

# **NIMITXAY THEPPHAVANH\***

## **Laos-European Countries Relations**

### Introduction

#### Aims of the study

There are three main aims of this study. The first aim is to find out the general information about Laos and its membership in the regional community, including ASEAN. Since the EU is located far away from Laos, it is very crucial to increase awareness in basic knowledge about Laos, and ASEAN, before deepening into the study of the relationship between EU and Laos. The second aim is to discover the existence relation between Laos and the European Union. It is a great point to learn how their relationship looks like, and to see the difference of it, and other relationships those Laos has with others membership in ASEAN; which this comparison will clarify the role of Laos in both ASEAN and EU communities. The Last aim is to analyze their relation and to predict the stability of their relation in the foreseeable future. This is an important point to see how long their relation will last, which it is good for basic consideration of the government and investment planners as well as civilians who are residing in these territories.

#### EU 60<sup>th</sup> anniversary (Treaty of Rome)

The Treaties of Rome on 25<sup>th</sup> March, 1957 set up the European Atomic Energy Community (EURATOM), and the European Economic Community (EEC); which signified the objective of building a wider common market covering a whole range of goods and services. Customs duties between the six EU founding countries – Belgium, the Federal Republic of Germany, France, Italy, Luxembourg and the Netherlands – were abolished on 1<sup>st</sup> July, 1968; and common policies, notably on trade and agriculture, were also put in place during the 1960s. The year 2017 is the 60<sup>th</sup> anniversary of the Treaty of Rome and it also marks as the 30<sup>th</sup> anniversary of EU-Laos relation since the establishing of diplomatic relation between the two in 1987, as well as the 20<sup>th</sup> anniversary of EU-Laos cooperation agreement which it was started practicing since 1997; which they were a starting point of deepening cooperation between both parties.

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\* PhD Student. University of Szeged Doctoral School of Law and Political Sciences.

### Structure

Regarding to the study's aims, this paper will be divided into an introduction and three other main parts. The first following part after an introduction is set for describing Laos's international relations. It introduces the general information about Laos and ASEAN, the membership of Laos in ASEAN and the partnership of Laos in the EU. The next part shows the comparison between Laos's membership to ASEAN and Laos's partnership to EU. Then, the last part concludes the result of the study and predicts Laos-EU relations' stability in the foreseeable future.

### Methodology

In this study, the information was mostly sourced from official web pages of Laos's National Assembly and Ministry of Foreign Affairs, institutions of EU and ASEAN. Moreover, some books and legal documents like the Constitution of Laos, the Charter of ASEAN and EU's Agreements were used as well. There were also some documents, which they were not available online, being granted via email by officers of Laos's relevant offices both in English and Lao original language. Fortunately, Lao language documents were fully understood as a native language and directly translated into English by the author. After collecting the information and documents, they were summarized by the author before gathering all related data into this study. Regarding to the whole study, the author finalized this paper by self-analysis and conclusion.

### Laos's International Relations

#### Laos

Laos is a small country in Southeast Asia with 236,800 km<sup>2</sup> of size but it is large enough for the population of 6.99 million.<sup>1</sup> Laos shares borders with 5 different political system countries. They are China to the North, Cambodia to the South, Vietnam to the East, Thailand to the West and Myanmar to the Northwest. Among them, Laos is an only land-locked country. Laos has a special relationship to Vietnam since 1977,<sup>2</sup> a normalized relationship and cooperation to China since 1989,<sup>3</sup> neighbouring friendship to Cambodia, Thailand and Myanmar.

Most residents, around 80% are engaged in agricultural sector. In Laos, around 65% are Buddhists. There are 49 ethnic groups who are reside in lowland 60%, and foothills and mountains 40%; in 18 provinces (which cover 148 districts and 8658 villages). The capital city is Vientiane Capital and the official language is Lao. Lao PDR was established on 2<sup>nd</sup> December, 1975 as an independent country.<sup>4</sup>

Prior the new amendment of the constitution of December, 2015 released, Laos did not have the Provincial Assembly for the local governance. Its administration was centralize system and divided into three levels of local administration, namely provinces, districts and

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<sup>1</sup> Laos Population. <http://www.worldometers.info/world-population/laos-population/> (2018. 11. 03.)

<sup>2</sup> Laos Foreign Relations. <http://www.globalsecurity.org/military/world/laos/forrel.htm> (2017. 01. 08.)

<sup>3</sup> Id.

