

LAO PDR

**REGIONAL DIGITAL TRADE INTEGRATION INDEX (RDTII) 2.1
ECONOMY PROFILE 2025**

**ESCAP-ECA-ECLAC INITIATIVE ON DIGITAL
TRADE REGULATORY INTEGRATION**

LAO PDR¹

Based on the RDTII 2025 scores², Lao PDR has 6% lower regulatory complexity for cross-border digital trade than the Asia-Pacific average and 15% lower than the ASEAN average³. Its complexity is lower than Asia-Pacific group average in several areas, particularly regulations related to tariffs and trade defence, telecom regulations and competition, and cross-border data policies. However, the economy has relatively higher complexity compared to the Asia-Pacific average for non-technical non-tariff measures (NTMs), online sales and transactions, and Internet intermediary liability. (See the Figure for more comparisons)

Among 12 policy areas, the highest complexity for Lao PDR is in regulations related to internet intermediary liability, non-technical NTMs, and content access. In contrast, the lowest complexity is in those related to tariffs and trade defence, telecommunication regulations and competition, and cross-border data policies.

Table: Lao PDR's RDTII 2025 overall score and pillars' scores

Lao PDR	Index score (0: low complexity, 1: high complexity)	Differences from Asia-Pacific average complexity (%)	Differences from subregional average complexity (%)
Overall score	0.35	-6%	-15%
Pillar 1: Tariffs and trade defence	0.02	-95%	-91%
Pillar 2: Public procurement	0.28	-23%	-35%
Pillar 3: Foreign direct investment	0.42	-15%	-34%
Pillar 4: Intellectual property rights	0.32	25%	35%
Pillar 5: Telecommunication regulations and competition	0.18	-61%	-63%
Pillar 6: Cross-border data policies	0.19	-38%	-32%
Pillar 7: Domestic data protection and privacy	0.38	-10%	-11%
Pillar 8: Internet intermediary liability	0.75	39%	33%
Pillar 9: Content access	0.46	8%	-21%
Pillar 10: Non-technical NTMs	0.58	64%	15%
Pillar 11: Standards and procedures	0.25	12%	-11%
Pillar 12: Online sales and transactions	0.35	50%	16%

Source: ESCAP calculation, data as of January 2026, available at: <https://www.unescap.org/projects/rcdtra/databases-kp>

¹ This brief was prepared by a team of researchers under the supervision of Witada Anukoonwattaka at the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). The initial draft was prepared by Ahmad Moustapha, with subsequent review and finalization by Natnicha Sutthivana, Ziyu Qiao, Juntong Hou, Jian Cao, and Suya Yu. The document incorporates comments and feedback received during the national data verification process with government focal points and national experts, where applicable. Special thanks to Bakhodir Burkhanov and Viengsavang Thipphavong for their inputs and feedback at national level.

² To find out the details of the RDTII methodology and framework structure, please refer to: Economic and Social Commission for Asia and the Pacific (ESCAP), 2025. The Regional Digital Trade Integration Index (RDTII) Guide 2.1, available at <https://www.unescap.org/kp/2025/regional-digital-trade-integration-index-rdtii-21-guide>

³ For further comparative analysis, please see: Economic and Social Commission for Asia and the Pacific (ESCAP), 2025. Digital Trade Regulatory Review for Asia and the Pacific, 2025, available at <https://www.unescap.org/kp/2025/digital-trade-regulatory-review-asia-pacific-2025>; and ESCAP and the Association of Southeast Asian Nations (ASEAN) Secretariat, 2025. Digital Trade Regulatory Review for ASEAN, 2025, available at <https://www.unescap.org/kp/2025/digital-trade-regulatory-review-asean-2025>.

NEW POLICY MEASURES AND PROPOSALS

Lao PDR has recently taken steps to advance its digital trade agenda by introducing new policy measures across several key areas, including import licensing, telecommunications, data protection, and digital payments.

Regarding import licensing, in July 2023, the Decision on the Registration of Importers and Exporters of Goods No. 0752 was introduced, requiring businesses to register regulated ICT products with the Ministry of Industry and Commerce prior to trade. The measure streamlines oversight but raises concerns over additional administrative burdens.

