

OVERVIEW OF PHILIPPINES-LAO PDR RELATIONS

- Formally established relations - 14 January 1955
*57 Years in 2012
- Philippine Ambassador to Lao PDR - H.E. Ma. Lumen Isleta
11 January 2012 (PresCred)
- Lao Ambassador to the Philippines - H.E. Malayvieng Sakhoonhinhom
14 March 2011 (PresCred)

Trade¹ (2011)	Investments (2010)²
<ul style="list-style-type: none"> • Total Trade - US\$ 698,597.00 • Exports - US\$ 611,476.00 • Imports - US\$ 87,121.00 • Balance of Trade - US\$ 524,355.00 (in favour of the Philippines) <hr/> <p>Exports</p> <ol style="list-style-type: none"> 1. Cigarette tipping paper in rolls of a width not exceeding 5 cm; 2. Cigarette paper, whether or not cut to size or in the form of booklets or tubes; 3. Medicaments containing vitamins C , in forms or packings for retail sale; 4. Insecticides, rodenticides, fungicides, herbicides, anti-sprouting products and plant-growth regulators, disinfectants and similar products, put up in forms or packings for retail sale or as preparations or articles (for example, sulphur-treated bands, wicks and candles, and fly-papers); and 5. Semiconductor devices (Diodes). <p>Imports</p> <ol style="list-style-type: none"> 1. Prepared glues and other prepared adhesives; 2. Personal and household effects of travellers and immigrants; 3. Other parts suitable for use solely or principally with the apparatus of headings 85.25 to 85.28. (transmission, radar apparatus, reception apparatus for radio telephony and television); 4. Other articles of plastics and articles of other materials of headings 39.01 to 39.14 (polymers, polyacetals, 	<ul style="list-style-type: none"> • Based on Philippine National Statistic Coordination Data, there is no recorded investment by Lao PDR in the Philippines. • At present, the Lao PDR is not a priority target country for investment. However, the Philippines hopes to strengthen its relationship with Lao through the promotion of specific sectors. Below is a list of sectors which Lao investors may invest in: <ol style="list-style-type: none"> 1. Agriculture; 2. Textile; 3. Mining; 4. Energy; and 5. Tourism. • Per Philippine Trade and Investment Center Office handling Lao PDR, there are no recorded Filipino investments in Lao PDR.

¹ Bureau of Export Trade Promotion, emailed to aspacdiv5@gmail.com on 19 April 2012.

² Asia and Africa Division, International Marketing Department-Board of Investments (BOI), Philippines-Lao PDR Investment Relations as of September 2011, sent through email on 22 September 2011.

polyamides, amino resins, silicones, cellulose); and 5. Parts and accessories of surveying (including photogrammetrical surveying), hydrographic, oceanographic, hydrological, meteorological or geophysical instruments and appliances, excluding compasses; rangefinders.	
Filipinos in Lao PDR³	Tourist Arrivals
<ul style="list-style-type: none"> As of December 2011, an estimated 556 Filipinos live in Lao PDR. 	<ul style="list-style-type: none"> 971 as of December 2011⁴

BILATERAL CONSULTATIVE MECHANISMS

A Memorandum of Understanding (MOU) between the Philippines and Laos was signed on 06 May 2008 establishing the Philippines-Lao PDR Joint Commission for Bilateral Cooperation (JCBC).

Laos offered to host the inaugural JCBC in Luang Prabang. The inaugural JCBC, however, has yet to be convened.

PARLIAMENTARY COOPERATION

The Philippine Embassy in Vientiane recommends support of the establishment of the Philippines-Laos Parliamentarians' Friendship Association as this will facilitate a dynamic and proactive parliamentarians' dialogue between the two countries and contribute to strengthening cooperative relations.

It may be noted that the Philippines is among the countries listed in the Lao National Assembly website as having an existing Lao-Philippines Parliamentarians' Association.⁵ The Association was established by Resolution No. 156/ST of 14 November 2011 (Resolution of the Standing Member of the National Assembly on an Appointment of the implementation of the Lao-Philippines and Brunei Parliamentarians' Friendship Association).

