

Lao People's Democratic Republic

The Lao People's Democratic Republic, or Laos, is the only landlocked country in Southeast Asia. It is located in the northern part of the Indochina Peninsula, bordering China to the north, Cambodia to the south, Vietnam to the east, Myanmar to the northwest, and Thailand to the southwest. It covers a total area of 236,800 square kilometers. Among a population of 6.8 million, there are more than 30,000 overseas Chinese. There are 49 ethnic groups in the country, mainly include ones that respectively speak the Tai languages, the Mon-Khmer languages, the Hmong-Mien languages, and the Sino-Tibetan languages, collectively known as the Lao ethnic group. Vientiane is the capital and largest city of Laos, with a population of about 850,000 (as of 2015). It is the political, economic and transportation centre of the country. The official language is Lao, and most of the Laotians are Buddhist.

Laos is not only a member of the United Nations, but also a member of the Association of Southeast Asian Nations (ASEAN) and the World Trade Organization. Laos is currently a developing country with an economy pillared by agriculture and supported by an elementary industrial and service foundation. Laos launches a reform and opening up in 1986 to adjust the economic structure by combining the agroforestry, industry and service industries, with priority placed on the development of agroforestry. In recent years, Laos has been improving its investment environment, expanding its foreign economic relations, and seeking to introduce more capital, advanced technologies and management methods. Currently, Laos has established trade relations with more than 50 countries and regions, mainly including Thailand, China, Vietnam, Japan, the European Union, the United States, Canada and other ASEAN countries. In 2017, Laos' service industry, industry and agriculture accounted for 45.9%, 33.2% and 20.9% of GDP respectively.

China and Laos established diplomatic relations on 25 April 1961, and between the late 1970s and the mid-1980s, the bilateral relations experienced twists and turns. Since 1989, China-Laos relations have been fully restored and developed, as friendly exchanges and co-operation in the political, economic, military, cultural, and health fields have been deepened constantly, and close coordination and co-operation have been carried out in international and regional affairs. In recent years, the leaders of China and Laos have been frequent visiting each other. In November 2000, the two countries issued the Joint Statement on Bilateral Cooperation, confirming a comprehensive co-operative relationship aiming at long-term stability, neighborliness and friendliness, as well as mutual trust. In November 2006, China and Laos issued another joint statement to further deepen their traditional friendship and comprehensive co-

operation. In September 2009, China-Laos relation was once again upgraded to a comprehensive strategic partnership. In May 2017, Bounnhang Vorachith, President of Laos, visited China and attended the Belt and Road Forum for International Cooperation. In November 2017, China and Laos agreed to jointly build a community of common future with strategic significance, and take China-Laos relations to the next level.

Mineral resources

Laos has tin, lead, sylvite, copper, iron, gold, gypsum, coal, rare earth and other mineral resources. So far, gold, copper, coal and sylvite can still be mined.

Natural resources

Water resources are abundant. The national forest coverage rate is about 50%. Laos produces valuable timber such as teak and rosewood.

Industry

Major industrial enterprises include power generation, sawmilling, mining, iron making, cement, clothing, food, beer, pharmaceuticals, and small repair as well as workshops such as weaving, bamboo and wood processing.

Agriculture

The main crops are rice, corn, potato, coffee, tobacco, peanut, cotton, etc., with the total agricultural land of about 4.7 million hectares.

Service industry

Laos' service industry has a weak foundation and a late start. Since the reform and opening up policy were launched, the service industry has achieved great development, with a growth of 8.5% in 2016.

Tourism

Since the reform and opening up, tourism has become an emerging industry in Laos' economic development. In recent years, Laos has signed co-operation agreements with more than 500 foreign travel companies and opened 15 international tourist ports, while taking measures such as increasing investment in tourism infrastructure, reducing visa fees, and relaxing border travel procedures to ensure the sustainable development of tourism. Luang Prabang and the Wat Phu Temple in Pakse have been included in the World Cultural Heritage List. In May 2013, it was rated "the best travel destination in the world" by the European Council.

Main Economic Indicators 2017

Gross Domestic Product (international exchange rate) (US\$ billion)	16.85
GDP Per capita (international exchange rate) (US\$)	2,457.40
Gross Domestic Product (purchasing power) (US\$ billion)	48.17
GDP Per capita (purchasing power) (US\$)	7,023.40
Real GDP growth (%)	6.9%
Inflation (%)	0.8%
Area (sq km)	236,800
Population	6,858,160

Source: The World Bank, <http://databank.worldbank.org>

Major Trading Countries/ Regions of Laos in 2017

Main Destinations for Exports	%
Thailand	42.6
China	28.7
Vietnam	10.4
India	4.4
Main Origin for Imports	%
Thailand	59.1
China	21.5
Vietnam	9.8

Source:

1. Ministry of Foreign Affairs of the People's Republic of China, <https://www.fmprc.gov.cn/>
2. CIA-The World Factbook, <https://www.cia.gov/library/publications/the-world-factbook/>

Foreign Trade 2017

(unit: US\$ Billion)

Year	Total Trade	Exports	Imports
2017	9.345	4.803	4.542

Major export commodities: Wood products, coffee, electricity, tin, copper, gold, cassava

Major import commodities: Mechanical equipment, vehicles, fuel, consumer goods

Source: Ministry of Foreign Affairs of the People's Republic of China, <https://www.fmprc.gov.cn/>

China-Laos Import and Export Trade

(unit: US\$ billion)

Year	Total	Exports	Imports
2017	3.017	1.426	1.591

Source: General Administration of Customs of the People's Republic of China, <http://www.customs.gov.cn/>

Macao-Laos Bilateral Trade 2017

Type of trade	Weight (kg)	Patacas
Imports	10,330	6,925,548
Exports	250	5,201
Total:		6,930,749

Source: Statistics and Census Service of the Macao SAR Government, <https://www.dsec.gov.mo/>

Source:

Ministry of Foreign Affairs of the People's Republic of China
<https://www.fmprc.gov.cn/>

The World Bank
<http://databank.worldbank.org/>

General Administration of Customs of the People's Republic of China
<http://www.customs.gov.cn/>

Statistics and Census Service Bureau of the Macao SAR Government
<https://www.dsec.gov.mo/>

CIA, the World Factbook
<https://www.cia.gov/library/publications/the-world-factbook/>