In the telecommunications sector, selective controls remain under the Decree on Satellite Communications No. 471/GOL 2019 and related decisions, justified by officials for national security but seen by businesses as complicating imports of satellite and radio equipment.

On data governance, the Law on Electronic Data Protection No. 25/NA clarifies rules for cross-border transfers and encryption, mandating licensed data centers to comply with strict security standards without imposing broad localization. Additionally, the Law on Payment System (Amendment) No. 45/NA 2023 enhances the framework for digital payments, reinforcing security and aligning with international standards to support e-commerce growth.

Looking forward, proposals to revise the Decree on Internet Information Management No. 327/Gov and the Law on Prevention and Combating Cyber Crime No. 61/NA aim to incorporate UNESCO's human rights guidelines, while digital readiness initiatives in cybersecurity, consumer protection, and e-commerce licensing are under development with international support.

These measures reflect Lao PDR's commitment to strengthening its digital economy, supporting both domestic and foreign participation in digital trade.

EXAMPLES OF POLICIES SUPPORTING LAO PDR'S DIGITAL TRADE INTEGRATION

Tariffs and Trade Defence

Lao PDR maintains an effective tariff rate⁴ of 0.41% on ICT goods imported from economies within the Asia and the Pacific region. The rate is lower than the average rate of Asia-Pacific region, which is 4%. It also applies zero tariff coverage 80.68% on imported ICT goods from economies within the Asia and the Pacific region, which is higher than the average Asia-Pacific coverage of 50.08%. Lao PDR is a signatory of the 1996 WTO Information Technology Agreement (ITA) and its Expansion Agreement (ITA II), having joined as a participant on 1 January 2022, which mandates the elimination of duties on covered ICT products. Furthermore, Lao PDR has not imposed any trade-defence measures—such as

⁴ The effective tariff rate, sourced from the World Integrated Trade Solution (WITS) database, is a weighted average of the tariffs it actually applies to its imports. The calculation is based on the "effectively applied tariff," which is the lowest rate available for each specific import—either the standard Most-Favored-Nation (MFN) tariff or a preferential rate from a trade agreement. This tariff is then weighted by the import's value, ensuring that tariffs on heavily traded goods have a greater impact on the final rate than those on rarely imported items. By accounting for both preferential agreements and import volumes, the effective tariff rate offers a more accurate reflection of the tariff cost of trade than a simple average MFN rate.

anti-dumping duties, countervailing duties, or safeguards—on ICT goods imported from other economies in the region. However, the Law on Antidumping and Countervailing Measures No. 65/NA 2019 provides the legal basis to apply such measures if necessary.

Telecommunication Regulations and Competition

Lao PDR promotes competition in the telecommunications sector by mandating non-discriminatory sharing of essential infrastructure, including towers, core network elements⁵, and satellite or terrestrial networks, to avoid duplication and promote efficient use of resources⁶. Full foreign ownership is permitted in telecom enterprises, subject to approval for controlled or concession sectors in Lao PDR⁷. Under the Law on Telecommunications No.09/NA, there is no specific mention of functional or accounting separation mandates for operators in Lao PDR, nor has it any discriminatory or restrictive licensing requirements towards the operators. Lao PDR has incorporated the WTO Telecom Reference Paper into its commitments, signalling adherence to international best practices, and the independent Lao Telecommunication Regulatory Authority (LTRA), established in 2017 (Prime Minister Decree 2017), ensures a level playing field, fair interconnection, and effective licensing. Some restrictions remain, including government ownership in all key telecom operators—LaoTel⁸, TPLUS⁹, UNITEL¹⁰, and ETL¹¹, giving them policymaking influence that can distort competition. Overall, Lao PDR has taken measures to liberalize and regulate its telecom sector while maintaining oversight to ensure sector stability.

Cross-border Data Policies

Lao PDR imposes no bans on cross-border data transfers and does not require personal data to be processed locally. There is no obligation to store data on servers located within Lao PDR, nor are service providers required to use local data centers or other domestic infrastructure as a condition for processing or transferring data. However, cross-border data transfers are permitted with the consent of the data subject and subject to security measures, such as encryption and secure handling of sensitive information, including financial, health, and investment data.¹² Lao PDR remains temporarily exempt from binding obligations under the Regional Comprehensive Economic Partnership (RCEP) regarding data transfers, with full compliance expected after the transitional period.

