

Mekong-Five Economic Forum – Current Status and Prospect of Advancing Frontier Markets -

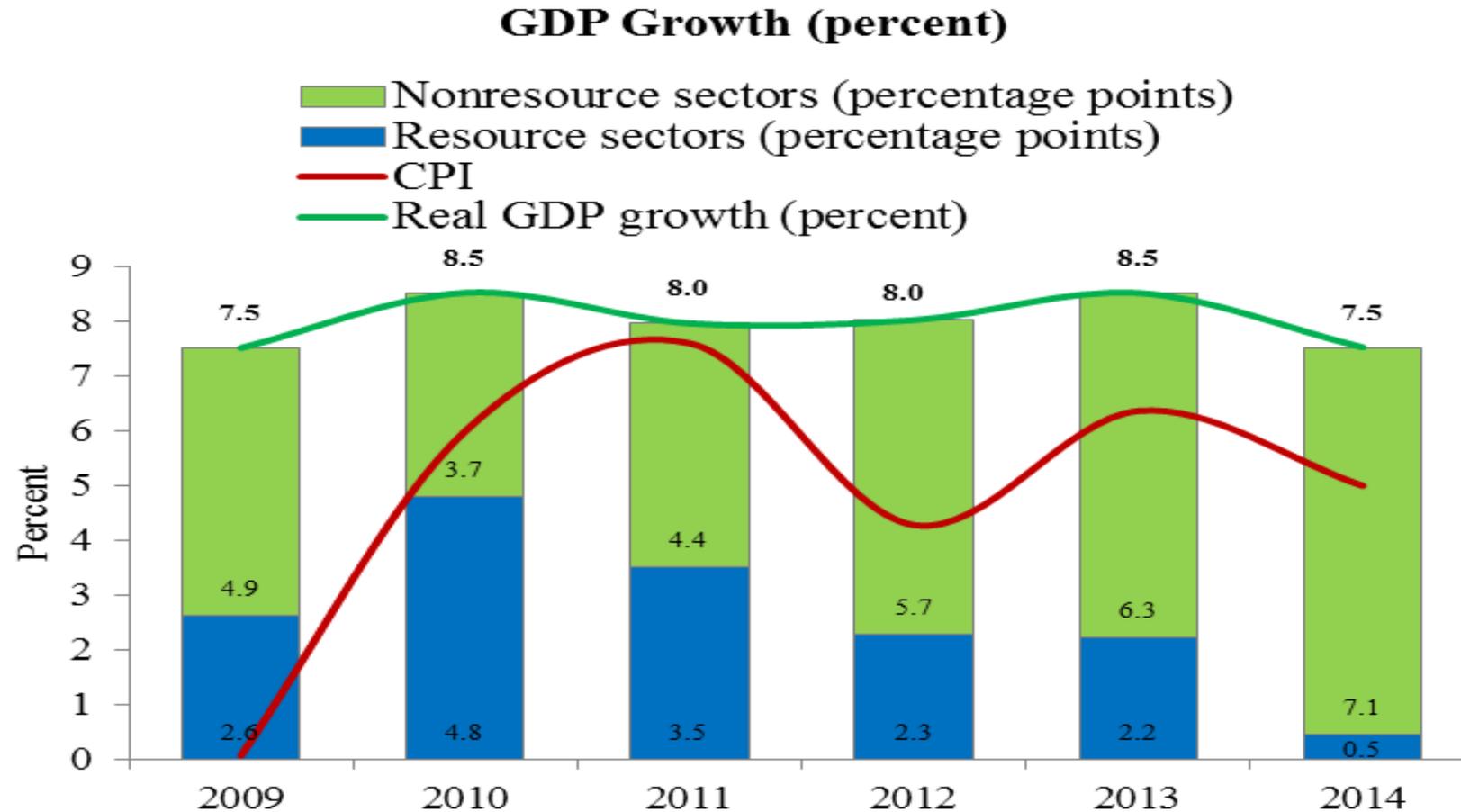
“Growth Potential and Business Chance of Mekong after the Actualization of the ASEAN Economic Community”

Tokyo, July 03, 2015

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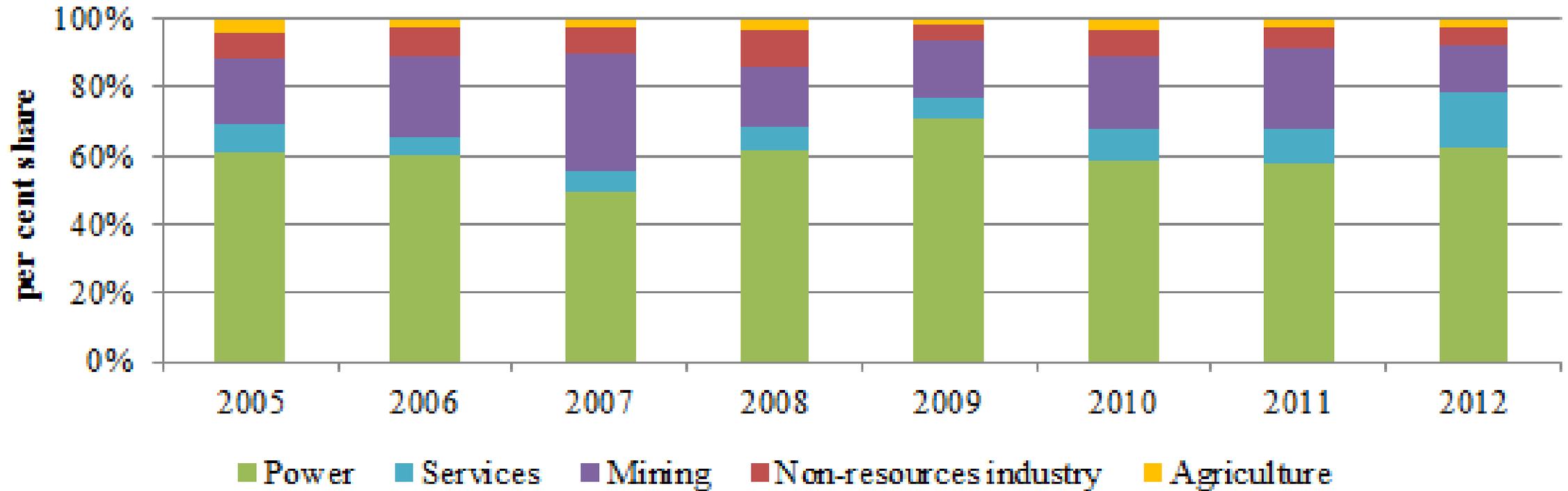


