



“Toward ASEAN Chairmanship: Lao PDR Innovation & Investment Forum” Investment Opportunity in Lao PDR

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Table of Context:

- **Why invest in Laos?**
- **Investment Incentives**
- **Investment Opportunities**
- **Ease of investing and living**



5 REASONS

Why You Should Invest in

LAOS



Potential Growth



Abundance of Resources



Politically Stable



The Belt and Road Initiatives
(BRI)



Tax Incentives

LAND OF AMPLE OPPORTUNITIES AND SUCCESS

Growing economy at strategic locations

- Located at the heart of the region connecting with robust economies
- GDP grew 6.4% per year between 2016 and 2019.
- In 2024 the Laos's economy will projected grow by 4%



Abundant resources

- ▶ The total land area of Laos PDR is around 236,800 square kilometers (which 3 million ha are arable land for agriculture) for 7.5 millions population
- ▶ Green energy (hydropower, wind power, solar energy)
- ▶ Rich in mining deposits (gold, copper, potash, iron, coal...)
- ▶ predominantly mountainous, with the majority of the country covered by rugged terrain and multiple mountain ranges (tourism resources)



Monsoon Wind Farm, 600 MW, Sekong and Attapeu Province



EDL Gen Solar Power Project, 15 MW, Vientiane Capital

LAND OF AMPLE OPPORTUNITIES AND SUCCESS

Growing Public Infrastructure for better connectivity:

- Railway: Laos-China Railway (422km), Laos-Thailand Railway (11km) and 3 projects under study
- Expressway: Developing Express way alongside the Railway (Vientiane-Vang Vieng Expressway spanning 133km) and 14 projects under study
- Dry-port: 3 are in operation and 6 under study
- 4 International airports and 5 domestic airports
- 4 Cross border Mekong rivers and 1 is under construction