EXAMPLES OF POLICY CHALLENGES TO LAO PDR'S DIGITAL TRADE INTEGRATION

Internet Intermediary Liability

⁵ Law on Telecommunications No.09/NA 2011

⁶ Decision on the Management of Telecommunications and ICT No.3583/MoTC 2022

⁷ Law on Investment Promotion Act No.14/NA 2010, Articles 24, 67.1–3.

⁸ In 2023, it is reported that Lao Telecom (LaoTel) is a dominant telecom player in the country. Specifically, LaoTel is a joint venture between the government of the Lao People's Democratic Republic (51%) and Shenington Investments (49%). See <https://laotel.com/la/index.php>

⁹ TPLUS Digital Sole Co., Ltd 100% is owned by the Telecommunication Public Company (LaoTel). See <https://tplus.la>

¹⁰ UNITEL is a joint venture between Viettel Global and Lao Asia Telecom (fully owned by the Lao Government). See <http://www.unitel.com.la>.

¹¹ Enterprise of Telecommunications Lao (ETL) is a company owned by Hong Kong Jiafu Holding Co., Ltd. and the Lao Government in accordance with 51%: 49%. See <http://www.etlao.com>

¹² Law on Electronic Data Protection No.25/NA 2017 and the Law on Electronic Transactions No.20/NA 2010,

Lao PDR provides no statutory safe harbour for online intermediaries. Platforms may be held strictly liable for any user-generated copyright infringement, exposing them to substantial damages and takedown demands. Under the Decree on Internet Information Management No. 327/Gov 2014, individuals must register social media accounts with full names and addresses, limiting anonymous information sharing. Mandatory SIM registration is required under the Notification on Registration of Telephone and SIM Card Numbers in Lao PDR No. 1056/CO.TMO 2020. Furthermore, according to Decree on the Management and Use of Internet, and Domain Name of the Lao PDR No.164/Gov 2012, intermediaries must actively monitor user activity and proactively remove content deemed illegal or harmful, imposing costly constant surveillance obligations and heightening legal risk. Despite the limitations, a broader safe harbour framework in Lao PDR is set by Law on Electronic Transactions (Amended Version) No.31/NA, which shields intermediaries from liability for other illegal activities¹³.

Non-technical NTMs

Lao PDR maintains an outright ban on the import of satellite receivers under Notification on Temporary Suspension of all Satellite Receiver Importation. No.55/CO 2018. It imposes multiple administrative requirements on the import and distribution of ICT and telecommunication equipment, raising compliance costs and delaying market entry. Decision on Import and Distribution of ICT Equipment No. 3201/MPT 2016 mandates certification of devices such as computers and smartphones, while Decision on the Radio Frequency Inspection No. 2119/MPT 2020 requires equipment using radio frequencies to be inspected prior to importation. Certain specialized goods, including walkie-talkies and satellite devices, require import licenses under Notification No. 1229/MPT.PSO, and the Decree on Satellite Communications No. 471/GOL 2019 forbids the import or export of satellite equipment without prior permission. However, Lao PDR has no local-content rules mandating that ICT goods or online services contain domestically sourced components, technology, or labour.

Content Access

Government authorities in Lao PDR have the power to block or filter online content under the Laws¹⁴. The Law on Telecommunications No.09/NA 2011 grants the government authority to temporarily control telecommunication networks and seize equipment during national security threats or public unrest. Moreover, the Law on Prevention and Combating Cyber Crime No. 61/NA 2015 allows authorities to remove content that undermines national security, public order, or social stability, and to issue emergency notices to restrict harmful online content. Under the Law on Electronic Data Protection No. 25/NA 2017, data administration authorities can suspend services of users who violate agreements or disrupt societal peace. In Lao PDR, online advertisements must comply with consumer protection regulations, including prior approval, truthful content, and prohibition of misleading or exaggerated claims¹⁵. On a positive note, online content providers may operate in Lao PDR without obtaining sector-specific licenses. Besides, based on V-Dem data¹⁶, the government rarely shuts down internet access, indicating that technical interference with domestic connectivity is uncommon.

