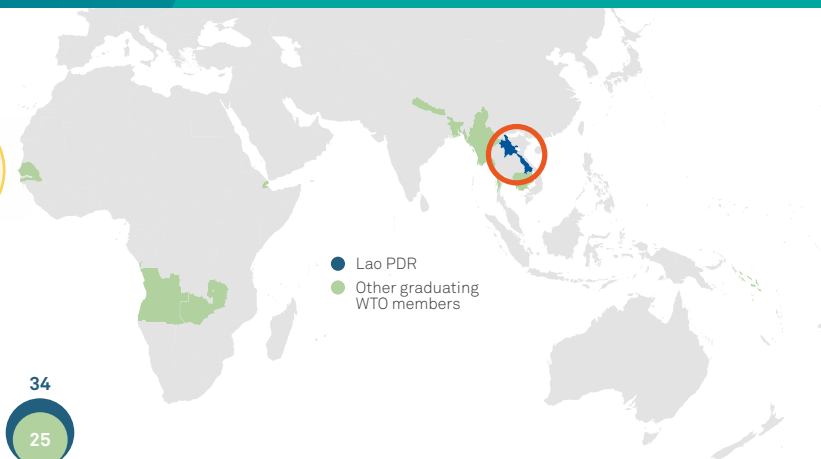
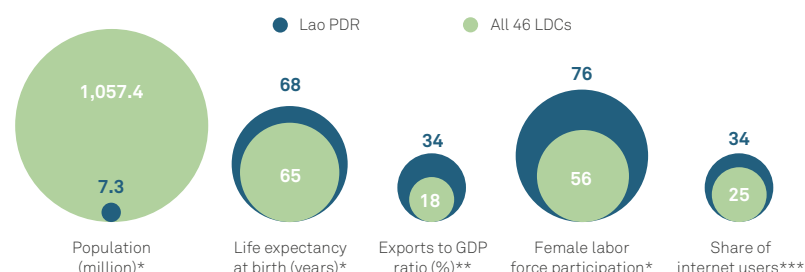
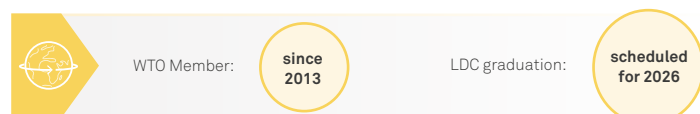


## OVERVIEW



Sources: \* World Bank (WDI), \*\* WTO, \*\*\* ITU; 2020 or 2019.

## GRADUATION PROGRESS

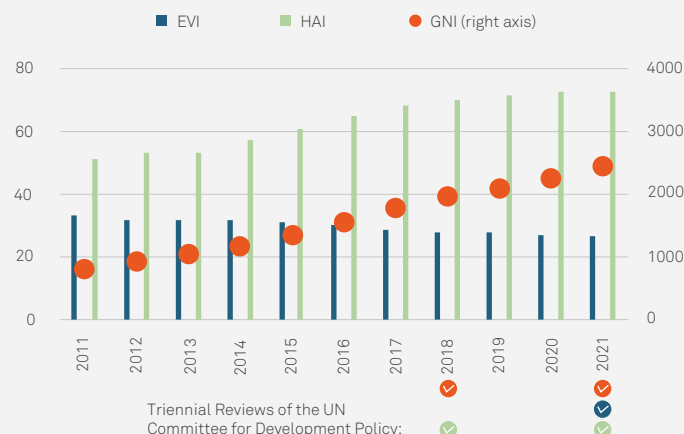
Criteria monitored by the United Nations for graduation from the LDC category:

- **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.



