various line ministries and particularly the National Assembly, and the desire by the MOIC-FTPD to keep the scope of LUNA-Lao within the mandates of the trade agreements. This tension evolved both because of demand for LUNA-Lao support on such legislation, combined with the official mandate by the MOIC within Government procedures that a project under their supervision could not support activities beyond the mandate of the trade agreements, which were clearly under their jurisdiction. This issue came up first with a request to support the development of a Law on Securities, which was being developed by the Securities and Exchange Commission under the State Bank of Lao PDR. As a result, a process was initiated that all LUNA-Lao activities would require an internal letter from the requesting ministry to the PSC, through the FTPD.

Related issues developed around requests by the National Assembly (a full member of the PSC) for LUNA-Lao comments and TA on draft laws coming up before the NA for discussion and approval, but which were not directly related to the trade agreements, such as on the draft Law on Factories and the draft Law on Science and Technology. In both cases, these draft laws had clauses that affected private-sector development, but not specifically trade agreements. At late stages in their development, LUNA-Lao provided comments and recommendations to the NA and to the drafting teams to support adjustments in line with international best practice, but it proved quite difficult to make adjustments as such a late stage.

Adjusting a Bilateral Donor Process to Conform to the Enhanced Integration Framework for Managing Assistance to the Trade Sector. As the LUNA-Lao Project was developing, the WTO, World Bank and several supporting bilateral donors who contributed to create a Multi-Donor Trust Fund (TDF) were also developing the Enhanced Integrated Framework for managing assistance to the trade sector. A National Implementation Unit (NIU) was established in the MOIC to implement the TDF-supported activities and to empower the MOIC to more effectively coordinate donor activities and to align them to Lao Government priorities. The NIU was shifted from operating under the FTPD, which led the technical work on the trade agreements and which led the supervision of LUNA, to the MOIC's Department of Planning and International Cooperation..

Several challenges arose. First, the NIU developed their own supervisory role for reviewing and approving multilateral donor programs, as well as implementing the TDF. After considerable discussion, the MOIC decided to maintain the LUNA –PSC under the supervision of the FTPD and to encourage interaction with the NIU process. A similar approach was done for a major GiZ private-sector development project that included an element of support for the AEC. Second, the NIU serves mainly as an administrator of the TDF, and thus does not have specific technical nor substantive responsibilities. As well, its procedures focused on developing relative fixed scope of work developed several years in advance, which raised challenges to meet the rapidly evolving needs of line/technical ministries. Before LUNA-Lao became a resident program, the TDF and NIU developed an array of TA to support areas designated as important for the WTO accession (as well as on

trade facilitation). By its nature, the NIU contracting process tended to be carried out activity-by-activity, with relatively strict scopes of work and sometimes extensive bidding and contracting processes that took time. When LUNA-Lao ramped up, it had the funding, the technical capability and the endorsement of the FTPD to work directly with the line ministries on a demand-driven basis under the supervision to the PSC to respond quickly to a wide range of priority needs. In many ways, LUNA-Lao's quick support capability and the TDF's capacity to fund larger, more systematic capacity building activities are highly complementary, but it took some time for the FTPD and NIU to work out how both the TDF and LUNA-Lao could work most effectively together. As well, efforts were made informally for LUNA-Lao to work with related TDF activities. For example, LUNA-Lao worked closely with a major and successful TDF-supported activity to develop a trade portal to develop synergistic relationships with the TBT and SPS Enquiry Points and to gain access to a range of laws and regulations, including English translations (LUNA-Lao also coordinated with a small, one-off ADB TA activity on the TBT and SPS Enquiry Points, providing sustained support after the ADB support to activate and implement the Points). Secondly, LUNA-Lao worked closely and effectively with a TDF-supported legal expert on SPS issues with the FAO, helping to complement her lead support for legislative reform over a range of SPS issues, and in the case of major revisions to the Food Law, taking over lead TA responsibilities when the TDF contract expired as the Food Law revisions started moving forward seriously.

What was perceived by the TDF-NIU as less effective coordination was LUNA-Lao work to advance legislation and build the capacity of the TBT Enquiry Point to meet requirements of the WTO Technical Barrier to Trade Agreement in response to requests from the line ministry (and approved by our PSC) even though a specific TA activity was under in process by the TDF. The problem was that the line ministry requested the support quickly and on a sustainable basis over several years, which LUNA-Lao could provide, while it took a considerable amount of time for the TDF bid and contractor to mobilize what would be a one-off assignment. In this case, there was some duplication of TA. This reflects some of the tension between the FTPD and our PSC, which was working under ambitious deadlines to meet WTO accession requirements and which supported the LUNA-Lao work, and the TDF-NIU process that was more focused on longer-term institution building.

The Gap between LUNA-Lao and Its Follow-On Project. LUNA-Lao had built up considerable program momentum in 2013 across a range of reform efforts with a number of counterparts. Approval of the WTO Accession Package kicked off a range of Action Plans to bring Lao PDR into full compliance with WTO agreements. As a least developing country, they were provided with liberal phase-in periods, most of which came due at the end of 2014 or 2015. Requirements for the ASEAN Economic Community were evolving during this period. The National Assembly continued its ambitious legislative development strategy, raising further demand for project support. And a number of laws that had been recently passed required implementing regulations, and related capacity building and public awareness. These systematic reform processes involve several years of preparation and implementation time, with external WTO and AEC deadlines and on-going domestic mandates. In such a case, sustainability and effective impact are greatly enhanced with predictable, on-going support.

Once the Lao PDR was notified that there would be a gap in time between LUNA and a follow-on project, hard decisions were made to focus on several highest priority areas (for

example on the e-Gazette) while other on-going TA efforts had to be slowed down and then halted as the project squeezed out use of its last funds over the course of the summer through to the end of November, 2014. The project was provided a no-cost extension for two months to keep a skeleton staff in country to limit any disruptions from delays in developing a follow-on project. Such gaps between projects happen for many reasons, but in an ideal world, USAID assistance on these issue areas would have been most effective if technical assistance could have been continued without interruption.

IS LUNA-LAO REPLICABLE?

When a technical assistance project closes, a key question is whether the lessons learned, both from its successes and failures, are applicable to helping other donor projects work more effectively. As noted several times throughout this report, LUNA-Lao benefited greatly from experiences and lessons learned by the USAID-funded STAR Vietnam Project that had a quite similar mandate, and that was also managed by the same person, which helped to transfer the learning all the more directly. Both used demand-driven TA approaches supervised by a multi-ministry project steering committee that allowed TA to work directly with a wide array of line ministries, the National Assembly, the courts and the private sector to respond over time to their specific needs during a demanding WTO accession process and build up into the AEC. Both operated during a period of high-level political support for reforms.

It is obviously hard to duplicate the political will around a country that has placed WTO accession and AEC implementation as high national priorities. The demand-driven approach working among many sectors is most appropriate when there is a comparable systematic approach to reform requiring coordinated efforts among diverse ministries and interests, and where those counterparts are internally motivated to move reforms forward with some urgency.

Would a LUNA-Lao model work in a country not fully committed to systematic reforms? LUNA-Lao was a project designed effectively by USAID and the Government of Laos to meet the specific needs of a rapidly developing reform effort structured around requirements in trade agreements that dig deeply into domestic economic and legal reforms as well. Like STAR-Vietnam, its organization, approach and capacities were well suited to the needs of the Lao PDR during the WTO accession process. Application of what worked well for LUNA would have to be assessed and refined to more normal developing country contexts. Its model is likely to be most applicable to a country that is committing to wide-ranging reforms around expanding trade and investment and improving domestic business environments, allowing the TA team to respond quickly and in a fashion tailored to the needs of various counterparts. It is less likely to be effective in an environment where donor assistance is working against entrenched domestic interests, where governments are strongly committed to reforms or where the development approach is well structured and compatible with more focused scopes of works and more attention to deeper institutional reforms.