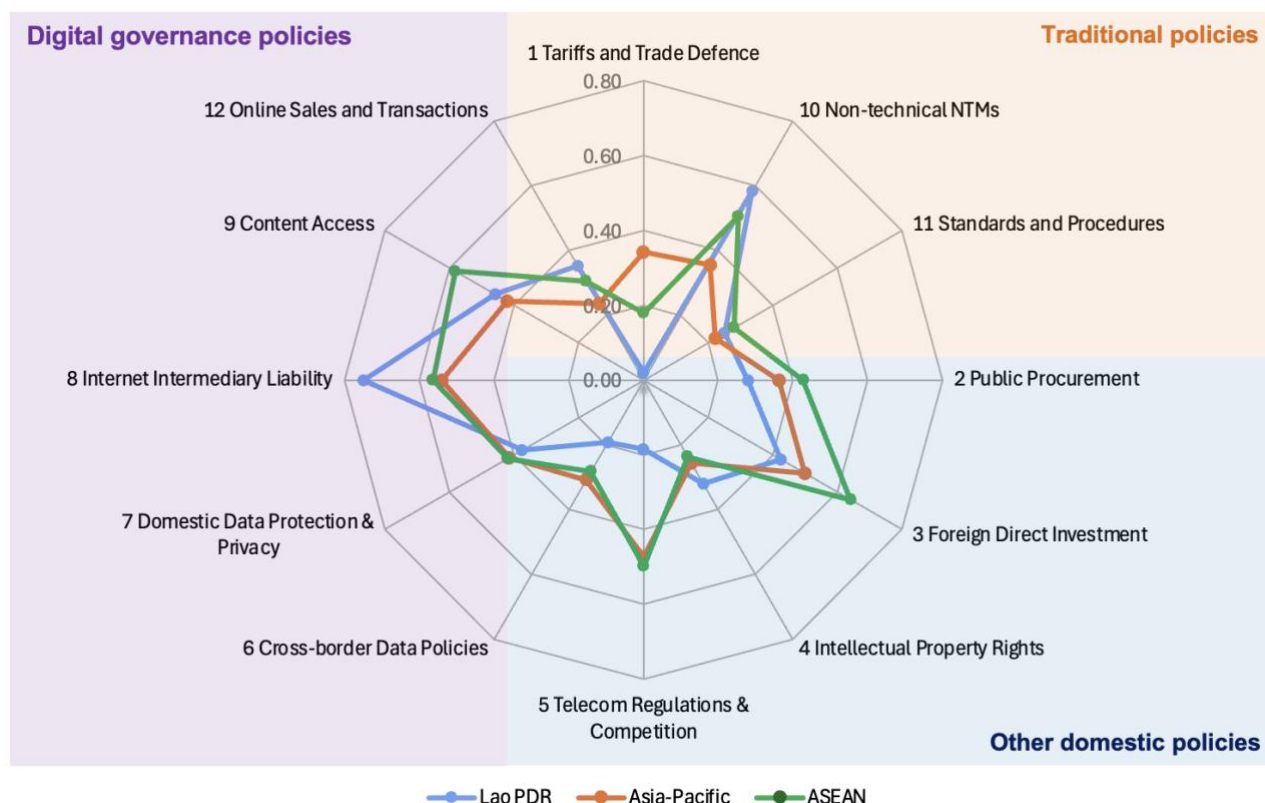
¹³ According to Article 45 (Intermediary Non-Liability) of Law on Electronic Transactions (Amended Version) No.31/NA, intermediaries are not held liable to: 1. Monitoring user data; 2. User-originated content it merely handles; 3. Content it has no actual knowledge is illegal; 4. Background data it has no actual knowledge of.

¹⁴ Law on Electronic Data Protection No.25/NA 2017, Law on Telecommunications No.09/NA 2011, and Law on Prevention and Combating Cyber Crime No. 61/NA 2015.

