



# PROMOTING AND MANAGING PUBLIC PRIVATE PARTNERSHIP IN THE LAO PDR

2025 APN Conference Ensuring Sustainable  
Infrastructure Delivery through Public-Private  
Partnerships

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# Why PPPs Matter for Lao PDR's Development

PPPs leverage private sector expertise and financing to address critical infrastructure and service deficiencies.

Essential for achieving Lao PDR's National Socio-Economic Development Plan (NSEDP) and Sustainable Development Goals (SDGs).

Enable innovation, climate adaptation, job creation, and an improved quality of life for citizens.

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# Government Commitment & Institutional Framework

## National Policy

- ✓ SDGs
- ✓ NSEDP
- ✓ Land Lock -Land Link
- ✓ National Agenda

Prime Minister




Vice Prime Minister



- ✓ Investment Promotion and Management Committee (2025)
- ✓ Screening Division (Merged Screening Div. and PPP Div. (2018) in 2025).

# Regulatory Framework

- Investment Promotion Law (2024)
  - Decree on Public Private Partnership (2020) (ADB) (to be upgrade to Law on PPP in 2026)
  - National Assembly Decision on Incentives for New Road Construction and Maintenance (2025)
  - SOPs for PPP (UNDP)
  - Public Investment Law (2015)
  - Law on Procurement (2017)
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# STANDARD OPERATING PROCEDURE (SOP) OF USP PPP PROJECTS IN LAO PDR

## Stage 1

1) Project Identification and development

2) Submission and Consideration of USP projects

3) Consideration for Feasibility Study (FS) criteria

## Stage 2

Project Tendering for the Selection of Private Partnership the conduct FS

Selection of Private partnership

## Stage 3

Negotiation of TOR and MOU between partnership

The Signing of MOU for Project Feasibility Study

## Stage 4

Approval of Feasibility Study from relevant government agency

Report to Government and NA for approval

## Stage 5

Begin the project tendering for the selection of Private Partnership into construction and operations

Selection of Private partnership

The Singing of Concession Agreement (CA)