CONCLUDED BILATERAL AGREEMENTS

1. MOU on Trade and Investment Cooperation (1994)
2. Agreement on Agricultural and Forestry Cooperation (1997)
3. Agreement on Economic and Technical Cooperation (1998)
4. Agreement on Public Health Cooperation (1997)
5. Memorandum of Agreement on Cooperation Against Illicit Trafficking of Narcotic Drugs and Psychotropic Substances and Abuses thereof (1997)
6. Agreement on Cultural Cooperation (1998)

³ Philippine Embassy in Vientiane, Report to Congress July-December 2011.

⁴ Department of Tourism (DOT), sent through email on 02 March 2012.

⁵ Philippine Embassy in Vientiane, fax ZLS-277-2012 of 30 July 2012.

7. Agreement on the Exemption from Visas for Holders of Ordinary Passports (2005)
8. MOU on Technical Cooperation on Labour and Employment (2005)
9. MOU for Technical Cooperation in the fields of Electric Plant Engineering, Operations and Maintenance Services and Rural Electrification (2006)
10. MOU on the Documentary Film Production on the 450th Founding Anniversary of the City of Vientiane (signed by the Laos Ministry of Information and Culture, the DFA and the Academe-Civil Society Network of Southeast Asia on 2010)
11. MOU between the PH Foreign Service Institute (FSI) and the Lao Institute of Foreign Affairs (IFA) (signed during Lao PM's visit, 10 May 2012)
12. MOU between the Philippine Sports Commission (PSC) and the Lao Ministry of Education and Sports on Sports Cooperation (signed during Lao PM's visit, 10 May 2012)
13. MOU between the University of the Philippines-Los Baños and the National University of Laos (signed during Lao PM's visit, 10 May 2012) (academic institutions)
14. Cooperation Agreement between the Philippine Chamber of Commerce and Industry and the Lao National Chamber of Commerce and Industry (signed during Lao PM's visit, 10 May 2012) (private sector - signed by PCCI President Miguel Varela and LNCCI President Kitsana Vongxay; and the Business Council Chairs of the Philippines and Laos)

EXCHANGE OF HIGH-LEVEL VISITS

- President Fidel V. Ramos visited Laos in October 1997.
- Lao Prime Minister Bounhang Vorachit visited the Philippines in 2002.
- President Gloria Macapagal-Arroyo visited Laos in November 2004 to attend the 10th ASEAN Summit.
- Lao Prime Minister Bouasone Bouphavanh undertook a three-day Official Visit to the Philippines in June 2007.
- Lao Prime Minister Thongsing Thammavong visited the Philippines on 10-11 May 2012.

BILATERAL ECONOMIC RELATIONS

Trade (2011)⁶

Total Trade	:	US\$ 698,597.00
Exports	:	US\$ 611,476.00
Imports	:	US\$ 87,121.00
Balance of Trade	:	US\$ 524,355.00 (in favour of the Philippines)

⁶ BETP, emailed to aspacdiv5@gmail.com on 19 April 2012.

BILATERAL MERCHANDISE TRADE⁷

Value in US Dollars

YEAR	TOTAL TRADE	EXPORTS TO LAO PDR	IMPORTS FROM LAO PDR	BALANCE OF TRADE
2006	451,685	451,685	0	451,685
2007	448,936	444,252	4,684	439,568
2008	719,569	716,699	2,870	713,829
2009	1,602,593	1,567,567	35,026	1,532,541
2010	311,739	301,273	10,466	290,807
2011	698,597	611,476	87,121	524,355

In 2011, Laos ranked as the Philippines 136th export market and 129th import source. While Philippine trade with Laos has not been large and significant in the past, DTI-BETP has already made inroads into this market. PCCI was in fact pleased to note the positive results of the BETP-led Outbound Business Matching Mission (OBM) to Laos in July 2010 that opened more windows of opportunities and avenues to establish areas of collaboration between the Philippines and Laos.