Could the LUNA-Lao model and lessons be adapted to Myanmar, a previously isolated country with an anti-market policy and legal bias that is beginning to reform and integrate

into regional and international markets? At first blush, it seems to be an obvious extension. But Myanmar is already a member of the WTO without an extensive bilateral trade agreement with the U.S., and thus does not have the WTO agreement's organizational rigor and focused political attention that comes with an accession process. As well, in Myanmar, many other donors are actively involved with many of the same issues covered by LUNA and STAR, where as in Laos and Vietnam other donors were much less focused on legislative reforms.

On the other hand, as Myanmar is reforming quickly although somewhat less systematically, a demand-driven approach with a broad scope of work allows a moderately-funded TA project to develop relationships and find niches where TA can be effective and gain traction. As with Vietnam and Laos where USAID is just beginning to build relationships with key economic and legal ministries and policy makers, this broad and flexible approach allows USAID and the TA team to search out the areas where TA can be most effective, without pre-defining a more focused TA scope based on limited information and contact with counterparts.

VALUE FOR MONEY

Over the course of six years for a total funding level of \$5.316, LUNA-Lao supported development of 31 laws and regulations, 123 workshops with 9,543 participants from every province in the country, 9 regional study missions, translations of more than 50 laws, regulations and reference materials, extensive training and capacity building among numerous ministries, the National Assembly, the courts and the business sector, several key websites, and tens of thousands of reference materials and public relations materials. Its outputs contributed substantially to support the Lao PDR to meet stringent and comprehensive requirements for WTO accession, for implementing in large part the BTA, and for advancing key reforms required by the AEC. Even more broadly, it supported a policy paradigm shift by Lao PDR to become a market-oriented economy integrating into regional and international markets, with stronger rule of law and economic governance and greater transparency and participation in legislative development

LUNA-Lao is sometimes noted as an example of a small USAID project that was able to have a disproportionate impact on economic development. How LUNA-Lao accomplished this has been described throughout this report. At the core, LUNA-Lao operated during a period when there was strong political will in Lao PDR for reform, and the U.S. and Lao Governments created a structure and supervisory process that enabled LUNA-Lao to use relatively limited funds to work directly and strategically with key counterparts who were responsible and motivated to move reforms forward in line with treaty requirements and international best practices.

SUCCESS STORY 1: SUPPORTING THE SUCCESSFUL WTO ACCESSION PROCESS

On October 26, 2012, Lao PDR was accepted to accede to the World Trade Organization. WTO accession provided a rousing “international seal of approval” for Lao PDR. It validated the Government’s many recent initiatives to open its markets and modernize its laws and regulations to be in line with pro-market WTO principles. Lao PDR is a small, poor, landlocked country that has become the fastest growing economy in Southeast Asia!

Lao PDR began to benefit from WTO accession even before the accession was officially approved. From before 2010 through 2012, Lao PDR amended or enacted more than 90 laws and regulations during the accession process, introducing a wide range of reforms to meet stringent WTO standards, but also to improve the domestic business environment and to strengthen the rule of law. Lao PDR agreed that market access for imports of goods and services will not discriminate among and against foreign suppliers, and agreed to provide market access in line with negotiated levels for service and tariffs. In practice, current applied tariff rates for goods and limitations on imports of services are in large part far more liberal in practice than the WTO “bound rates.”

The impact of applying far-ranging, pro-market WTO principles is broad and deep, especially in a least-developed transition country with an immature and often anti-market legal system. Lao PDR has comprehensively strengthened its legal framework for intellectual property protection and approved the landmark Law on Making Legislation to improve legal transparency by requiring that all legislation of general application be published in the Official Gazette before coming into effect, along with a 60-day public comment period and regulatory assessment for draft legislation. Further, it has enacted a range of reforms that bring Lao PDR rules and procedures in line with WTO best practice for: customs; trading rights; crop, animal and food safety; product standards, technical regulations and conformity assessment; intellectual property rights, investment practices; transparency and participation in legislation development; dispute settlement; and the development and regulation of key service sectors such as banking, law, insurance and distribution.

The most enduring impact of the WTO accession, however, is more subtle than just a list of reforms and market-opening commitments. For a country such as Lao PDR, with a history of economic planning and the legacy of an outdated and anti-market legal system, WTO accession cements by international treaty that its long-term development strategy will be based on market forces in line with international best practice rules and procedures. The opening introductory sentence of the WTO Accession Working Party Report for Lao PDR states: “The representative of Lao PDR said that his Government had implemented a comprehensive reform program since the mid-1980s to transform the economy from central planning towards a market-oriented system.”

For both domestic and foreign businesses and investors, this provides a more reliable vision for the future that the Lao PDR business environment and rule of law should steadily improve, with increased predictability and transparency in line with regional and international best practices. All of this reduces risks for longer-term investment decisions and lowers transactions costs for doing business on a daily basis, making Lao PDR a more attractive place to do business, to create jobs, and to generate income.

But the story is just beginning. WTO accession is not an end in itself; rather it is a means to an end. The challenge for Lao PDR will be to use the positive momentum and political will

built around WTO accession as a spring-board toward on-going and ever deepening reforms and institution building that expand the foundation for long-term, broad-based, market-driven socio-economic development.

Post-WTO Accession challenges abound. At a fundamental level, Lao PDR needs to continue to strengthen its legislation to support a modern, open economy while at the same time improving its ability to enforce those improved laws and regulations in practice, on a day-by-day basis uniformly throughout the country.

Some elements of a post-WTO accession strategy are in place. Most directly, Lao PDR has committed in the WTO Accession Package to continue to reform and build its institutional capabilities over the next two to three years to come into full compliance with WTO requirements for “SPS/TBT” measures for animal, crop, and food and product safety, for trading rights and for intellectual property protection. As well, WTO-accession reforms integrate directly into Lao PDR’s efforts to meet ambitious ASEAN Economic Community objectives due by 2015.

The pace of legislative development should continue at a rapid pace. The 2011-2015 National Assembly scheduled 90 laws for approval, as many laws as have been developed in the entire history of the Lao PDR. From 2013 to 2015, Lao PDR plans to tackle such major issues as land policy, development of a new integrated civil code with a modernized contract law, electronic commerce and governance, decentralization, competition policy, anti-corruption, trade remedies and a range of other economic and rule of law issues, as well as the completion of scores of regulations to implement the many new laws.

USAID through its LUNA-Lao project operating in Vientiane has been in the forefront with support for Lao efforts to advance the many legislative reforms and capacity-building initiatives needed to meet stringent WTO standards. Modeled on the successful USAID-funded STAR-Vietnam project, LUNA-Lao is a demand-driven project supervised by a multi-agency Government steering committee that enables technical assistance to be targeted directly and responsively to those in the Government, National Assembly, the Supreme People’s Court and the Lao National Chamber of Commerce and Industry who are most responsible for advancing and implementing priority reforms.

By leveraging the strong political will for change stimulated by WTO accession, LUNA-Lao is working in close partnership with a wide range of Lao counterparts to modernize their legal system and build institutional capacity that will lay the long-term foundations for broad-based, market-led growth with stronger rule of law that will endure far after the completion of this project.

SUCCESS STORY 2: SUPPORTING A MANDATE FOR LEGISLATIVE TRANSPARENCY, PARTICIPATION, CONSISTENCY AND EFFICIENCY

It has long been a challenge for foreign and domestic businesses and citizens to find applicable laws and regulations in Lao PDR. This poses obvious challenges for effective and fair enforcement of the law, and it provides opportunities for arbitrary application and corruption. Furthermore, there has not been a specific requirement that draft legislation be posted for public comment before approval, again limiting the quality of legislative drafting and the effectiveness of enforcement. This lack of legal transparency and participation in the

legislative process raised risks for investors and traders, and in general provided a weak foundation for the rule of law in Lao PDR.