Vientiane-Vang Vieng highway

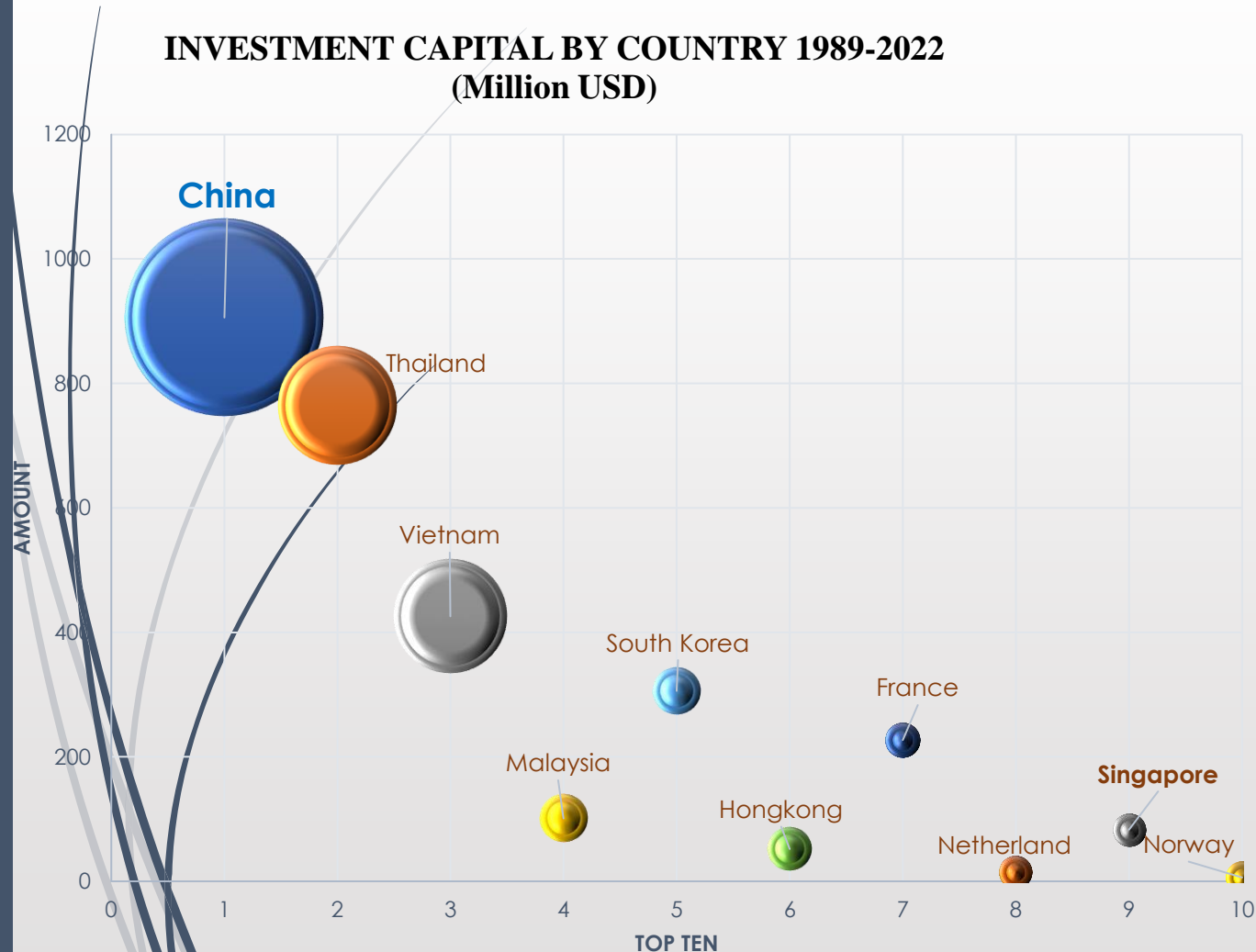


Lao-China Railway
Thanaleng Dryport



Hosting investors from 53 countries

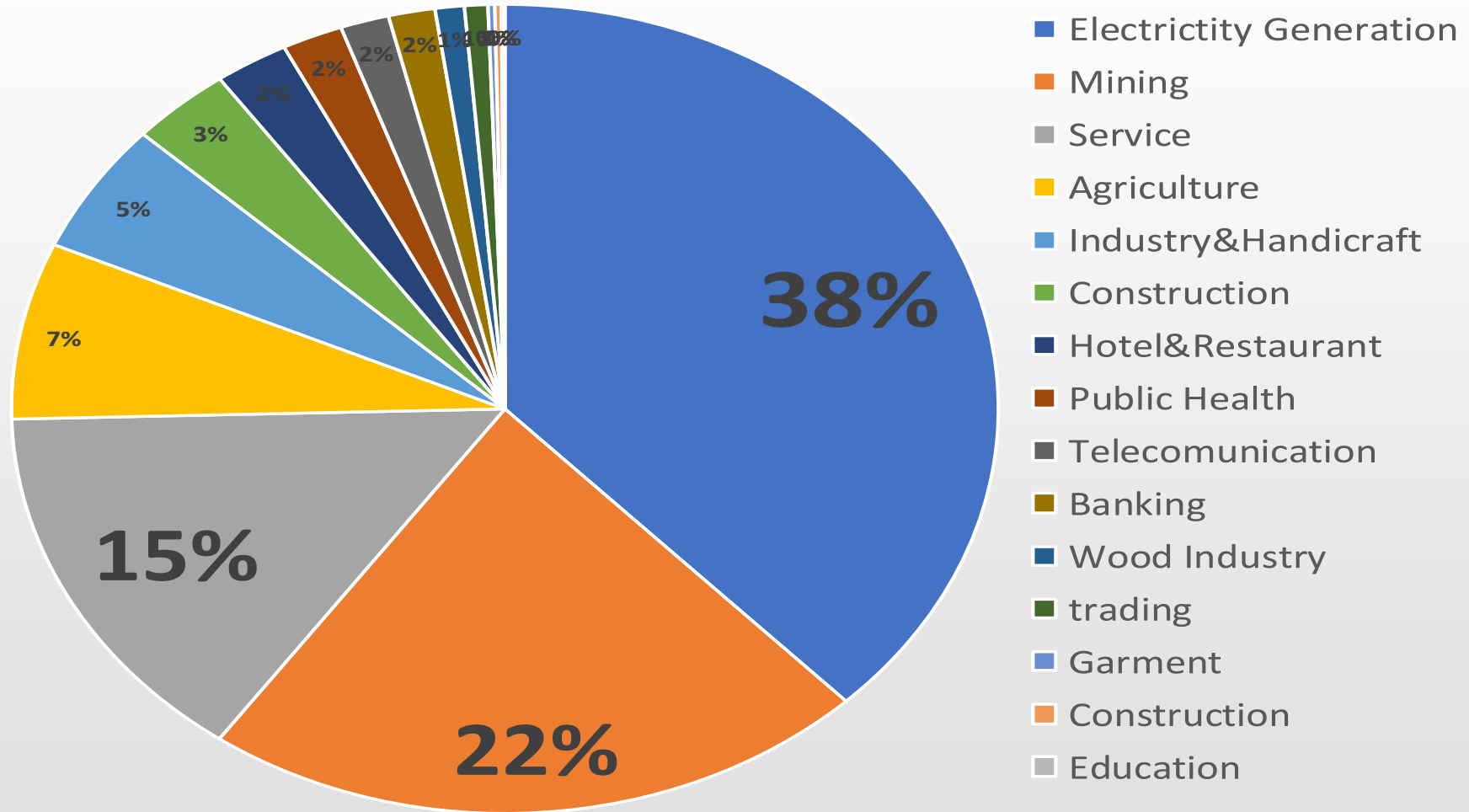
INVESTMENT CAPITAL BY COUNTRY 1989-2022
(Million USD)