<sup>4</sup> National Assembly of Laos.

villages.<sup>5</sup> Recently, based on the latest version constitution, Laos has a Provincial Assembly in each Province for local administration.<sup>6</sup>

There are three branches of power in the political system, including legislative, executive and judicial powers. Legislative power is being driven by the National Assembly: the highest power institute. All members of the National Assembly are directly elected as representatives by electors (Lao citizens at 18 and above, who have right to vote) for a 5-year term.

Executive power is being played by the President and the Government Cabinet. The President is elected by the National Assembly with a 5-year mandate. The Prime-Minister, a head of the Government Cabinet, is elected by the National Assembly based on the recommendation of the President with a 5-year mandate.

The People's Supreme Court and the Supreme Public Prosecutor are the judicial branches of the State. Both presidents of these two branches are elected by the National Assembly with a 5-year mandate.

Laos is an independent state being ruled by the Lao People's Revolutionary Party (LPRP) with the based principle of Democratic Centralism.<sup>7</sup> All ruling powers are centralized in the centre and divided into three levels of local administration namely provinces, districts and villages.<sup>8</sup> It has the National Assembly as a legislative branch to balance the power and check the work of an executive branch being commanded by the council of ministers under the constitution and the rule of laws. It is a democratic state of its inhabitants. All powers are acted belong to the people, by the people and for the people.<sup>9</sup> All fundamental rights of citizens are equally ensured by the constitution and laws.<sup>10</sup> However, it is blamed on issues of gender inequality, the field of democratic governance and participation; the standing position of the least developed country and the remaining unexploded ordnance (UXO) are still harming the national economic and social safety.<sup>11</sup> In this point, it still needs a huge support from its partners particularly the EU and ASEAN.

Laos' economic system has been changed from a centrally-planned to a market-oriented economy by the 1987 new economic mechanism. The investment and business environment have become more opened regimes. The foreign investment flows have been increased which it helps to economic growth, for example 6.4% in 2004 and 7% in 2005.<sup>12</sup>

Laos joined the World Trade Organization in 1997, and became a member of ASEAN in July of the same year. One year later, it joined ASEAN Free Trade Area (AFTA) which

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<sup>5</sup> [http://www.na.gov.la/index.php?option=com\\_content&view=category&id=35%3Aconstitution-of-lao-pdr&Itemid=186&layout=default&lang=en](http://www.na.gov.la/index.php?option=com_content&view=category&id=35%3Aconstitution-of-lao-pdr&Itemid=186&layout=default&lang=en) (2016. 12. 03.)

<sup>6</sup> [http://www.na.gov.la/index.php?option=com\\_content&view=article&id=27&Itemid=189&lang=la](http://www.na.gov.la/index.php?option=com_content&view=article&id=27&Itemid=189&lang=la) (2016. 12. 03.)

<sup>7</sup> Assessment of Development Results Evaluation of UNDP's Contribution. LAO PDR. United Nations Development Programme, Evaluation Office, May 2007. [http://web.undp.org/evaluation/documents/ADR/ADR\\_Reports/ADR\\_Laos.pdf](http://web.undp.org/evaluation/documents/ADR/ADR_Reports/ADR_Laos.pdf) (2017. 3. 12.) 4. (ADR Report)

<sup>8</sup> [http://www.na.gov.la/index.php?option=com\\_content&view=article&id=27&Itemid=189&lang=la](http://www.na.gov.la/index.php?option=com_content&view=article&id=27&Itemid=189&lang=la) (2016. 12. 03.) Art. 76.

<sup>9</sup> Id. Art. 2.

<sup>10</sup> Id. Chapter 4.

<sup>11</sup> ADR REPORT, 2007. iii.

<sup>12</sup> THIPHAPHONE, Phetmany: *Laos PDR. Trade Issues in East Asia*, 2007. 95. <http://documents.worldbank.org/curated/en/119841468247270095/pdf/402160EAP0p0971s0of0Origin01PUBLIC1.pdf#page=105> (2017. 02. 22.)

starting to be ASEAN Economic Community since 31 December, 2015.<sup>13</sup> These are acts of Laos to be integrated in the regional and global economy. Some outstanding benefits of Laos are shown as increasing foreign investment, GDP growth and reducing the poverty.