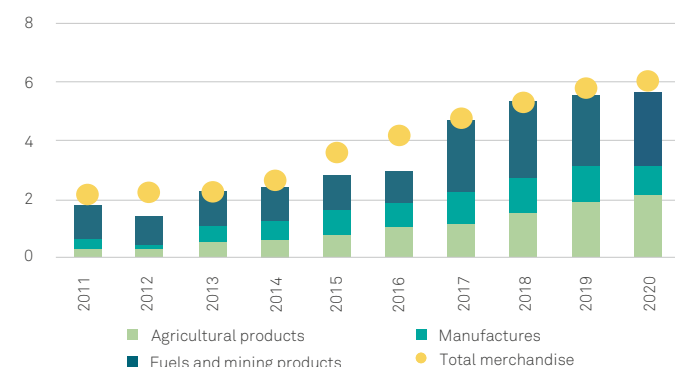
An LDC is eligible for graduation, if: i) it meets two of the three graduation criteria, or ii) its income per capita doubles the income graduation threshold. The graduation criteria should be met at two consecutive triennial reviews of the UN Committee for Development Policy for a country to be recommended for graduation.

Source: United Nations (DESA).

## EVOLUTION OF EXPORTS

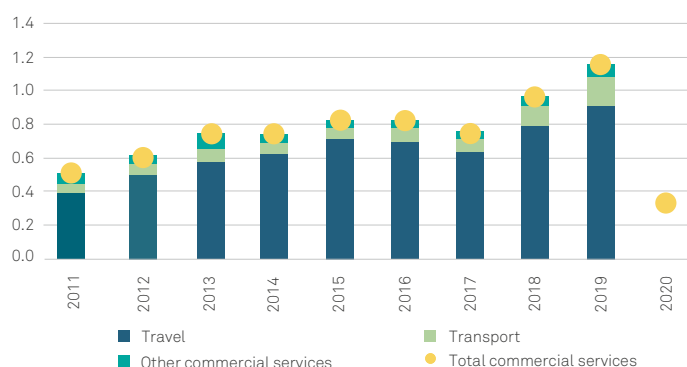
**Merchandise exports** of Lao PDR sustained the upward trend, despite the COVID-19 pandemic. Exports increased from USD 2.2 billion in 2011 to USD 6.1 billion in 2020.

### Merchandise exports (USD billion)



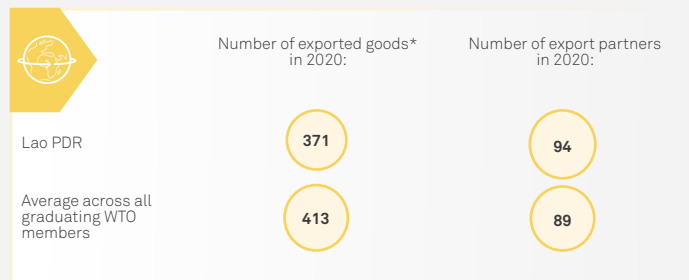
**Commercial services exports** of Lao PDR more than doubled from USD 526 million to USD 1.2 billion between 2011 and 2019 but decreased to below USD 400 million in 2020, mainly due to a collapse of travel services induced by the pandemic.

### Commercial services exports (USD billion)



Source: WTO.

# TRADE STRUCTURE

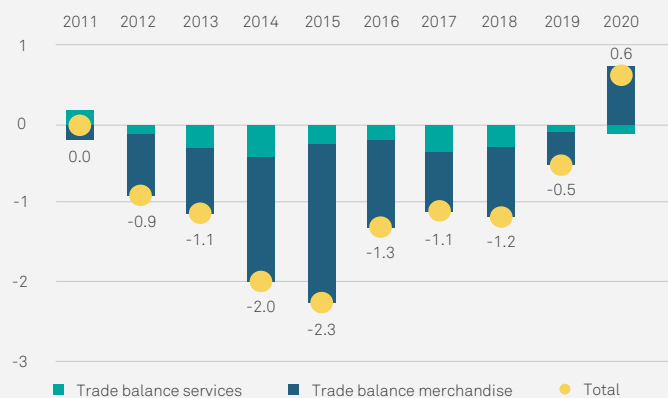


\* HS 4-digit products based on export statistics in 2020.

Source: UN COMTRADE.

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.