Rapid growth, driven by the exploitation of hydro and mining

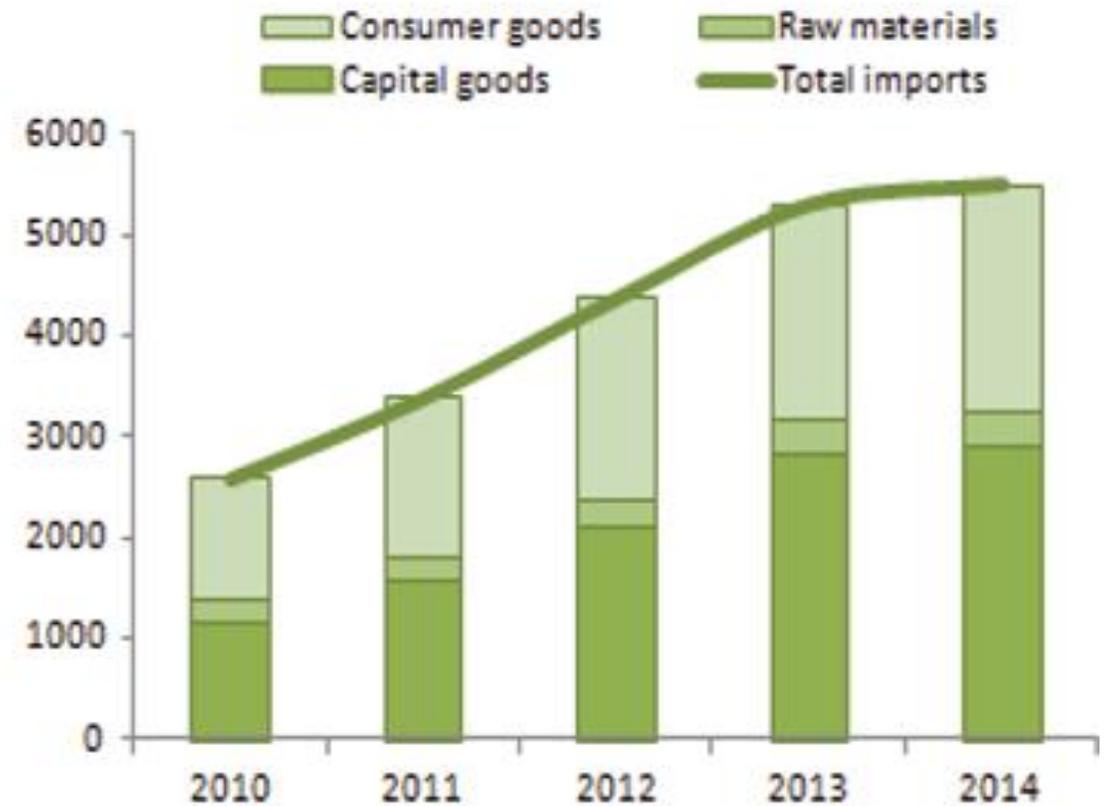


Note: Resource sectors include hydropower and mining sectors
Non-resource include agriculture, manufacturing, construction, services

Strong FDI, especially in power sector



Merchandise export and import



Trade and Investment Environment

- ❖ FDI - key engine for sustainable growth and competitive economy, source of technology, and quality job opportunities.
- ❖ Shaped by bilateral, regional and international agreements
 - Strong commitments to fulfilling obligations under AEC, WTO and other bilateral agreements;
 - Major commercial legislations consistent with key WTO principles and AEC requirements
 - Good progress in trade facilitation.
- ❖ Regionally competitive industrial and export processing zones: Savan-Seno Special Economic Zone, VITA Park, Pakse-Japan SME Special Economic Zone and others

Investment Opportunities

- ❖ Natural resources: hydro power and mining;
- ❖ Power: data center, machine dominated manufacturing and other power consuming industries;
- ❖ Land: organic agriculture, herbal medicine, flowers, food processing;
- ❖ Labor: textile, handicraft, assembly of electronic and other components;
- ❖ Tourism infrastructure;
- ❖ Construction related industry
- ❖ ODA funded projects: Education, healthcare, infrastructure, governance, natural resource management, economic integration.

Remaining Challenges

- ❖ High logistics costs
- ❖ Inadequate skilled labor
- ❖ Gaps between regulations and implementation
- ❖ Low productivity in agriculture
- ❖ Low awareness about Green growth

Future policy directions

- Develop human resources, social and economic infrastructures;
- Effectively promote and develop all economic sectors, particularly SMEs;
- Actively contribute and participate in regional and international economic integration through Mekong – Japan, GMS, AFTA, WTO and other initiatives;
- Shifting to green growth in future development strategy

Thank you