Chris Manning, General Manager of the Ford Dealership and President of the Lao Chapter of AMCHAM, has noted the serious implications for his business operations regarding approval of a regulation on distribution that was not made public for comment and that he did not even find out about until one of his shipments was held up at the border checkpoint. Even judges and lawyers complain about access to many Government regulations.

The Ministry of Justice, Ministry of Industry and Commerce and the National Assembly had identified this problem for some time, and publication of laws, regulations and administrative procedures with public comment for drafts are key requirements in a number of trade agreements that Lao PDR has signed. USAID-LUNA worked in close partnership with our counterparts to break a decade-long logjam to support the passage of a landmark Law on Making Legislation, which came into force in January 2013, and the establishment of an Electronic Official Gazette in September 2103.

This Law requires, among a number of advances, that all new legislation of general application at the national and provincial levels must be published in the Official Gazette for 15 days before coming into force, and that drafts of such legislation must have a 60-day public comment period along with regulatory and budgetary assessment notes before approval. Furthermore, all existing legislation that has not been published in the Official Gazette by January 1, 2015 will be revoked. The Law provides for improved processes for resolving inconsistencies among legislation, standardizes legislative development processes and the legal hierarchy from the Constitution all the way down to village orders, and clarifies the requirement that Lao PDR must incorporate requirements in treaties that it signs into domestic law and that national legislation must be applied uniformly throughout the country.

A key first step for implementing the Law was to upgrade the moribund Official Gazette into a fully operating electronic Gazette where all new legislation would be published and be easily accessible to the public on a timely basis. It was decided to use an electronic Official Gazette because it is much more cost efficient and timely than printing thousands of paper copies, allowing for hard copies to be printed from the e-Gazette for distribution to remote areas still with limited internet access.

USAID-LUNA intensively supported all stages of the drafting and approval of the Law, and of a Ministry of Justice Decision that provides workable processes for issuing authorities to pass legislation to an upgraded Official Gazette Unit for posting on a timely basis. As well, in parallel to legislation support, USAID-LUNA worked closely with the MOJ to develop the e-Gazette website and to purchase the equipment needed to operate the website. To save money and time, we adapted the software from the successful Trade Portal to develop a highly functional but straight-forward website. The MOJ remodeled an appropriate office for the equipment and assigned staff to the Official Gazette Unit. As well, since all of this was quite new for MOJ staff, most of which did not have their own email account, an Official Gazette webmaster was supported to help get the system running effectively and to train Government staff to be able to take full responsibility for its operation. Furthermore, support was provided for initial awareness programs for high-level officials and training programs for technical officials, along with the genesis of a campaign to raise public awareness.

The stage has been set for a transformation in legal transparency and enhanced participation in legislative development in the Lao PDR, but it will be critical over the next several years to ensure that the system builds from its strong initial foundation into a well-operating system. Vice-Minister of Justice Ket Kettisack has noted, “the Law on Making Legislation and the Official Gazette provides a critical foundation for achieving a Rule-of-Law State by 2020”, a national objective that has been laid out and approved by Government leadership. The Law and the Official Gazette contributes fundamentally to implementing Lao PDR’s Legal Sector Master Plan and to meeting requirements in trade agreements. Most importantly, USAID’s support has helped our partners in the Lao PDR to establish a legal foundation for the right for all businesses and citizens to be fully informed of all laws and regulations in force and to participate in their development—a foundation that can serve to promote broad-based economic prosperity and stronger rule-of-law in Lao PDR well into the future.

Appendix A. Project Activities from 2009 through November 30, 2013

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
Workshop on Trading Rights	All Trade	Sep. 2009	MOIC/ FTPD and NA	48 Total (39 M 9 F)	Vientiane Capital
Workshop on WTO Accession	Trade in Goods	Nov 2009	MOIC/ FTPD	50 Total (35 M 15 F)	Vientiane Capital
CALENDAR YEAR 2010					
Workshop on Public-Private Trade Policy Dialogue	Transparency, Policy Dialogue	Jan. 28, 2010	MOIC/ FTPD	48 Total (39 M 9 F)	Vientiane Capital
Study Mission to exchange views on Vietnam's BTA/WTO experience and on how Vietnam utilized the USAID Star Project to support BTA implementation and WTO accession	BTA implementation, WTO accession	Feb 4-5, 2010	MOIC	8 Total (4 M 4 F)	Hanoi, Vietnam
1st Quarter 2010 Totals				56 Total (43 M 13 F)	
Workshop on Bern Convention on Copyrights	IPR	Aug. 26, 2010	NAST/DISM	59 Total (40 M 19 F)	Vientiane Capital
Workshop on SPS and TBT Enquiry and Notification Points	Trade in Goods	Sep. 8-9, 2010	MOIC, MAF, MOH, NAST	69 Total (51 M 18 F)	Vientiane Capital
National Assembly Intersession Programme	Transparency, Public Awareness	Sep. 13-16, 2010	National Assembly	120 Total (96 M 24 F)	Thalath, Vientiane Province
3rd Quarter 2010 Totals				248 Total 187 M 61 F	
Workshop on the draft Law on Resolution of Economic Disputes and the Law on Lawyers	BTA Article 10 and Trade in Services	Oct. 22, 2010	MOJ and National Assembly	57 Total (45 M 12 F)	Vientiane Capital
Technical workshop on the draft Law on Resolution of Economic Disputes	BTA Article 10	Dec. 7, 2010	MOJ and National Assembly	15 Total (12 M 3 F)	Vientiane Capital
Study Mission to exchange views on price controls, distribution services,	Trade in goods and	Dec. 13-17,	MOIC	8 Total (5 M	Hanoi and Ho Chi Minh City,

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
business registration and trading rights	services	2010		3 F)	Vietnam
4th Quarter 2010 Totals				80 Total 62 M 18 F	
Year 2010 Totals				384 Total 292 M 92 F	
CALENDAR YEAR 2011					
Workshop on SPS and TBT Enquiry and Notification Points	SPS and TBT	Jan 21	MOIC/ FTPD	12 Total (8 M 4 F)	Vientiane Capital
Workshop on Fundamental Principles for a Securities Law	Trade in services	Jan. 24	Office of Securities and Exchange	20 Total (15 M 5 F)	Vientiane Capital
Workshop on Draft Prime Minister Decree to Implement the Standardization Law	TBT	Jan. 26–27	NAST/ DISM	20 Total (10 M 10 F)	Vientiane Capital
Workshop on the Draft Law on Lawyers	Trade in Services	Feb. 3	MOJ and Lao Bar Association	47 Total (40 M 7 F)	Vientiane Capital
Study Mission to Bangkok Thailand to exchange views on legal transparency, trading rights and public-private policy dialogue, and for a meeting between the Lao Project Steering Committee and USAID/RDMA	Trade in goods, policy dialogue, project admin	Feb. 14–15	MOIC and Project Steering Committee	11 Total (7 M 4 F)	Bangkok, Thailand
Workshop on the Status of the WTO Accession and Public- Private Policy Dialogue	Public awareness and public-private dialogue	Feb. 24	LNCCI and FTPD	82 Total (68 M 14 F)	Luang Prabang
Training Workshop on International Commercial Arbitration	BTA, Article 10	Mar. 7 and 9	MOJ and LBA, in cooperation with Canadian Bar Assoc.	102 Total (84 M 18 F)	Vientiane Capital
Retreat on Draft of Law on Lawyers	Legal Services	Mar. 10–12	MOJ	21 Total (18 M 3 F)	Thalath, Vientiane Province
Workshop on draft TBT Enquiry Point Regulation	TBT	Mar. 23	NAST/ DISM	32 Total (23 M 9 F)	Vientiane Capital
Workshop on Economic Law Priorities for the Legislative Agenda from 2011-2015	BTA, WTO, ASEAN	Mar. 29–30	National Assembly	94 Total (82 M 12 F)	Vientiane Capital
Training on Intellectual Property Border Measures	IPR	Mar. 30	MOF/Custom s	31 Total (28 M 3 F)	Vientiane Capital
Workshop on Draft Prime Minister Decree to Implement the Standardization Law	TBT	Mar. 31 and April 1	NAST/ DISM	34 Total (28 M 6 F)	Vientiane Capital
Almost daily meetings with core drafting team for PM Decree to Implement the Intellectual Property Law	IPR	Mar. 15 to 29	NAST/ DISM	4-5 each Meeting	Vientiane Capital

