Embassy of India Vientiane

INDIA-LAO People's Democratic Republic (PDR) Bilateral Relations

India and Lao PDR share long-standing religious, cultural, and people-to-people linkages going back long into history. India was Chairman of the International Commission for Supervision and Control (ICSC) on Indo-China. Lao PDR has been supportive on major issues of regional and international concern to India, in particular, the legitimate developmental concerns of developing countries.

Lao PDR is a part of India's extended neighbourhood. Only one country, viz. Myanmar, separates Lao PDR from India's North East. Lao PDR is thus important for India's Act East Policy.

<u>Political Relations:</u> After establishment of political relations in February 1956, the following high-level visits between the two countries have added momentum to the relationship:

	Visits from India	Visits from Lao PDR			
	President:				
1	Dr. Rajendra Prasad – 1956	Prince Souphanouvong, commonly known as the Red Prince – 1975			
2	Smt. Pratibha Devisingh Patil – September 2010 (State visit)	Mr. Choummaly Sayasone – August 2008 (State visit)			
	Vice President:				
1	Shri Mohammad Hamid Ansari – September 2015 (Official visit)				
	Prime Minister:				
1	Pandit Jawahar Lal Nehru – 1954	Mr. Bounnhang Vorachit –June 2003 (State visit)			
2	Shri Atal Behari Vajpayee – November 2002 (Official visit)	Mr. Thongsing Thammavong – December 2012 (ASEAN-India Commemorative Summit)			
3	Dr. Manmohan Singh – November 2004 (ASEAN-India Summit)	Dr. Thongloun Sisoulith – January 2018 (ASEAN-India Commemorative Summit)			
4	Shri Narendra Modi – September 2016 (ASEAN-India Summit)				

	External Affairs Minister/Foreign Minister/ Minister of States				
1	Shri Pranab Mukherjee, External Affairs Minister– January 1996.	Dr. Thongloun Sisoulith, Deputy Prime Minister and Foreign Minister- September 2012 (Mekong-Ganga Cooperation Ministerial Meeting)			
2	Smt. Vasundhara Raje, Minister of State – January 1999 (2 nd India-Laos Joint Commission meeting)	Dr. Thongloun Sisoulith, Deputy Prime Minister and Foreign Minister– November 2013 (11 th ASEM Foreign Ministers Meeting).			
3		Dr. Thongloun Sisoulith, Deputy Prime Minister and Foreign Minister–March 2014 (Delhi Dialogue-VI)			
4	Shri Yaswant Sinha, External Affairs Minister-November 2002.	Dr. Thongloun Sisoulith, Deputy Prime Minister and Foreign Affairs Minister – August 2015 (8 th India-Laos Joint Commission Meeting)			
5	Shri E. Ahmed, Minister of State–May 2006 (5 th India-Laos Joint Commission meeting)				
6	Shri Salman Khurshid, External Affairs Minister-November 2012 (ASEM-9 Summit)				
7	Shri Salman Khurshid, External Affairs Minister–September 2013 (7 th India- Laos Joint Commission Meeting)				
8	Gen. (Dr.) V.K. Singh (Retd.), Minister of State–July 2016 (7 th MGC Ministerial meeting, 49 th ASEAN Post Ministerial Conference, 14 th ASEAN-India Foreign Ministerial meetings, 6 th East-Asia Summit Foreign Ministerial Meeting, 23 rd ASEAN Regional Forum				
9	Smt. Sushma Swaraj, External Affairs Minister November 2018 (9 th India- Laos Joint Commission Meeting)				

Recent Visits

- Dr. Rajkumar Ranjan Singh, Minister of State, paid an official visit to Lao PDR from 22-26 June 2022.
- Mr. Thongphane Savanphet, Deputy Minister of Foreign Affairs, Lao PDR visited India from 15-17 June 2022 to attend Special ASEAN- India Foreign Minister Meeting and 24th ASEAN- India Senior Officials' Meeting in New Delhi.
- Mr. Ngampasong MUONGMANYT, Vice Minister of Public Works and Transport, Lao PDR visited India from 22-25 March 2022 to attend the WINGS INDIA 2022.
- ₱ Mr. Sanya PRASEUTH, Member of Parliament, Chairman of Foreign Affairs Committee, National Assembly of Lao PDR led the Lao parliamentary delegation to India from 10-14 August 2022, as a part of the celebrations of ASEAN-India Friendship Year − 2022.
- Major General Phanseng Bounphanh, Deputy Chief of General Staff, Lao People's Army visited India from 17-19 October 2022 to participate in DefExpo 2022 in Gandhinagar, Gujarat.