The main import products are fuel, industrial materials, garment raw materials, vehicles and their spare parts; while the main export products are gold and copper mine, textile and garment products, wooden products, industrial products and agricultural products. In the same region, the main imported and exported partners of Laos are Thailand, Vietnam, China, South Korea, Taiwan and Japan. Outside the region, Laos mainly trades with European countries like Belgium, Germany, France, UK, Netherland, Italy and Switzerland, and with other global trade partners like Australia, United State and Canada.<sup>14</sup>

Laos benefits from trading with EU via the EU's Everything But Arms (EBA) scheme. All Lao products, except arms and ammunitions, can access to the EU's market without duty and quota. Mainly, these products are textiles and clothing and agricultural products being exported to Germany, UK, France, Belgium and the Netherlands; while Laos largely imports machinery goods from the EU. In 2011, the EU created the ECCIL (EU Chamber of Commerce and Industry) for promoting European business in Laos because Laos has a strategic location in the heart of Indo-China and cheap labor is provided. In 2012, the EU was the fourth largest trading partner of Laos (after Thailand, China and Vietnam).<sup>15</sup>

In addition, Laos sets the foreign investment promotion in its constitution and laws in order to support and protect investors in Laos. Laos provides supporting conditions for developing investment's activities in a better sense by both legal and practical aspects. Once the promoting method was set in the constitution, all laws and rules need to be written in the same direction respectively. Laos also guaranteed that all lawful assets and capital of investors in Laos will not be confiscated, seized or nationalized by the state.<sup>16</sup>

#### ASEAN

The so-called ASEAN – The Association of Southeast Asian Nations – has the beginning point from the establishing of the Association of Southeast Asia (ASA) on July 31, 1961, in Bangkok, Thailand. ASA included Malaysia, the Philippine and Thailand. Malaysia and the Philippine had sought an organization similar to the European Economic Community (EEC); they required the participation of Thailand and wish to have other Southeast Asia countries to join them. However, the outsiders, such as Indonesia did not want to join due to the too strong in political stance of ASA and because Indonesia did not have role in establishment the ASA. At this point, these countries required a new organization.

In August 08, 1967, ASEAN was established with the Bangkok Declaration's signing by Indonesia, Malaysia, the Philippines, Singapore, and Thailand. The three basic principles of ASEAN are: respect for state sovereignty, non-intervention, and renunciation of the threat or use of force in resolving disputes. Its objectives are to accelerate economic growth,

<sup>13</sup> Ministry of Foreign Affairs: *Laos' brief outcome on ASEAN activities*. Vientiane, 2016. 1.

<sup>14</sup> Ministry of Industry and Commerce: *Laos' import and export summary of fiscal year 2008-2009*. Vientiane, 2016.

<sup>15</sup> KHANDEKAR, Gauri: *Mapping EU-ASEAN Relations*. n.d. 34. [http://fride.org/download/Mapping\\_EU\\_ASEAN\\_Relations.pdf](http://fride.org/download/Mapping_EU_ASEAN_Relations.pdf) (2017. 03. 20.)

<sup>16</sup> [http://www.na.gov.la/index.php?option=com\\_content&view=article&id=27&Itemid=189&lang=la](http://www.na.gov.la/index.php?option=com_content&view=article&id=27&Itemid=189&lang=la) (2016. 12. 03.) Art. 15.

social progress and cultural development in the region and to promote regional peace and stability.<sup>17</sup>

Since the mid 70s, ASEAN had implemented its enlargement policy. Then, in 1984, Brunei joined ASEAN, followed by Vietnam in 1995, Laos and Myanmar in 1997, and Cambodia in 1999. In 1997, ASEAN set its Vision 2020 as a shared vision of its member countries establishing ASEAN Community based on three pillars namely the ASEAN political-security community, ASEAN economic community and ASEAN socio-cultural community.<sup>18</sup>

Recently, ASEAN are focusing on its aims and purposes as following

To accelerate the economic growth, social progress and cultural development in the region through joint endeavors in the spirit of equality and partnership in order to strengthen the foundation for a prosperous and peaceful community of Southeast Asian Nations; [t]o promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries of the region and adherence to the principles of the United Nations Charter; [t]o promote active collaboration and mutual assistance on matters of common interest in the economic, social, cultural, technical, scientific and administrative fields; [t]o provide assistance to each other in the form of training and research facilities in the educational, professional, technical and administrative spheres; [t]o collaborate more effectively for the greater utilization of their agriculture and industries, the expansion of their trade, including the study of the problems of international commodity trade, the improvement of their transportation and communications facilities and the raising of the living standards of their peoples; [t]o promote Southeast Asian studies; and [t]o maintain close and beneficial cooperation with existing international and regional organizations with similar aims and purposes, and explore all avenues for even closer cooperation among themselves.<sup>19</sup>