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
1st Quarter 2011 Totals				511 Total (415 M 96 F)	
Workshop on the SPS Enquiry Point	SPS	April 8	MAF	11 Total (7 M 4 F)	Vientiane Capital
Intensive meetings with core drafting team on TBT enquiry point regulation and PM implementing decree for the Law on Standardization	TBT	April 20, 22, 27 and May 3, 19, 26 and June 2, 8	NAST-DISM	Around 4-6 each Meeting	Vientiane Capital
Retreat on SPS Enquiry Point and MAF Principles for Applying SPS Measures	SPS	April 25–26	MAF	41 Total (27 M 14 F)	Thalath, Vientiane Province
Half-day working meetings with the Drafting Team for Law on Laws	Legal transparency	April 27, May 18, June 21	MOJ	About 12 each meeting	Vientiane Capital
Retreat on the Metrology Law and drafting a Prime Minister Implementing Decree	TBT	April 28–29	NAST/ DISM	7 Total (5 M 2 F)	Thalath, Vientiane Capital
Workshop on LUNA Work Plan 2011	Project administration	April 29	FTPD	19 Total (13 M 6 F)	Vientiane Capital
Almost daily meetings with core drafting team for PM Decree to Implement the Intellectual Property Law	IPR	April 29 thru May 6	NAST/ DISM	4-5 each Meeting	Vientiane Capital
Workshop on Intellectual Property Border Measures	Customs, IPR	May 9–10	MOF/Custom s	50 Total (47 M 3 F)	Thalath, Vientiane Province
Release Event for FTPD Webpage, WTO/Trade Reference Room, and 5 U.S. Product Manuals	FTPD capacity building	May 12	FTPD	112 Total (70 M 42 F)	Vientiane Capital
Workshop on the Status of the WTO Accession and Public- Private Policy Dialogue	Public awareness and public-private dialogue	June 13	LNCCI and FTPD	73 Total (60 M 13 F)	Pakse, Champasak Province
Workshop on Lao National Single Window Legal Requirements Analysis and Roadmap Activity	ASEAN Single Window	June 20	Customs	30 Total (20 M 10 F)	Vientiane Capital
High-level Study Mission to Vietnam to Exchange Views on Developing a Law on Laws	Transparency	June 26 to July 2	MOJ/ NA/ PMO	11 Total (8 M 3 F)	Hanoi and Ho Chi Minh City, Vietnam
2nd Quarter 2011 Totals				376 Total 274 M 102 F	
Workshop for Business Sector Review of IPR Border Measure Decision	Customs, IPR	July 25	Customs and LNCCI	55 Total (40 M 15 F)	Vientiane Capital
Ministry of Justice Training Program on Legislative Drafting	MOJ capacity building	August 8	MOJ	56 Total (41 M 15 F)	Vientiane Capital
Ministry of Justice Training Program on Legislative Drafting	MOJ capacity building	August 11	MOJ	39 Total (35 M 4 F)	Vientiane Capital
Consultative Workshop on the Draft Law on Lawyers	Services	Aug 18–19	MOJ	77 Total (55 M)	Vientiane Capital

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
				22 F)	
Consultative Workshop on the Draft Law on Lawyers	Services	Aug 22–23	MOJ	66 Total (62 M 4 F)	Luang Prabang
Consultative Workshop on the Draft Law on Lawyers	Services	Aug. 29–30	MOJ	53 Total (49 M 4 F)	Pakse Champasak Province
Consultative Workshop on Draft Revisions to the Law on IPR	IPR	Sep. 23	MOST	66 Total (49 M 17 F)	Vientiane Capital
3rd Quarter 2011 Totals				412 Total 331 M 81 F	
WTO Training on Trade Remedies	Anti-Dumping	Oct. 4–6	MOIC	1 Total (1 M 0 F)	Phnom Penh, Cambodia
Technical Workshop on Draft E-Commerce Decree	Trade in services	Oct. 7	MOST	18 Total (12 M 6 F)	Vientiane Capital
National Assembly Workshop to Review Draft Laws and Decrees ¹³	Legislative development	Oct. 10–12	NA	80 Total (65 M 15 F)	Vientiane Capital
Workshop on LUNA Work Plan 2011	Project administration	Oct. 11	FTPD	27 Total (19 M 8 F)	Vientiane Capital
National Consultation Workshop on E-Transaction Legislation	Trade in services	Oct. 21	MOST	59 Total (51 M, 8 F)	Vientiane Capital
Technical Workshop on Draft Decree on the Implementation of Standards Law	TBT	Nov. 9 and 11	MST	12 Total (8 M 4 F)	Vientiane Capital
Workshop on Challenges and Opportunities of Lao PDR's Economic Integration	WTO-ASEAN outreach	Nov. 23	LNCCI	99 Total (80 M 19 F)	Xieng Khouang Province
Seminar for the Challenges and Opportunities from ASEAN Economic Integration and Accession to WTO for Entrepreneurs and SME in Lao PDR (Made in Lao Expo)	WTO-ASEAN Outreach	Dec. 10, 2011	LNCCI	219 Total (135M 84F)	Vientiane Capital
USAID RDMA Regional TrailNet/Visa Compliance System (VCS) Training	Project Administration	Dec. 14-16, 2011	USAID RDMA	1 Total (0M 1F)	Bangkok, Thailand
4th Quarter 2011 Totals				516 Total (371M 145F)	
Year 2011 Totals				1,815 Total (1,391M 424F)	
CALENDAR YEAR 2012					
Technical Workshop on Draft Decree on the Implementation of Standard Law	TBT	Jan. 11–13	MST	12 Total (10 M 2 F)	Vientiane Capital

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
Seminar on Dissemination and Implementation on regulation on TBT Enquiry Point and WTO/BTA Agreement at Provinces	TBT	Jan. 16–17	MST	61 Total (52 M 9 F)	Luang Prabang Province
High Level Workshop on Lao PDR toward the AEC 2015	ASEAN	Jan. 23–24	MOIC MOFA	112 Total (81 M 31 F)	Vientiane Capital
Workshop on Developing a Roadmap for the Lao PDR National Single Window	ASEAN, Customs	Jan. 26–27	MOF	60 Total (57 M 3 F)	Vientiane Capital
Workshop on Dissemination and Implementation on Regulations for the TBT Enquiry Point and WTO-TBT Agreement	TBT	Feb. 2	MST	39 Total (27 M 12 F)	Vang Vieng
Technical Workshop on the Draft Law on Laws	Legal transparency, legislative development	Feb. 8–10	MOJ	14 Total (11 M 3 F)	Vientiane Capital
Working Meetings on the Draft Law on Insurance	Trade in services	Feb. 15, 16, 17, 24, 27	NA and MOF	20 Total (17 M 3 F)	Vientiane Capital
Workshop on TBT	TBT	Feb. 20	MST-DSM	60 Total (48 M 12 F)	Savannakhet
Project Steering Committee Workshop	Project Admin	Feb. 28	FTPD and LUNA	29 Total 26 M 3 F	Vientiane Capital
Retreat on Drafting the Law on Laws	Legal transparency, legislative development	Feb. 29, 30 and March 1	MOJ	21 Total (18 M 3 F)	Thalath, Vientiane Province
Technical Workshop on Drafting the Law on Laws	Legal transparency, legislative development	March 9–11	MOJ	14 Total (11 M 3 F)	Thalath, Vientiane Province
Workshop on Acceding to the Berne Convention	IPR	March 14	MST-DIP	58 Total (39 M 19 F)	Vientiane Capital
Technical Workshop on the Draft Law on Electronic Transactions	Trade in service	March 20–21	MST-DIT	10 Total (8 M 2 F)	Vientiane Capital
Consultation Workshop on the Law on Laws	Legal transparency, legislative development	March 27–28	MOJ	58 Total (48 M 10 F)	Vientiane Capital
1st Quarter 2012 Totals				568 Total (453 M 115 F)	
Consultation Workshop on the Draft Law on Electronic Transactions	Trade in services	April 2–3	MST-DIT	49 Total (39 M 10 F)	Vientiane Capital
Consultation Workshop on the Draft Law on Electronic Transactions	Trade in services	April 5–6	MST-DIT	56 Total (49 M 7 F)	Luang Prabang
Training Workshop for Issuing Certificates of Origin by the Private Sector	Trade in goods and trade facilitation	April 25–27	LNCCI and MOIC- DIMEX	50 Total (30 M 20 F)	Thalath, Vientiane Province
Seminar for Intellectual Property Day	IPR	April 26	MST-DIP	428 Total (301 M 127 F)	Vientiane Capital