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Mr. Khamking PHUILAMANYVONG, Deputy Minister of Public Security, Lao PDR visited India to attend 3rd No Money for Terror ministerial conference in New Delhi on 18-19 November 2022.

Cooperation during Challenge of COVID-19 Pandemic

Telephonic Conversation between Indian and Lao PM: On 12 June 2020, Honourable Prime Minister Shri Narendra Modi spoke on phone with Dr. Thongloun Sisoulith, the then Honourable Prime Minister of Lao PDR. The two leaders exchanged views on the health and economic challenges posed by the global COVID-19 pandemic. The Prime Minister commended the effective measures undertaken by the Government of Lao PDR to contain the spread of the pandemic in Lao PDR. Both leaders agreed on the need for international cooperation, and for sharing of best-practices and experiences, in order to prepare for the post-COVID world.

Prime Minister highlighted India's historic and cultural links with Lao PDR and expressed satisfaction at being involved in the restoration of the World Heritage Site at Vat Phou. Lao PM thanked Prime Minister for India's support for Lao PDR's development programmes, in capacity building and for scholarships.

Prime Minister reiterated India's commitment to continue its development partnership with Lao PDR, a valued partner in India's extended neighbourhood.

Medicines gifted to Lao PDR:On 04 August 2020, a consignment of medicines and medical supplies gifted by India to Lao PDR was handed over to the Honourable Minister of Health of Lao PDR to support the fight of Lao PDR against the COVID-19 pandemic.

Consultative Mechanisms with Lao PDR

• Institutional consultative mechanisms with Lao PDR include Foreign Office Consultations and Joint Commission Meeting.

Bilateral Agreements/MoUs: Agreements signed between the countries include:

SNo	MoU/IA/Agreement
1.	India-Laos Cultural Agreement (17 August 1994)
2.	Agreement for setting up of Joint Commission on Trade, Economic and Scientific and Technological Cooperation (02 May 1997)
3.	Agreement on Trade and Economic Cooperation (09 November 2000)
4.	Agreement on Cooperation in Defence (06 November, 2002)
5.	Agreement on Mutual Cooperation on Drug Demand Reduction & Prevention of Illicit Trafficking in Narcotic Drugs and Psychotropic Substances and related matters (06 November 2002)
6.	Agreement on Cooperation in Science & Technology (June 2003)
7.	MoU on setting up Entrepreneurship Development Centre at Vientiane (02 July, 2004)
8.	Agreement on Exemption of Visa Requirement for holders of Diplomatic and Official Passports (06 November 2002)(Effective from 01 April 2005)
9.	MoU for the Conservation and Restoration of the UNESCO World Heritage Site at Wat Phou (30 May 2007)
10.	MoU for Setting up Centre for English Language Training (12 June 2007)
11.	MoU on the Establishment of Nalanda University (10 October 2013)
12.	Agreement on setting up of a Sustainable IT Infrastructure for Advance IT Training (Centre for Excellence in Software Development & Training) (10 August 2015)
13.	Agreement between India and Lao PDR regarding Indian Grant Assistance for implementation of Quick Impact Projects (QIPs) (18 September 2015) (Extended for another five years in October 2020)
14.	Air Services Agreement between India and Lao PDR (16 Jan 2019)
15.	MoU between the Foreign Service Institute and the Institute of Foreign Affairs, Lao PDR(6 September 2019)

<u>Lines of Credit:</u> Indian Lines of Credit (LOCs) offered to Lao PDR in recent past include:

₱ 115 KV Transmission Line from Ban-Na in Champassak Province to Attapeu—
completed in 2006.

- LOC for (a) Equipment for rural electrification, (b) Pakson-Jaingxai- Bangyo Transmission Line and (c) Nam Song 7.5 MW Hydropower Project completed in 2009, 2010 and 2012 respectively.
- ♠ LOC for Irrigation schemes in Champassak Province: comprising 3 components: (a) Conversion of diesel to electric driven pump sets & improvement of 3 pumping stations, (b) installation of ten large pump sets and (c) six large irrigation schemes (2009) – completed in 2015.
- ♠ LoC extended to Lao PDR in 2010 for (a) 230 KV Double Circuit Transmission Line from Nabong to Thabok and substations has been completed (b) Balance part of LoC for Improvement and Expansion of 22KV Distribution Line in Vientiane Capital City Branches Project - discussions are underway for implementation.
- ♠ LOC for irrigation projects One component i.e. conversion and commissioning of diesel driven pumps into electric pumps completed in August 2019. Project related to the construction of Nam Xang Dam in Xayboury Province is under implementation. Other components are under discussion with Government of Lao PDR.