ASEAN is an inter-governmental organization forming itself for purposes of political-security, economic and socio-cultural cooperation in the region. It has the ASEAN Secretariat as its institutional framework and the ASEAN Charter as its binding agreement for all Member States.<sup>20</sup> However, it is neither a military integration group nor a supranational organization; all Member States still have their full power to rule their countries. The ASEAN legal orders, namely Charter, agreements and resolutions, are only a set of regional agreements which it is not higher than their national legal orders.

ASEAN's organs comprise ASEAN Summit, ASEAN Coordinating Council, ASEAN Community Councils, ASEAN Sector Ministerial Bodies, Secretary-General of ASEAN and ASEAN Secretariat, Committee of Permanent Representatives to ASEAN, ASEAN National Secretariats, ASEAN Human Rights Body and ASEAN Foundation.<sup>21</sup> The ASEAN's decision-making is based on the basic principle of consultation and consensus.<sup>22</sup>

<sup>17</sup> LEE, Seong Min: *WHKMLA: ASEAN; brief history and its problems*. 2006. Chapter III. <http://www.zum.de/whkmla/sp/0607/seongmin/seongmin.html> (2017. 03. 07.)

<sup>18</sup> Ministry of Foreign Affairs: *Laos joins ASEAN and AEC*. Vientiane, 2014. 1-2.

<sup>19</sup> <http://asean.org/asean/about-asean/> (2017. 03. 07.) Chapter 1.

<sup>20</sup> Id. Chapter 3.

<sup>21</sup> The ASEAN Charter. ASEAN Secretariat, Jakarta, February 2015. [http://www.asean.org/wp-content/uploads/2012/05/11.-October-2015-The-ASEAN-Charter-18th-Reprint-Amended-updated-on-05\\_-April-2016-IJP.pdf](http://www.asean.org/wp-content/uploads/2012/05/11.-October-2015-The-ASEAN-Charter-18th-Reprint-Amended-updated-on-05_-April-2016-IJP.pdf) (2017. 03. 13.) Chapter 4.

<sup>22</sup> Id. Art. 20.

ASEAN and EU are developing their economic cooperation via their external economic board, namely the ASEAN Economic Ministers (AEM) and the EU Trade Commissioner respectively. This relation brought two regions a large amount of trade and investment, for example 208 billion euro in 2016, and the EU became the largest external source of foreign direct investment (FDI) flowing into ASEAN in 2015 with 23.3 billion euro. The relation between the two is exercised through several projects such as ASEAN Regional Integration Support from the EU (ARISE), the EU-ASEAN Project on Intellectual Property Right (ECAP III), the EU-ASEAN Capacity Building Programme for Monitoring Integration Progress and Statistics (EU-COMPASS) and the ASEAN Air Transport Integration Project (AATIP). Moreover, the two parties are planning to upgrade their economic cooperation toward the ASEAN-EU Free Trade Agreement.<sup>23</sup>

#### European Union

The EU has its common foreign policy being defined and implemented by the European Council and the Council, without legislative acts adoption; the High Representative of the Union for Foreign Affairs and Security Policy and EU Member States take the common foreign policy into action.<sup>24</sup>

The EU and Laos established their diplomatic relationship on 21<sup>st</sup> November, 1987; they have started exchanging their high level delegates' visiting since 1997; and the EU's delegate office was taken place in Vientiane, the capital city of Laos since 2003.<sup>25</sup> From there on, EU-Laos relationship has been strengthened slightly. The delegation of the EU to Laos is running its works as the central coordinator between EU and Laos within partnership and cooperation relations. The EU, as a big international donor to Laos, plays an important role in Laos's development. Meanwhile, it will reach its point of getting a good relationship with Laos as its friendship partner in the Southeast Asia region.

The EU, as an important player in the world economic stage, is trying to run its external policy to enlarge its market to the East especially in Southeast Asia region. It targets to be a strategic partner of the ASEAN. It keeps growing good relationships among member countries of the ASEAN in order to get supporting in exchange to touch its target.<sup>26</sup> These relationships are growing by the implementation of PCA (Partnership and Cooperation Agreement) especially with most individual ASEAN member countries, namely Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand and Vietnam.<sup>27</sup>

<sup>23</sup> The Fifteenth AEM-EU Trade Commissioner Consultations. 10 March 2017, Manila, the Philippines. <http://asean.org/storage/2017/03/AEM-EU-15-JMS-Final.pdf> (2017. 03. 13.) 1-2.