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
Consultation Workshop on the Draft Law on Electronic Transactions	Trade in services	April 26–27	MST-DIT	58 Total (48 M 10 F)	Pakse
Policy Workshop on Alternative Dispute Resolution	Dispute Settlement	May 7–8	MOJ-CEDR	98 Total (78 M 20 F)	Vientiane Capital
Presentation on International Arbitration Procedures	Dispute Settlement	May 8	Lao Faculty of Law and Political Science, Lao National University	100 Total (75 M 25 F)	Vientiane Capital
Training Workshop on Arbitration Procedures	Dispute Settlement	May 9–10	MOJ-CEDR	47 Total (34 M 13 F)	Vientiane Capital
Workshop on Steps to Implement Legislation and WTO- ASEAN Requirements for Standards, Technical Regulations and Conformity Assessment	TBT	May 18	MST-DSM	40 Total (27 M 13 F)	Vientiane Capital
Technical Workshop on Drafting the Law on Electronic Transactions	Trade in services	May 31 and June 1	MST-DIT	21 Total (15 M 6 F)	Vientiane Capital
Public-Private Policy Dialogue on the Draft Law on Electronic transactions	Trade in services	June 7	LNCCI and MST-DIT	39 Total (30 M 9 F)	Vientiane Capital
Presentation on Electronic Transactions	WTO-ASEAN outreach	June 12	Lao Faculty of Law and Political Science, Lao National University	90 Total (55 M 35 F)	Vientiane Capital
Training Workshop for Issuing Certificates of Origin by the Private Sector	Trade in goods and trade facilitation	June 13–15	LNCCI and MOIC- DIMEX	60 Total (35 M 25 F)	Thalath, Vientiane Province
Workshop on Steps to Implement Legislation and WTO-ASEAN Requirements for Standards, Technical Regulations and Conformity Assessment	TBT	June 13–14	MST-DSM	43 Total (22 M 21 F)	Oudomsay
Public-Private Policy Dialogue on the Draft Law on Making Laws	Legal transparency, legislative development	June 26	LNCCI and MOJ	26 Total (20 M 6 F)	Vientiane Capital
2nd Quarter 2012 Totals				1, 205 Total (858 M 347 F)	
Project Steering Committee Workshop	Project Admin	July 20	FTPD and LUNA	18 Total (13 M 5 F)	Luang Prabang
Presentation on Intellectual Property	IPR	Aug. 22	Lao Faculty of Law and Political Science, Lao National University	80 Total (60 M 20 F)	Vientiane Capital
Workshop on International Best Practice for the Civil Procedure Law	IPR, judicial capacity building	Aug. 29	SPC	60 Total (40 M 20 F)	Vientiane Capital
Public Forum on the WTO	WTO outreach	Aug. 30	FTPD	294 Total (180 M)	Vientiane Capital

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
				114 F)	
Technical Workshops on Draft Insurance Decree	Trade in Services	Sep. 6, 13 and Oct. 19	MOF	6 Total (5 M 1 F)	Vientiane Capital
Strategy Workshop on Developing Trade Remedy Laws	Trade in Goods	Sep. 7	FTPD	28 Total (17 M 11 F)	Vientiane Capital
Consultation Workshop on the Draft Decree on Insurance	Trade in services	Sep. 24	MOF	43 Total (35 M 8 F)	Vientiane Capital
3rd Quarter 2012 Totals				529 Total (350 M 179 F)	
Presentation on the WTO Accession	WTO outreach	Oct. 4	School of Business Administration and Economics, Lao National University -	90 Total (55 M 35 F)	Vientiane Capital
Study Mission to Singapore for Law on Electronic Transactions	Trade in Services	Oct. 10–11	MST-DIT	9 Total (9 M 0 F)	Singapore
Executive Roundtable on the WTO Accession Package	WTO policy dialogue	Oct. 18	LNCCI and FTPD	12 Total (10 M 2 F)	Vientiane Capital
Made in Lao PDR Policy Workshop	WTO, ASEAN outreach	Oct. 18	LNCCI	159 Total (105 M 54 F)	Vientiane Capital
National Assembly Law Review Retreat for Technical Discussion of Draft Laws in Upcoming General Session	Legislative development	Oct. 22–26	National Assembly Committees for Law and EPF	129 Total (100 M 29 F)	Thalath, Vientiane Province
Study Mission to Vietnam on SPS/TBT Enquiry Points	SPS/TBT	Nov. 11–17	MOIC/MST/MAF/ MOH	9 Total (5 M 4 F)	Hanoi, Vietnam
National Assembly Meeting on the WTO Accession Package	WTO policy	Nov. 12	National Assembly, all Committees	245 Total (205 M 40 F)	Thalath, Vientiane Province
Study Mission to Vietnam on Developing and Operating an Official Gazette	Transparency	Nov. 18–22	MOJ/ NA/ GO	11 Total (9 M 2 F)	Hanoi and Ho Chi Minh City, Vietnam
Workshop on Commitments for Agriculture in the WTO Accession and their Implication for Businesses	Trade in goods	Nov. 27	MOIC/ LNCCI	56 Total (46M 10F)	Vientiane Capital
Workshop on Commitments on Financial Services of Lao PDR under WTO Membership	WTO outreach	Dec. 24	MOIC	89 Total (62 M 27 F)	Vientiane Capital
4th Quarter 2012 Totals				809 Total (606 M 203 F)	
Year 2012 Totals				3,111 Total (2,267 M 844 F)	
CALENDAR YEAR 2013					