Quick Impact Projects (QIPs): Under the Mekong-Ganga Cooperation (MGC) Framework, India provides grant assistance for implementation of short gestation projects that could directly benefits local communities. So far, MoUs on 11 projects have been signed. Out of these 11 projects, four projects have been completed and seven projects are under implementation.

<u>Defence Cooperation:</u> Under Indian Technical and Economic Cooperation (ITEC) programme, a two-member Indian Army Training Team (IATT) conducts training for Lao defence personnel in English, Computers and Basic Tactics. An event to celebrate the 25th Anniversary of establishment of IATT in Lao PDR was held on 18 September 2020. The Indian Army had also conducted three training capsules on Unexploded Ordnances and De-Mining in Lao PDR in 2011, 2012 and 2013. Under ITEC programme, 7 officers from Lao PDR medical military department also participated in the first Cambodia Lao PDR Myanmar Vietnam e-ITEC defence medical course on COVID-19 organised from 06 - 09 July 2020.

Commercial & Economic Relations

Bilateral Trade

	2017-18	2018-19	2019-20	2020-21	2021-22
Indian exports to Lao PDR	25.00	39.38	25.08	27.34	14.65

Indian imports from Lao PDR	168.63	1.04	3.09	1.70	0.80
TOTAL TRADE	193.63	40.42	28.17	29.04	15.45
Balance of Trade	-143.63	38.34	21.99	25.64	13.85

Source: Department of Commerce, Government of India. (Figures in US \$ million)

Top Exports from India to Lao P (2021-22)	Top Imports from Lao PDR to India (2021-22)		
Item	Value	Item	Value
Vehicles other than Railway or Tramway Rolling Stock, and Parts and Accessories Thereof.		Wood And Articles Of Wood; Wood Charcoal.	0.31
Pharmaceutical Products	3.60	Lac; Gums, resin and Other Vegetable Saps and Extracts	0.19
Nuclear Reactors, Boilers, Machinery And Mechanical Appliances; Parts Thereof.		Iron and Steel	0.12
Raw Hides and Skins (Other Than Furskins) and Leather	0.94	Lead and Articles Thereof	0.12

Source: Department of Commerce, Govt. of India. (Figures in US \$ million) As per records of Government of Lao PDR, there are 51 Indian companies registered with an approximate investment of US \$ 48 million. Majority of these companies are in Vientiane Capital. The ASEAN India Business Council (AIBC) based in Malaysia has a Chapter in Lao PDR.

Human Resource Development

The Government of India has been providing scholarships annually to Lao nationals under various schemes. Under ITEC, Govternment of India provides short-term and a few long-term training courses in various areas to Lao nationals (government officials/nominees); so far about 1500 Lao nationals have been trained under ITEC. Fully-funded scholarships to Lao students for pursuing undergraduate, postgraduate and Ph.D degrees are also awarded by Indian Council for Cultural Relations.

The LIEDC (Lao-India Entrepreneurship Development Centre) set up in November 2004, trains Lao entrepreneurs for setting up small and medium scale business. It has so far trained more than 15000 individuals.

The LICELT [Lao India Centre for English Language Training] set up in National University of Lao PDR, Vientiane is another assistance project in human resource development.

India set up an IT centre in Vientiane in November 2004, as well as a National Data Centre in May 2006. Ten Rural Telecommunication Centres have been set up.

The Centre for Excellence in Software Development and Training (CESDT) was inaugurated in Vientiane in November, 2018. So far, CESDT has imparted training to around 250 participants in different courses from different organizations of Lao PDR including government officials.

Heritage Conservation

Archaeological Survey of India has been working on the restoration of the UNESCO world heritage site at Vat Phou an ancient Shiva Temple, which was later converted into a Buddhist temple. Phase I of the project is complete, second phase of the project is ongoing and is likely to be completed in 2028.

Indian Diaspora

The 500-strong Indian community has grown in profile over the years. It is engaged in jewellery trade, restaurant and hotel industry, manufacturing, garments, mining, plantations and agarwood. A few members work for international organizations & private businesses.

November 2022