<sup>24</sup> Consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union 2012/C 326/01. Art.24. <http://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:12012M/TXT> (2017. 04. 19.)

<sup>25</sup> Ministry of Foreign Affairs: *EU Country Profile*. Vientiane, n.d., 1.

<sup>26</sup> Id. 5.

<sup>27</sup> Wu, Chien-Huei: The Evolution of EU-ASEAN Relations: Legal Framework and Policy Change. *National Taiwan University Law Review* Vol. 8., 2 (2013) 333-334. [http://www.heinonline.org/HOL/PrintRequest?handle=hein.journals/ntlur8&div=14&start\\_page=329&collection=journals&set\\_as\\_cursor=0&men\\_tab=srchresults&print=section&format=PDFsearchable&submit=Print%2FDownload](http://www.heinonline.org/HOL/PrintRequest?handle=hein.journals/ntlur8&div=14&start_page=329&collection=journals&set_as_cursor=0&men_tab=srchresults&print=section&format=PDFsearchable&submit=Print%2FDownload) (2017. 03. 01.)

## Comparative Aspects

Laos is very enthusiastic to enhance wider relations with every countries and partners regarding basic principles of peaceful coexistence, respect for each other's independent, sovereignty and territorial integrity, non-interference in each other's internal affairs, and equality and mutual benefit.<sup>28</sup>

The ASEAN's willingness is to extend friendly relations to countries, sub-regional, regional and international organizations and institutions via dialogue, cooperation and partnerships.<sup>29</sup> Recently, ASEAN is exercising its external relations with its several partners such as United Nations, China, Korea, Japan and EU.

The diplomatic relation between ASEAN and EU was established in 1972. ASEAN-EU dialogue relations have been enhanced through many dialogues, mainly the ASEAN-EU Ministerial Meeting (AEMM), the ASEAN Post Ministerial Conference with the EU (PMC)+1, ASEAN-EU Trade Commissioners Consultation, the ASEAN-EU Senior Officials' Meeting, ASEAN-EU Senior Economic Officials' Meeting and the ASEAN-EU Joint Cooperation Committee.<sup>30</sup> Officially, the ASEAN-EU dialogue relations started implementation with the signing of the ASEAN-EEC (European Economic Community) Cooperation Agreement in 1980, after being agreed by both sides in 1977 during the 10<sup>th</sup> ASEAN Foreign Minister Meeting (AMM).<sup>31</sup>

Laos has established diplomatic relations with 139 countries since 1950 particularly with all ASEAN Member States and all EU Member States, namely:<sup>32</sup>

Table 1: Laos' diplomatic relations establishing dates by countries in ASEAN and EU

	Countries	Dated
ASEAN	Brunei Darussalam	27/07/1993
	Cambodia	15/06/1956
	Indonesia	30/08/1957
	Malaysia	01/07/1966
	Myanmar	12/07/1955
	Philippines	14/01/1955
	Singapore	02/12/1974
	Thailand	19/12/1950
	Vietnam	05/09/1962
EU	Austria	01/09/1967
	Belgium	02/12/1967
	Bulgaria	14/10/1962
	Croatia	04/03/1996
	Cyprus	29/06/2000
	Czech Republic	05/09/1962
	Denmark	01/11/1956

<sup>28</sup> [http://www.na.gov.la/index.php?option=com\\_content&view=article&id=27&Itemid=189&lang=la](http://www.na.gov.la/index.php?option=com_content&view=article&id=27&Itemid=189&lang=la) (2016. 12. 03.) Art.12.

<sup>29</sup> The ASEAN Charter, 2015. Art.41.

<sup>30</sup> Bangkok Declaration on Promoting an ASEAN-EU Global Partnership for Shared Strategic Goals Bruxelles, 14/10/2016. UNIQUE ID: 161014\_11. [https://eeas.europa.eu/headquarters/headquarters-homepage/12024/bangkok-declaration-on-promoting-an-asean-eu-global-partnership-for-shared-strategic-goals\\_en](https://eeas.europa.eu/headquarters/headquarters-homepage/12024/bangkok-declaration-on-promoting-an-asean-eu-global-partnership-for-shared-strategic-goals_en) (2017. 03. 14.) Para.10.