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
Seminar on Implementing the Law on Making Legislation	Legal transparency	Jan. 29	MOJ	106 Total (87 M 19 F)	Vientiane Capital
Technical Workshop on Amending Law on Metrology	TBT	Jan. 31– Feb. 2	MST	15 Total (12 M 3 F)	Thalath, Vientiane Province
WTO Accession Celebration, mini-marathon	WTO outreach	Feb. 2	MOIC	1,877 Total (1,158 M 719 F)	Vientiane Capital
Technical Workshops for Training of Trainers on WTO TBT Agreement	TBT	Feb. 13–14	MST	25 Total (16 M 9 F)	Vientiane Capital
Consultation Workshop on the Draft Law on Industrial Processing	Trade in goods	Feb. 18	MOIC, Dept. of Industry	64 Total (53 M 11 F)	Savannakhet
Launch Ceremony for the SPS and TBT Enquiry Points and Notification Unit	SPS-TBT	Feb. 22	FTPD, MST-DSM, MAF	65 Total (42 M 23 F)	Vientiane Capital
Technical Workshop on SPS Policy	SPS	Feb. 22	MAF	65 Total (42 M 23 F)	Vientiane Capital
Legal Retreat on the Draft Food Law	SPS	Feb. 25–28	MOH-FDD with NA	53 Total (44 M 9 F)	Thalath, Vientiane Province
Consultation Workshop on the Draft Law on Industrial Processing	Trade in goods	March 5	MOIC, Dept. of Industry	61 Total (51 M 10 F)	Vientiane Capital
Consultation Workshop on the Draft Food Law	SPS	March 7	MOH-FDD	54 Total (35 M 19 F)	Vientiane Capital
Consultation Workshop on the Draft Law on Industrial Processing	Trade in goods	March 14	MOIC, Dept. of Industry	41 Total (36 M 5 F)	Luang Prabang
Project Steering Committee Meeting	Project Supervisions	March 19	MOIC and other counterparts, and USAID	33 Total (25 M 8 F)	Vientiane
Workshop on the Implications of WTO Accession on the Courts and Civil Procedure	Judicial capacity building	March 20–22	SPC	51 Total (39 M 12 F)	Vientiane Capital
1st Quarter 2013 Totals				2,510 T 1,640 M 870 F	
Consultation Workshop on the Draft Food Law	SPS	April 2–3	MOH-FDD	56 Total (43 M 13 F)	Luang Prabang
WTO Accession Dissemination Workshop for University Faculty and Students	WTO outreach	April 4	FTPD	282 Total (183 M 99 F)	Luang Prabang
WTO Accession Dissemination Workshop for Government Officials and Businesses	WTO outreach	April 5	FTPD	105 Total (71 M 34 F)	Luang Prabang
Dissemination Workshop on the Law on Making Legislation	Transparency	April 29	MOJ	76 Total (72 M 4 F)	Champasack Province
IPR Enforcement Study Mission on U.S and Thai Customs Border	Trade in goods	May 1–3	MOF, Customs	7 Total (7 M)	Nong Khai,

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
Protection			Dept + SPC	0 F)	Thailand
Consultation Workshop on Revising the Draft Decree to Implement the Law on Resolution of Economic Disputes	Dispute settlement	May 8	MOJ, CEDR	59 Total (39 M 20 F)	Vientiane Capital
Dissemination Workshop on the Law on Making Legislation	Transparency	May 10	MOJ	90 Total (75 M 15 F)	Luang Prabang
WTO Accession Dissemination Workshop for University Faculty and Students	WTO outreach	May 21	FTPD	297 Total (187 M 110 F)	Champasack Province
WTO Accession Dissemination Workshop for Government Officials and Businesses	WTO outreach	May 22	FTPD	102 Total (80 M 22 F)	Champasack Province
Strategy Retreat on the Role of the FTPD in a Post WTO Accession Environment	Capacity building	May 24–26	FTPD	31 Total (16 M 15 F)	Vangvieng, Vientiane Province
National Assembly Intersession Workshop	Legislative development	June 6–8	NA	159 Total (132 M 27 F)	Thalath, Vientiane Province
Workshop on Challenges and Opportunities of Lao PDR's Economic Integration	WTO outreach	June 26	LNCCI	55 Total (42 M 13 F)	Luangnantha Province
Awareness Workshop on Electronic Transactions Law	Trade in services	June 27	MST-DIT	86 Total (66 M 20 F)	Vientiane Capital
2nd Quarter 2013 Totals				1,405 T 1,013 M 392 F)	
Technical Workshop on Amending Law on Metrology	Trade in goods	July 13–14	MST-DSM	44 Total (32 M 12 F)	Thalath, Vientiane Capital
3rd Quarter 2013 Totals				44 T 32 M 12 F)	
Dissemination Workshop on the Implementation of the Official Gazette and its website Launch	Transparency	October 11	MOJ	59 Total (49 M 10 F)	Vientiane Capital
Study Mission on the Operating an Electronic Official Gazette	Transparency	October 21–22	MOJ	6 Total (3 M 3 F)	Bangkok, Thailand
Consultation Workshop on the Draft Instruction on Customs Appeals and Draft Assessment Report on Transit Guarantees System	Trade in goods	October 30	MOF-Customs Dept	40 Total (30 M 10 F)	Vientiane Capital
Technical Discussion on the Special Economic Zones	Trade in services	October 31	National Authority for SEZs	20 Total (11 M 9 F)	Vientiane Capital
Workshop on Trade Remedies	Trade in goods	November 1	FTPD	18 Total (12 M 6 F)	Vientiane Capital
Technical Training on the Operating an Electronic Official Gazette	Transparency	November 8	MOJ	64 Total (56 M 8 F)	Vientiane Capital
Study Mission on the Trade Remedies Procedures	Trade in goods	November 12–13	FTPD	8 Total (7 M)	Bangkok, Thailand

Activity	Relationship with BTA, WTO, AEC	Date	Counterparts	No. of Participants (Male / Female)	Place
				1 F)	
Consultation Workshop on Draft Metrology Law	Trade in goods	November 23–24	MST-DSM	41 Total (29 M 12 F)	Thalath, Vientiane Province
4th Quarter 2013 Totals				256 T 197 M 59 F)	
Year 2013 Totals				4, 215 Total (2,882 M 1,333 F)	
Project Total				9,623 Total 6,906 M 2,717 F)	

Appendix B. Study Missions

No.	Activity	BTA, WTO, AEC Relationship	Date	Counter-part	No. of Participants	Place
1	Study Mission to exchange views on Vietnam's BTA/WTO experience and on how Vietnam effectively utilized the USAID Star Project to support BTA implementation and WTO accession	BTA implementation, WTO accession	Feb 4–5, 2010	MOIC	8 (4 M, 4 F)	Hanoi, Vietnam
2	Study Mission to exchange views on price controls, distribution services, business registration and trading rights	Trade in goods and services	Dec 13–17, 2010	MOIC	8 (5 M, 3 F)	Hanoi and Ho Chi Minh City, Vietnam
3	Study Mission to Bangkok Thailand to exchange views on legal transparency, trading rights and public-private policy dialogue, and for a meeting between the Lao Project Steering Committee and USAID/RDMA	Trade in goods, policy dialogue, project admin	Feb 14–15, 2011	MOIC and Project Steering Committee	11 (7 M, 4 F)	Bangkok, Thailand
4	High-level Study Mission to Vietnam to exchange views on developing a law on laws	Transparency	June 26–July 2, 2011	MOJ, NA, PMO	11 (8 M, 3 F)	Hanoi and Ho Chi Minh City, Vietnam
5	Study Mission to Singapore for the Law on Electronic Transactions	Trade in Services	Oct. 10–11, 2012	MOST-DIT	9 (9 M, 0 F)	Singapore
6	Study Mission to Vietnam on SPS/TBT Enquiry Points	SPS/TBT	Nov. 11–17, 2012	MOIC, MOST, MAF, MOH	9 (5 M, 4 F)	Hanoi, Vietnam
7	Study Mission to Vietnam on Developing and Operating an Official Gazette	Transparency	Nov. 18–22, 2012	MOJ, NA, GO	11 (9 M, 2 F)	Hanoi and Ho Chi Minh City, Vietnam
8	Study Mission on Operating an Electronic Official Gazette	Transparency	Oct. 21–22, 2013	MOJ	6 (3 M, 3 F)	Bangkok, Thailand
9	Study Mission on Trade Remedy Procedures	Trade in Goods	Nov. 12–13, 2013	MOIC-FTPD, NA	8 (7 M, 1 F)	Bangkok, Thailand

Appendix C. Laws and Regulations Approved and Promulgated with Substantial Project Support

The laws and regulations approved and promulgated with substantial project support include 12 laws, 18 government and ministerial regulations, 1 international treaty, 1 convention and 1 code.