No	Country	Unit	Value of Investment (US\$)
1	Lao*	2829	15,381,812,977
2	China	920	13,465,892,261
3	Thailand	764	4,728,453,493
4	Vietnam	425	4,208,910,907
5	Malaysia	101	767,128,844
6	Korea, South	312	758,848,151
7	Hong Kong	52	644,457,259
8	France	227	558,354,763
9	Netherlands	15	399,366,484
10	Singapore	83	362,349,918
11	Norway	6	346,435,550
12	Australia	90	194,662,582
13	United Kingdom	55	167,031,258
14	United States	119	150,949,732
15	Japan	106	121,130,049
16	Taiwan	76	120,538,116

LAND OF AMPLE OPPORTUNITIES AND SUCCESS

Approved Foreign Investment Projects



Investment fiscal incentives

- 9 priority sectors (4 higher priority sectors), 108 activities
- Invest in more remote and poor areas receive more incentives
- Profit tax holidays (up to 15 years)
- Import duties exemption for materials, equipment, fixed assets, machinery, and vehicles that are not available in Lao PDR and are intended directly for production purpose; raw materials, equipment and parts to be used in the production for export;
- Exemption of rental and concession royalty of state owned land (up to 15 years)
- Competitive incentives from Special Economic Zones

Potential sectors for Japanese investments



Light
manufacturing,
part of regional
supply chain



Electrical and
electronics
manufacturing
industry



Agricultural
Machinery and
Vehicles (e.g
Kobota)



Energy (wind,
solar, hydro)
and energy
linked
downstream
sectors
(technology,
expertise)

Ease of Investing

- **Investment Promotion Department** as Investment One Stop Service for investment in Concession and Controlled activities
- **SEZ Management Office** provides comprehensive support to SEZs in Laos
- **Many SEZs** to facilitate foreign investments particularly in manufacturing (Savan Park, Saisettha Development Zone, Vientiane Logistics Park, VITA Park...)
- **Growing domestic private sectors** to partner with foreign investors as well as providing raw materials, parts, equipment and services



High quality pipe



Industrial safety product and services



Vientiane
Life
Center



LOCA
(On-line
taxi
service)



International
School



Sport
facilities



International
Hospital

Ease of Living

- Peaceful society
- Online Banking
- Many International and bilingual schools
- Modern Hospitals
- Commercial department stores
- Online service portal for life style convenience (Taxi, food delivery, e-commerce)
- Newly built apartment buildings
- Affordable golf and other sport facilities



ກົມສົ່ງເສີມການລົງທຶນ
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Investment Promotion Department

To boost competitiveness and emerge as a key economy in Southeast Asia and transforming itself into one of the most dynamic countries in the region

Thank you