<sup>31</sup> Overview of ASEAN-European Union Dialogue Relations. ASEAN, 14 May 2012. [http://asean.org/?static\\_post=overview-of-asean-eu-dialogue-relations](http://asean.org/?static_post=overview-of-asean-eu-dialogue-relations) (2017. 3. 14.) para.1.

<sup>32</sup> Ministry of Foreign Affairs: *List of states which the Lao PDR has established diplomatic relations since 1950.* (n.d.)

	Estonia	29/03/1995
	Finland	21/01/1975
	France	31/01/1951
	Germany	31/01/1958
	Greece	15/06/1989
	Hungary	12/09/1962
	Ireland	07/08/1998
	Italy	07/12/1965
	Latvia	27/04/1995
	Lithuania	01/09/1994
	Luxembourg	25/09/1997
	Malta	13/01/2011
	Netherlands	17/11/1975
	Poland	08/09/1962
	Portugal	31/05/1995
	Romania	25/11/1962
	Slovakia	05/09/1962
	Slovenia	28/03/1996
	Spain	20/03/1964
	Sweden	10/10/1964
	United Kingdom	05/09/1955

Source: Ministry of Foreign Affairs: *List of states which the Lao PDR has established diplomatic relations since 1950*. (n.d.)

To compare between the membership of Laos in ASEAN and the partnership of Laos with the EU, two main elements – similarity and differences – are marked outstandingly. The similarity includes the recognition on Laos as an independent state from both ASEAN and EU. All Laos's products, except arms and ammunitions, to their markets are allowed to flow freely with unlimited quota, and with duty exemption. However, the differences are that Laos has its full power to agree or disagree on any ASEAN's decision because ASEAN's decision-making is concluded by consensus, but this will never happen for Laos in the EU's decision-making. Since Laos is not a member of the EU, it gets less supports by the EU and has not equal rights comparing to EU Member States; which Laos has been treated differently in ASEAN. In short, Laos has a closer relationship with the ASEAN than with the EU. The table below will show this view.

Table 2: Comparative analysis on Laos' relationships with ASEAN and EU

	Laos's Relationship	
	With ASEAN	With EU
Politics	- Full power in ASEAN's decision-making	- No role in EU's decision-making
	- Equal rights to other Member Countries	- Less rights than EU Member States
Economics	- All Laos's products, except arms and ammunitions, to their markets are allowed to flow freely with unlimited quota, and with duty exemption	
	- Fully support	- Limited support, regarding cooperation agreements
Diplomacy	- Recognition as an independent state	
	- A Member Country	- A development partner

Source: Author's self-analysis based on the ASEAN Charter and the European Joint Indicative Programming Document for Lao People's Democratic Republic 2016-2020.



### Conclusion

Since early 90s, EU has supported Laos' development activities via several projects with a huge amount of fund. This was including almost 50 million euro on 14 projects between years 1994 and 2001, 14 million euro on 6 projects between years 2002 and 2004, 4 million euro between years 2004 and 2005, and another 36.9 million euro between years 2007 and 2013. These development activities are continuously supported by the EU, focusing on good governance, social and environmental protection; namely improving transparency governance, human rights, supporting basic education, rural development, providing safe water, dealing with disaster issue and forest protection.<sup>33</sup> Basically, the EU contributes to fund on laws drafting and revising projects and rural development projects.

Moreover, the EU is giving its hands to help Laos to carry urgent works on inhabitants' safety and better lives. It has contributed to Laos's social economic development plan such as to boost up Laos economic from local entrepreneurs into small to medium-sized enterprise, to improve tourism and services, to support human resource development, and to clear out UXO (unexploded ordnance) in Laos. Importantly, the EU sets a six-year plan (2014-2020) to support Laos around 207 million euro, specifically on issues of human resource development, basic education, public health, human right protection, laws, and good governance.<sup>34</sup>

The EU is running its external action to cooperate with third-country and partners in the worldwide through the partnership instrument (PI). The PI helps EU to increase the accessing opportunity into the third-country markets and to boost more trade, investment, business opportunities for European companies. The EU will be able to address wider its values and strategic interests to the world by aiming at offering policy support and responding to global challenges, projecting the international dimension of Europe 2020, enhancing market access and boosting trade, investment and business opportunities for EU companies, and promoting public diplomacy and academic cooperation.<sup>35</sup>