## Stage 6

Project Implementation and Operation

Monitoring and Evaluation

# Nine Promoted Investment Sectors

1



Clean Agriculture

2



Environmentally friendly  
manufacturing

3



Healthcare

4



Education

5



High-tech, innovation, renewable energy

6



Tourism

7



Public infrastructures

8



Special Economic Zones

9



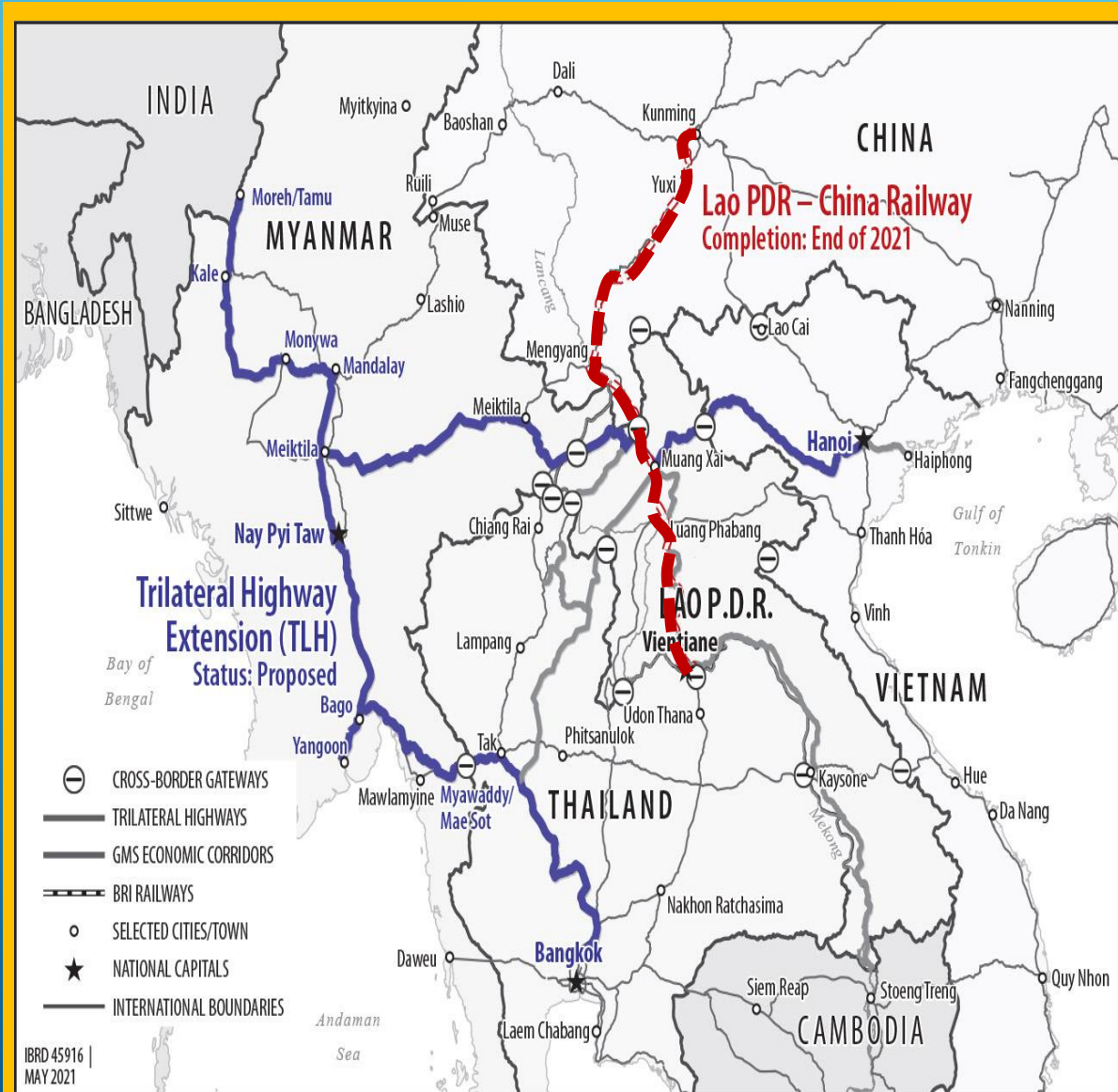
Transports and logistics

# Investment Incentives: Profit Tax Holidays

Promoted sectors	Tax Holiday (year)		
	Zone 1	Zone 2	SEZ
1. Clean Agriculture	10+5	4+3	+2
2. Environmentally friendly agricultural products processing Industry	10+5	4+3	+2
3. Healthcare	10+5	4+3	+2
4. Education	life span	life span	life span
5. Modern technology, scientific <u>research, R&amp;D</u>	10	4	+2
6. Development of eco-tourism	10	4	+2
7. Investment, Services and development of public infrastructure	10	4	+2
8. Development of Critical Public Infrastructure aligning with Special Economic Zones	10	4	+2
9. Investment in providing Logistics Services	10	4	+2

# LAOS IS POSITIONED IN A STRATEGIC GEOGRAPHIC LOCATION

Transforming Lao PDR from Land locked to Land-linked Economy by infrastructure improvement project such as Lao-China Railway Project, Lao-China Expressway, Dry port, and Airport