1. Revision to the Law on Resolution of Economic Disputes (No:06/NA approved on Dec. 17, 2010);
2. Prime Minister Decree on Notification and Enquiry of Trade Information (no. 363/PM enacted on August 19, 2010);
3. Prime Minister Decree on Control of Prices of Commodities and Services (no. 474/PM enacted on Nov. 18, 2010);
4. MOIC Decision on Notification Unit of Sanitary-Phytosanitary Measures and Technical Barriers to Trade (No.:0471/MOIC enacted on March 9, 2011);
5. Prime Minister Decree on Imports and Exports of Goods (#114 enacted on April 6, 2011);
6. Cabinet approval of accession to the Berne Convention (April 2011); Lao PDR deposited at the World Intellectual Property Organization (WIPO) its instrument of accession to the Berne Convention for the Protection of Literary and Artistic Works on December 14, 2011;
7. Regulation on the Organization and Operation of Technical Barriers to Trade Enquiry Point (No: 1199/NAST.PMO enacted June 22, 2011);
8. Decision of the Minister on the Organization and Operation of Sanitary and Phytosanitary Measures (SPS) Enquiry (No. 1502/MAF enacted June 23, 2011);
9. Instruction on Customs Measures for the Protection of Intellectual Property Rights, approved on August 3, 2011;
10. Law on Lawyers, approved by the National Assembly on December 21, 2011;
11. Revised Law on Intellectual Property, approved by the National Assembly on December 21, 2011;

12. Revised Law on Customs, approved by the National Assembly on December 21, 2011;
13. Revised Law on Telecommunications, approved by the National Assembly on December 21, 2011;
14. Ministerial Decision on Basic Principles on the Application of Sanitary and Phytosanitary Measures in Plant and Animal Product Administration, No. 0039/MoAF was approved on January 11, 2012;
15. Government Decree on the Prevention and Control of Animal Diseases, No. 228/GoL, May 31, 2012;
16. Government Decree on the Control of the Movement of Animals and Animal Products, No. 230/GoL, June 4, 2012;
17. Instruction of the Ministry of Finance on Customs Valuation of Imported Goods, No. 1537/MOF, June 4, 2012;
18. Law on Making Legislation, No. 19/NA, approved by the National Assembly on July 12, 2012
19. MoST Decision on Patents and Petty Patents (approved Sept 20, 2012);
20. MoST Decision on Copyrights and Related Rights (approved Sept 20, 2012);
21. MoST Decision on Trademarks and Trade Names (approved Sept 20, 2012);
22. MoST Decision on Industrial Designs (approved Sept 20, 2012);
23. MoST Decision on Integrated Circuit Layout Designs (approved Sept 20, 2012);
24. MoST Decision on Geographic Indicators (approved Sept 20, 2012);
25. Lao National Assembly approved WTO Accession Package (Dec. 6, 2012); Acceded as the 158th member of the WTO on February 3, 2013
26. Law on Electronic Transactions (approved on December 7, 2012);
27. Law on Securities (approved December 2012);
28. Law on Civil Procedure (approved December 2012);
29. Revised Law on Food (approved July 24, 2013);
30. Revised Law on Science and Technology (approved July, 2013);
31. Approval of the WTO/ISO Code of Good Practice for the Preparation, Adoption and Application of Standards (April 2013);
32. Ministry of Justice Decision on Implementation of the Official Gazette (No. 802/MOJ, September 5, 2013);
33. Revised Law on Metrology, approved by the National Assembly in December, 2013; and,
34. Ministry of Finance Instruction to Implement Revisions to the Law on Insurance, approved in February 2014.²¹

²¹ Since a translation has not yet been made of the final version of this Instruction, we cannot confirm the exact name of the new Instruction.

Appendix D. Project-supported Laws and Regulations Pending Approval in 2014

1. Draft MOST Decision on Data Protection;
2. Draft MOST Decision on Unfair Competition;
3. Draft Revision of the Law on Industrial Processing;
4. Draft Law on Safeguards;
5. Draft Ministry of Finance Instruction on Customs Appeals;
6. Draft Ministry of Justice Decision to Implement Revisions to the Law on Resolution of Economic Disputes;
7. Draft Ministry of Justice Decision on Applying Regulatory and Budgetary Assessment Notes;
8. Draft Government Decree on Managing Radio Frequencies; and,
9. Draft Government Decree to Establish and Operate the Lao PDR National Single Window.

Appendix E. Project-supported Translations

Both English to Lao and Lao to English

1. Decree on Fees and Service Charges from Lao to English (a very long and complicated decree), Aug 2010, final version submitted Mar 2011
2. UNCITRAL Model Law on Commercial Arbitration, Dec. 2010
3. PM Decree to Implement the Law on Standardization, Dec 2010
4. Working translation of the draft PM Decree to Implement the IP Law, March 2010
5. Drafts for the regulations on SPS and TBT, Jan/Feb/Mar 2011
6. Law on Plant Quarantine, Mar 2011
7. Law on Metrology, Mar 2011
8. MOIC Decision on GATS Enquiry Point, Mar 2011
9. Decree on Animal Disease Control, Mar 2011
10. Decree on Animal Movement Control, Mar 2012
11. Manuals in English and Lao on marketing to five U.S. product sectors—agricultural, apparel, handicraft, silk, and wood products, May/June/July 2011
12. Translation of Law on the Resolution of Economic Disputes, May 2011
13. Translation of ASEAN Regulatory Good Practice Guide, May 2011

JANUARY THROUGH JUNE 2012

1. Instruction of the Director General of the Customs Department on Customs Valuation for Imports
2. Revised Customs Law
3. Instruction on Completing the Customs Valuation Form
4. Instruction of the Ministry of Finance on Customs Valuation
5. Decision of the Ministry of Finance on the Implementation of the Customs Declaration Form for Imports Subject to Customs Duties and Taxes
6. Draft Government Decree to Implement and Operate the Lao National Single Window
7. Revised Law on Insurance

8. Drafts of Civil Procedure Law
9. Prime Minister Decision on the Increase of Minimum Registered Capital for a Commercial Bank and Minimum Investment Capital For a Branch of a Foreign Commercial Bank
10. Bank of Lao PDR Commercial Bank and Financial Institution Management Department Instructions on Application Procedures for the Establishment of a Commercial Bank in Lao PDR
11. Bank of Lao PDR Regulations on the Use of Registered and Investment Capital
12. Bank of Lao PDR Commercial Bank and Financial Institution Management Department Requirements for the Establishment of a Commercial Bank in Lao PDR
13. Drafts of Law on Electronic Transactions
14. Draft Government Decree to Implement Revisions to the Law on Resolution of Economic Disputes
15. Drafts of Law on Making of Legislation
16. Draft Regulation on Customs Valuation In Implementation of the WTO Customs Valuation Agreement
17. Customs Notice 2326 on Reducing Administrative Prices
18. Revised the Law on Telecommunications

JULY THROUGH DECEMBER 2012

1. MOST Decision on Patents and Petty Patents (approved Sept 20, 2012).
2. MOST Decision on Copyrights and Related Rights (approved Sept 20, 2012).
3. MOST Decision on Trademarks and Trade Names (approved Sept 20, 2012).
4. MOST Decision on Industrial Designs (approved Sept 20, 2012).
5. MOST Decision on Integrated Circuit Layout Designs (approved Sept 20, 2012).
6. MOST Decision on Geographic Indicators (approved Sept 20, 2012).
7. Draft Amendments to the Law on Industrial Processing.
8. Draft Law on Securities.
9. Summary Report of the WTO Accession Package.
10. Draft Government Decree to Implement the Law on Insurance.
11. New Draft Presidential Decree on Fees and Service Charges.
12. Draft Law on Food.

JANUARY THROUGH NOVEMBER 29, 2013

1. Ministry of Justice Decision on Implementation of the Official Gazette;
2. Draft Ministry of Finance Decision to Implement Revisions to the Law on Insurance;
3. Draft Revision of the Law on Industrial Processing;
4. Draft Revision of the Law on Metrology;

5. Draft Ministry of Finance Instruction on Customs Appeals;
6. New Draft Government Decree to Establish and Operate the Lao PDR National Single Window
7. Draft Presidential Decree on Fees and Service Charges.