Due to the foreign policies of Laos, ASEAN and EU are set for welcoming to create good relations between one another, they will keep developing their relations through programs they had and looking for further cooperation. Because Laos is a member of ASEAN, it will support ASEAN's way and activities coming from consensus of the community. Particularly, at the 20<sup>th</sup> ASEAN-EU Ministerial Meeting, Laos addressed its concrete view to support the EU's interest to join the EAS (East Asia Summit – a Leader-led forum promoting peace, stability and economic prosperity in East Asia) if it will be the ASEAN's consensus.<sup>36</sup>

The EU and Laos do not only exercise their relations through the regional cooperation stage like ASEAN and the international trade organization like WTO, but also the bilateral agreements like Partnership and Cooperation Agreement between them. To the EU, Laos is a good trade and development partner in the Southeast Asia region; EU seeks helping Laos on good governance, social and environment protection issues. To Laos, EU is a big partner and donor; Laos is ready to keep and further the cooperation with the EU for peace and stability purpose, and boosting its socio-economic development.

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<sup>33</sup> Ministry of Foreign Affairs: *EU Country Profile*. Vientiane, n.d., 2.

<sup>34</sup> *Id.* 3.

<sup>35</sup> The Partnership Instrument. European External Action Service, 03 May 2017. [https://eeas.europa.eu/headquarters/headquarters-homepage/425/partnership-instrument\\_en](https://eeas.europa.eu/headquarters/headquarters-homepage/425/partnership-instrument_en) (2017. 06. 14.) Para. 2., 8.

<sup>36</sup> Ministry of Foreign Affairs: *ASEAN-EU Cooperation in Brief*. Vientiane, 2015. 3.

Overall, both EU and Laos have to concern more about each other's interest in order to keep and develop their relations. The EU has to realize the opened foreign policy of Laos but belonging to the regional group's views like ASEAN's consensus. Meanwhile, the EU is aiming to promote its values and strengthen cooperation regarding its External Action, which Laos needs to understand. However, EU-Laos relations have been treated in a good sense, for instance the establishment of diplomatic relations of Laos with every individual EU Member States and with the Union as well. It is not a hard work for them to step forward their relations for the future partnership and cooperation, which they are both willing to do so.

NIMITXAY THEPPHAVANH  
Laos-European Countries Relations  
(Summary)

Since 1997, Laos and European countries have continuously practiced their relationship for enhancing cooperation between them. The relation is based on the Cooperation Agreement between the European Union (EU) and the Lao People's Democratic Republic.<sup>37</sup> In addition, Laos and its European partners (the European Union, the Member States of the European Union and Switzerland) have set their long-term cooperation plan namely European Joint Indicative Programming Document for Lao People's Democratic Republic 2016-2020. According to this cooperation plan, they will strengthen their relationship on more specified sectors, for example agriculture, education, environment, governance, health and private sector development.<sup>38</sup> These sectors are prioritized for Laos's national development because they are not encouraged enough. Agriculture is a main sector contributing to the national economy. In order to maintain the development in the long run, people need to be educated and healthy, the environment need to be protected, the government must support the development by providing supporting laws, policies and ruling system. The private sector needs to be encouraged to contribute more in economic development. With an assistance of the European Union, as a development partner, Laos's development will be boosted faster.

One thing that affects relationship between countries is their foreign policies. In this paper, it is not only foreign policies of Laos and European Union will be studied, but also their political, economic and diplomatic relations. Especially, the relationship of Laos-EU, Laos-ASEAN and ASEAN-EU will be specified as well.

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<sup>37</sup> [https://cdn2-eeas.fpfis.tech.ec.europa.eu/cdn/farfuture/aU9vPdBiF8qsjM4r-loQ9wZVPBdEuWfDV9OjGTz\\_qfs/mtime:1498557981/sites/eeas/files/cooperation\\_agreement\\_1.pdf](https://cdn2-eeas.fpfis.tech.ec.europa.eu/cdn/farfuture/aU9vPdBiF8qsjM4r-loQ9wZVPBdEuWfDV9OjGTz_qfs/mtime:1498557981/sites/eeas/files/cooperation_agreement_1.pdf) (2018. 11. 03.). Art. 2.

<sup>38</sup> <https://europa.eu/capacity4dev/joint-programming/document/european-joint-indicative-programming-document-lao-peoples-democratic-republic> (2018. 11. 03.) 12-42.