# Infrastructure that are undergoing Concession Agreement process (Expressway)

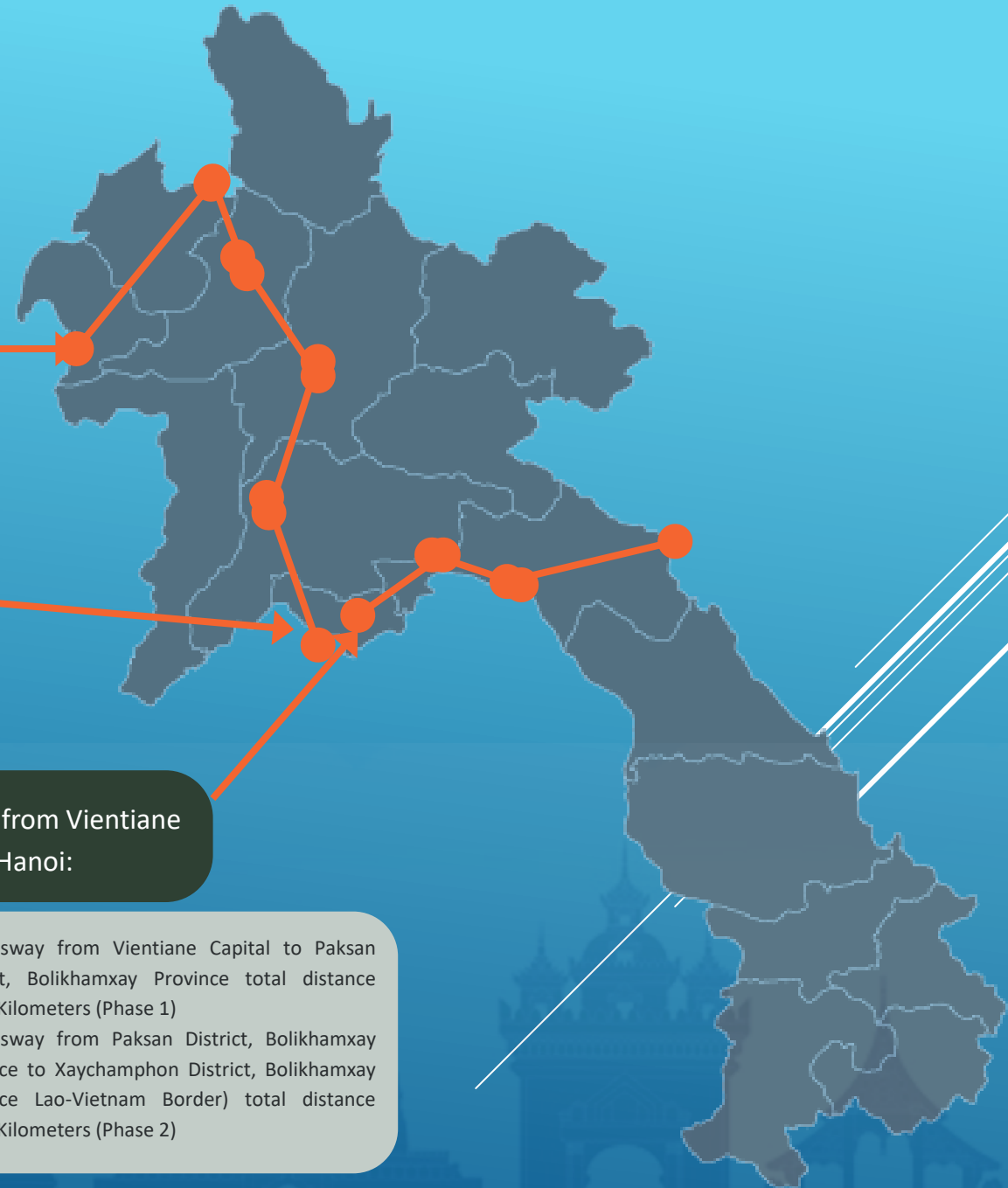
from Boten District, Luang Namtha (Lao-China Border), to Bokeo Province (Lao-Thailand Border)

Under the One-Belt One Road Initiative:

- Expressway from Vang Vieng District, Vientiane Province to Luang Prabang Province (Phase 2)
- Expressway from Luang Prabang Province to Xai District, Oudomxay Province (Phase 3)
- Expressway from Xai District, Oudomxay Province to Boten District, Luang Namtha (Lao-China Border) (Phase 4)

Expressway Project from Vientiane Capital to Hanoi:

- Expressway from Vientiane Capital to Paksan District, Bolikhamxay Province total distance 127.9 Kilometers (Phase 1)
- Expressway from Paksan District, Bolikhamxay Province to Xaychamphon District, Bolikhamxay Province (Lao-Vietnam Border) total distance 203.8 Kilometers (Phase 2)



# Infrastructure that are undergoing Concession Agreement process (Railway)

## Railway Project Vientiane Capital to Hanoi:

- Railway Project from Thakaek District, Khammouane Province to Lao-Vietnam Border total distance 139.18 Kilometers (Phase 1)
- Railway Project from Thakaek District, Khammouane Province to Vientiane Capital total distance 312.81 Kilometers (Phase 2)