Philippines-Lao PDR Business Council

The Cooperation Agreement between PCCI and the Lao National Chamber of Commerce and Industry (LNCCI) was signed during the Lao Prime Minister's visit to the Philippines on 10-11 May 2012. The Agreement provides for the creation of a Philippines-Lao PDR Business Council (PLBC). The Business Council is aimed at facilitating and spurring business growth between the two countries by undertaking programs and activities that will offer business possibilities resulting in partnerships and ventures in the future.

The PLBC is being organized under the leadership of Mr. Antonio Cabangon-Chua, former Philippine Ambassador to Laos, with the support of PCCI and DTI. The members of the previous OBM are being targeted as initial core members. The counterpart council in Lao PDR was already formed in 2011.

Trade Mission to Laos

The Philippine trade mission to Laos, with a swing to Cambodia, Myanmar and Viet Nam by the group of former Ambassador Chua and Mr. Benjamin V. Ramos, President of the Business Mirror, took place on 7-10 July 2012.

Investments

According to the National Statistical Coordination Board (NSCB), there is no recorded investment by Laos in the Philippines.⁸ Likewise, there are no recorded Filipino investments in Laos.

⁷ Ibid.

⁸ Asia and Africa Division, International Marketing Department- BOI, Philippines-Lao PDR Investment Relations as of September 2011

Although at present, Laos is not a priority target country for investment, the Philippines desires to strengthen its relationship with Lao through the promotion of specific sectors. Below is a list of sectors which Lao investors can invest in:

1. Agriculture;
2. Textile;
3. Mining;
4. Energy; and
5. Tourism.⁹

Tourist Arrivals

For the year 2011, a total of 971 tourists from Laos visited the Philippines.¹⁰

FILIPINOS IN LAOS

As of **December 2011**, there are **about 556 overseas Filipinos** in Laos¹¹, most of them working as consultants in UN agencies and international NGOs, engineers in hydropower and mining projects, English teachers, accountants and other administrative staff. These workers are greatly appreciated by the people and government of Laos because of their valuable contribution to the economic development of that country. Wages vary from US\$350 to US\$8,000 a month, depending on the employer and the kind of work.

The present-day generation of Filipino workers in Laos is highly regarded and likened to their **Operation Brotherhood (OB)** counterparts in the 1950s to 1970s. USAID funded the OB project which sent Filipino medical personnel, teachers, and social workers to Vientiane and other remote areas of Laos. Although some people suspected the OB employees as CIA agents, many old-timers in Laos recall the medical and social assistance provided by the Filipino volunteers and remember them with fondness.

Overseas Filipino Workers (OFWs) in Laos have **fair** living conditions. The common problem they encounter is the lack of adequate and affordable **medical/hospital** facilities. In order to help address this problem, Vientiane PE signed a “treat now, pay later” plan with Thai hospitals.

Estimated Number of Overseas Filipinos			
	Male	Female	Total
a. Permanent Migrants	0	0	0
b. Temporary Migrants	339	217	556
c. Irregular / Undocumented Migrants	0	0	0
TOTAL	339	217	556

Vientiane PE's RTC December 2011

⁹ Ibid.

¹⁰ DOT, sent through email on 02 March 2012.

¹¹ Philippine Embassy in Vientiane, Report to Congress July-December 2011.

Profession / Skills	Male	Female	Total
Nurses	2	2	4
Engineers	33	0	33
Accountants	9	9	18
Consultants	9	12	21
Hotel workers	36	29	65
Teachers	33	57	90
Religious Profession	0	4	4
Office workers	30	32	62
Agriculturists	4	0	4
Factory/Garments	10	22	32
Heavy Equipment/skilled workers	35	3	38
Household & minors	29	41	70
Mining – skilled workers	95	5	100
Geologists	13	1	14
Musicians	1	0	1
TOTAL	339	217	556