Appendix F. Reference and Public Relations Materials and Publications

- 540 hard copies and 200 CD-ROMs of five different U.S. product manuals (agricultural goods, apparel, handicrafts, silk products and wood processing)
- 2,000 copies of a brochure on “Lao and ASEAN Economic Community 2015”
- 2,000 copies of a FTPD-ASEAN Division notebook
- 500 copies of a Lao magazine with a lead article on trade negotiations for WTO accession
- 250 copies of the Lao language texts of all major WTO Agreements, in two large volumes
- 550 copies of the Lao PDR WTO Accession Package, with a FTPD summary of key issues, including dissemination to the Cabinet and National Assembly as they considered approval of the Package
- 340 copies of the WTO Accession Services Schedule and around 50 copies of the quite large WTO Accession Goods Schedule;
- 16,000 copies of brochures summarizing key elements of the WTO accession (2,000 copies of 8 different subject areas)
- 4,550 T-shirts with WTO displays
- 3,000 cotton bags with WTO displays
- 3,000 pens with WTO displays
- 3,000 key chains with WTO displays
- 3,800 notebooks with WTO covers
- 30 WTO-related posters
- 3,000 copies of WTO notebooks
- 1,000 copies SPS-TBT books
- 3,000 WTO T-shirts
- DVD of the WTO Accession Celebration
- 2,000 copies Lao and English versions of Law on Economic Dispute Resolution books
- 2,000 copies Lao version of EDR Brochures
- 500 copies Lao and English versions of Implementation Decree on Standardization books
- 1,000 copies Lao version of Civil Procedures Law books

- 750 copies of WTO Package books
- 1,200 copies of books including all 8 subject area brochures in on package
- 2,000 copies of TBT Factsheet
- 1,500 copies of Lao and English versions of Law on Making Legislation books
- 750 copies of Lao and English versions of Law on E-Transactions books
- 1,000 copies of Life Business Magazine that includes a Special Reported by MOIC Minister on Next Steps for Lao PDR on the WTO Stage
- 1,000 copies the Law on Consumer Protection books
- 1,000 copies Lao and English versions of E-Gazette MOJ Decision books.

Appendix G. Project Spending by Key Trade Area, 2010– 2013

Key Trade Area	2010	2011	2012	2013 ^a	Total
A1 General Trade, and Legislative Capacity and Public Awareness Related to the BTA, WTO and AEC	\$325,383	\$125,153	\$275,237	\$292,543	\$1,018,316
A1.1 MOIC Foreign Trade Policy Department: Training and Capacity Building, Communications, Public Awareness of Trade Agreements, and Trade Remedy legislations Development	\$281,412	\$100,122	\$229,364	\$270,874	\$881,772
A1.2 National Assembly: Capacity Building and Legislation Development (many laws)	\$43,971	\$25,031	\$45,873	\$21,670	\$136,544
A2 Transparency and Dispute Settlement	\$87,941	\$125,153	\$290,528	\$216,699	\$720,321
A2.1 Legal Transparency, Regulatory Reform and Legislative Efficiency, Training/Capacity building (Ministry of Justice -Law on Making Legislation, Official Gazette)	\$0	\$100,122	\$214,073	\$162,524	\$476,720
A2.2 Legislation and Training and Capacity Building for Commercial Dispute Settlement (Ministry of Justice -Economic Dispute Resolution)	\$87,941	\$25,031	\$76,455	\$54,175	\$243,601
A3 SPS and TBT	\$105,530	\$275,336	\$290,528	\$162,524	\$833,918
A3.1 TBT Legislation and Training/Capacity Building (MoST Dept. of Standardization and Metrology -Standardization, Technical Regulations, Conformity Assessment, Enquiry Point, Metrology)	\$79,147	\$225,275	\$244,655	\$140,854	\$689,932
A3.2 SPS Legislation and Training/Capacity Building (Ministry of Agriculture and Forestry — WTO-SPS principles, Animal Health, Enquiry Point; MPH Food and Drug Department Food Law) ^b	\$26,382	\$50,061	\$45,873	\$21,670	\$143,986
A4 Trade in Goods and Trade Facilitation	\$26,382	\$12,515	\$0	\$108,349	\$147,247
A4.1 Legislative Development for Trading Rights and Export-Import Licensing (MOIC-FTPD)	\$26,382	\$12,515	\$0	\$0	\$38,898
A4.2 Legislative Development for Industrial Processing and Special Economic Zones (MOIC Dept of Industry; National Authority for Special Economic Zones)	\$0	\$0	\$0	\$108,349	\$108,349
A5 Customs and Single Window	\$0	\$25,031	\$45,873	\$162,524	\$233,428
A5.1 Legislative Development and Training and Capacity Building for WTO-related Customs Procedures and IPR Border Measures (Dept. of Customs) ^b	\$0	\$18,773	\$30,582	\$140,854	\$190,209
A5.2 Legislative Development for Lao National Single Window (Ministry of Finance and Dept. of	\$0	\$6,258	\$15,291	\$21,670	\$43,218

Key Trade Area	2010	2011	2012	2013 ^a	Total
Customs) ^b					
A6 Intellectual Property Rights	\$175,883	\$413,005	\$321,110	\$54,175	\$964,172
A6.1 IPR Legislative and Treaty Development (MoST IP Dept. IP Law and regs, Berne Treaty)	\$114,324	\$350,428	\$244,655	\$32,505	\$741,912
A6.2 Public Awareness and Capacity Building for IPR (Most IP Dept.)	\$61,559	\$62,576	\$45,873	\$0	\$170,008
A6.3 Legislative Development and Training/Capacity Building for Court Procedures to Implement IPR Legislation (Supreme People's Court – Civil Procedure for IPR) ^b	\$0	\$0	\$30,582	\$21,670	\$52,252
A7 Trade in Services	\$131,912	\$212,760	\$229,364	\$54,175	\$628,211
A7.1 Legislation Development for Trade in Services (Laws on: Lawyers (MOJ), Insurance (MOF), Electronic Transactions (MoST))	\$131,912	\$212,760	\$229,364	\$54,175	\$628,211
A8 Public Policy Dialogue on Trade Policy	\$26,382	\$62,576	\$76,455	\$32,505	\$197,918
A8.1 Government-Business Policy Dialogue, Awareness of Trade Agreements and Training/Capacity Building (LNCCI)	\$26,382	\$62,576	\$61,164	\$27,087	\$177,210
A8.2 Training and capacity building for LNCCI Issuance of Certificates of Origin (MOIC and LNCCI)	\$0	\$0	\$15,291	\$5,417	\$20,708
Total ^c	\$879,413	\$1,251,529	\$1,529,094	\$1,083,494	\$4,743,530

a. 2013 amounts are for January to the close-out of LUNA in November.

b. As reported in work plans, LUNA's support was strategically augmented by other USAID and U.S. Government Project: (1) USAID ADVANCE projects based in Jakarta and supervised by the ASEAN Secretariat and the ADVANCE-MARKET project provided funding and technical assistance for the A3.2 SPS-Food Law and the ADVANCE ASEAN Single Window project for A5.2 National Single Window; (2) Washington-based USAID Partnership for Trade Facilitation project provided funding through LUNA to support the Customs Department legislative development and training and capacity building on customs procedures related to the trade agreements' customs appeal processes and transit guarantees—in A5.1 Legislative Development and Capacity Building for WTO-related Customs Procedures; because these funds were spent through LUNA, they are included in this table; (3) The U.S. Patent and Trademark ASEAN program based in Bangkok provided supplemental resources for programs to support training for judges and officials on WTO-related intellectual property protection court procedures and for Customs Department officials for border measures to protect intellectual property rights, supplementing complementary LUNA support for these activities reported in A6.3 and A5.1. Only the LUNA funds, which include the PTF funds, are reported in the table for these activities.

c. In addition to the supplemental U.S. Government support noted in b., LUNA cooperated technically and co-funded activities with other donor programs, which enabled LUNA to leverage project resources to achieve project objectives.