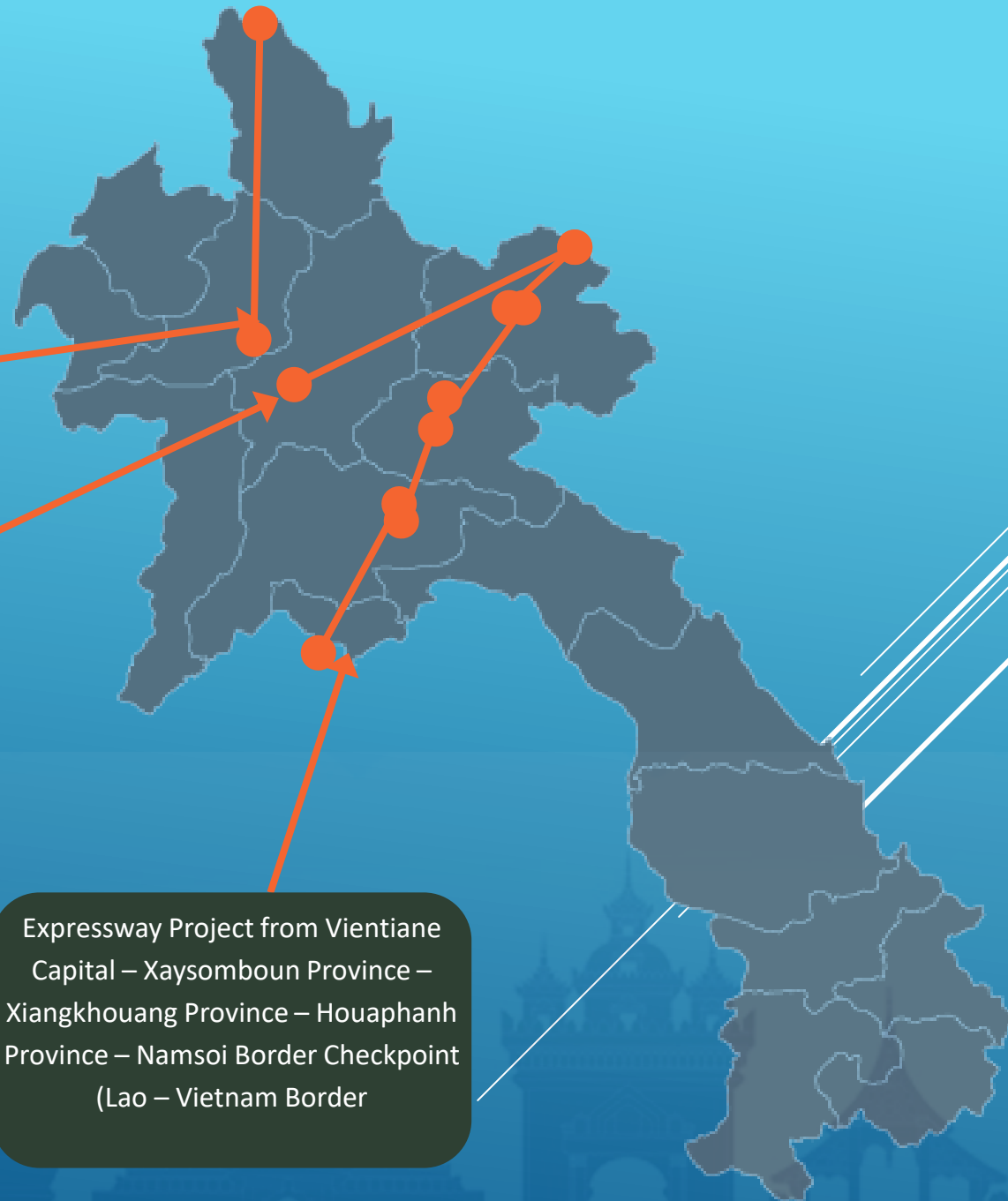


# Infrastructure that are undergoing Feasibility Study (MoU with Government) 2025 (Expressway)

Expressway Project from Namor District, Oudomxay Province to Yord-Ou District, Phongsaly Province total distance 225 Kilometer

Expressway from Phonexay District, Luang Prabang Province to Namsoi Border Checkpoint (Lao – Vietnam Border) total distance 215 kilometers

Expressway Project from Vientiane Capital – Xaysomboun Province – Xiangkhouang Province – Houaphanh Province – Namsoi Border Checkpoint (Lao – Vietnam Border)



# EXAMPLE OF GOVERNMENT STRATEGIC ONGOING PPP

Project title	Sector	Location	Description	USP/SP
Data Center for Lao government (Big Data)	Information Technology	Lao PDR	Completed the Signing of MOU Q2 of 2023	USP
Solar Energy 400 MW	Renewable energy	Salavanh Province	Awaiting for the Signing of MOU	USP
Implementation on the Modernized Vehicle Registration and Transport Management System Project	Public Infrastructure	Vientiane Capital	Finalizing Concession Agreement alongside government agency and National Assembly	USP
Luang Prabang International Airport Project	Public Infrastructure	Luang Prabang	Completed the Signing of MOU in 15 December 2021	USP
Elephant Conservation Project	Tourism	Xayaburi Province	Ongoing Project. Covering an area of 191.200 Hectare. Statically the second largest elephant herd in Lao PDR	USP

# Upgrading Luang Prabang International Airport Project (LIA).

**Location:** Luang Prabang Province

**Form of PPP:** USP



**Project title:** Elephant Conservation Project

**Location:** Xayaburi Province

**Form of PPP:** USP; **Area:** 191.200 Hectares

**Description:** Development project by combining ingenious eco-tourism with elephant conservation and community development. Train unemployed elephant caretakers for eco-tourism roles while partnering with the government to track wild elephant movements. Collaborate with local governments on systematic forest conservation, and empower private sector to train communities in responsible tourism practices."



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**Thank you very much!**

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