## Trade balance (USD billion)



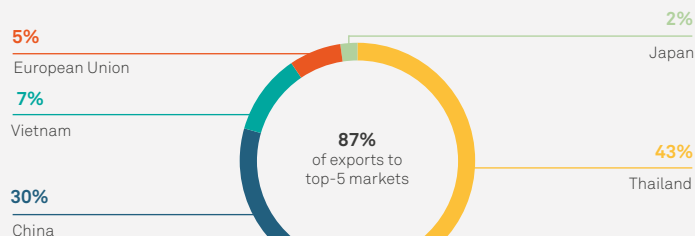
Source: WTO.

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

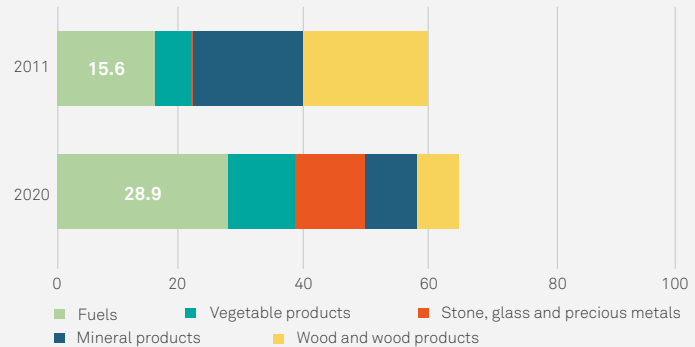
**The biggest market** was Thailand, accounting for more than a third of its goods exports.

**Fuels** represented more than a quarter of its goods exports.

## Top-5 export markets in 2020 Share of global imports from Lao PDR



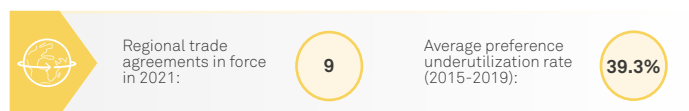
## Top-5 export product groups, 2020 Share of global imports from Lao PDR



HS sections.

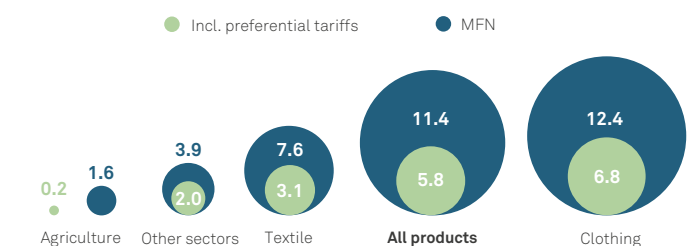
Source: UN COMTRADE, based on import statistics.

# 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)



Other sectors summarize all product groups that do not belong to agriculture, textiles, clothing, or fuels.

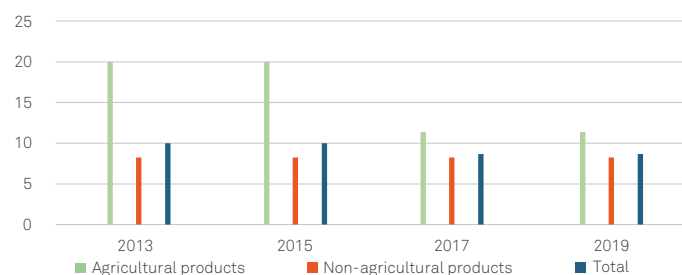
## Bound tariffs (simple average)



## Binding coverage Total



## Tariffs applied by Cambodia to its imports (simple average)



Including interpolated data.

Sources: WTO and SDG Trade Monitor.

**Notes:** Information as of January 2022. Figures for the year 2020 include estimates. Number of traded goods at 4-digit product level of the harmonized system (HS) and number of trading partners in 2020 based on trade data exceeding USD 10,000 retrieved from UN COMTRADE. Regional trade agreements in force and notified to the GATT/WTO taken from the WTO RTA database. Preference underutilization rates based on data of the WTO Integrated Database (G/RO/W/204).