OVERVIEW

Lao PDR is scheduled to graduate in 2026. It is scheduled to graduate in 2026. (Resolution adopted by the General Assembly: A/76/L.6/Rev.1)

GRADUATION PROGRESS

Criteria monitored by the United Nations for graduation from the LDC category:

- GNI: Gross National Income per capita, $  
- EVI: Economic Vulnerability Index  
- HAI: Human Assets Index

Lao PDR met the criteria for graduation in the UN triennial reviews of in 2018 and 2021. It is scheduled to graduate in 2026. (Resolution adopted by the General Assembly: A/76/L.6/Rev.1)

Trade Impacts of LDC Graduation examines the implications of graduation in terms of LDCs’ participation in the multilateral trading system, market access opportunities and development assistance.

EVOLUTION OF EXPORTS

Merchandise exports of Lao PDR sustained the upward trend, despite the COVID-19 pandemic. Exports increased from USD 2.2 billion in 2011 to USD 6.1 billion in 2020.

Commercial services exports of Lao PDR more than doubled from USD 526 million to USD 1.2 billion between 2011 and 2019 but decreased to below USD 400 million in 2020, mainly due to a collapse of travel services induced by the pandemic.
TRADE STRUCTURE

The trade deficit of Lao PDR sharply increased from USD 13 million in 2011 to USD 2.3 billion in 2015 but again decreased since then. In 2020, it reported a trade surplus of USD 0.6 billion, due to decreased imports and continued growth of merchandise exports.

Top-5 export destinations accounted for more than 80% of all goods exports of Lao PDR in 2020.

The biggest market was Thailand, accounting for more than a third of its goods exports.

Fuels represented more than a quarter of its goods exports.

TRADE POLICY

Preference underutilization refers to the share of imports from Lao PDR facing MFN duties despite being eligible for trade preferences.

Tariffs applied to exports of Lao PDR (weighted average, 2019)

Bound tariffs (simple average)

Binding coverage

Total

Tariffs applied by Cambodia to its imports (simple average)