¹⁵ Law on Consumer Protection No. 02/NA 2010; and the Decision on Protection of Consumers Using Telecommunications and Internet Services No. 1061/MPT 2020

¹⁶ See the indicator "6.2.4 - Government Internet shut down in practice" of the V-Dem Dataset, which measures whether the government has the technical capacity to actively make internet service cease, thus interrupting domestic access to the internet or whether the government has decided to do so. Available at: <https://www.v-dem.net/vdemds.html>

Figure: Comparison between Lao PDR's RDTII scores, Asia-Pacific average scores and subregional average scores



Source: ESCAP calculation, data as of January 2026, available at: <https://www.unescap.org/projects/rodtra/databases-kp>

LAO PDR'S PARTICIPATION IN TRADE NEGOTIATIONS INVOLVING DIGITAL TRADE

Lao PDR's engagement in digital trade-related negotiations is growing. As of September 2025, Lao PDR has signed a few preferential trade agreements, generally with other economies within the Asia and the Pacific region, for example, the Agreement Between The United States Of America And Lao PDR On Trade Relations¹⁷, the Asia Pacific Trade Agreement¹⁸, the ASEAN–Korea Trade in Goods Agreement¹⁹, the ASEAN–Hong Kong Free Trade Agreement²⁰, and the RCEP.²¹ Some of these agreements include digital provisions, such as rules on electronic commerce and cross-border data flows under the RCEP and ASEAN–Hong Kong FTA. Additionally, Lao PDR participates in the WTO

¹⁷ Agreement Between the United States of America and the Lao People's Democratic Republic on Trade Relations, signed 13 October 2004, entered into force 1 February 2005, available at: <https://edit.wti.org/wti-filesystem/20220119/cd9ab41c-bb30-4e8f-b7d0-548c904a8fab/download%20%28%29.pdf>

¹⁸ Asia-Pacific Trade Agreement (APTA), signed 24 November 1975, amended in 2001 and 2005, available at: https://www.unescap.org/sites/default/files/1_%281%29_APTA_Sohee%2B%2B.pdf

¹⁹ ASEAN–Korea Trade in Goods Agreement, signed 24 August 2006, entered into force 1 June 2007, available at: <https://asean.org/wp-content/uploads/2021/03/AK-TIG-Agreement-August-2006.pdf>

²⁰ ASEAN–Hong Kong Free Trade Agreement, 2017, entered into force for Lao PDR on 11 June 2019, available at: <https://asean.org/wp-content/uploads/2021/08/AHKFTA-compressed.pdf>

²¹ Regional Comprehensive Economic Partnership (RCEP), signed 15 November 2020, entered into force for Lao PDR on 1 January 2022, available at: <https://asean.org/rcep-agreement-enters-into-force/>

Joint Statement Initiative on Electronic Commerce.²² And the economy has not concluded a stand-alone Digital Economy Agreement (DEA).

Lao PDR, as an ASEAN member, engages in the ASEAN Work Programme on Electronic Commerce (2017–2025) and the ASEAN Digital Integration Framework Action Plan (DIFAP) 2019–2025, supporting cooperation on data governance through model contractual clauses and guidelines. The economy also participates in ASEAN preferential trade agreements, including ASEAN-Australia-New Zealand²³, ASEAN-China²⁴, and ASEAN-Japan²⁵, some of which incorporate e-commerce provisions.

Globally, Lao PDR is a member of both the World Trade Organization (WTO)²⁶ and the World Intellectual Property Organization (WIPO).²⁷ Moreover, Lao PDR has committed to implement RCEP e-commerce rules, with a transitional period of 5+3 years before mandatory cross-border data flow provisions fully apply. Regarding WIPO, Lao PDR is a contracting party to the Patent Cooperation Treaty²⁸, and yet it has not signed the Copyright Treaty²⁹, and the Performances and Phonograms Treaty.³⁰

Regarding other agreements relevant to digital trade, Lao PDR has not signed the United Nations Convention on the Use of Electronic Communications in International Contracts, nor has it formally informed the UNCITRAL Secretariat of its adoption of the UNCITRAL Model Laws on Electronic Signatures, or Electronic Transferable Records, although it has adopted the UNCITRAL Model Law on Electronic Commerce. Moreover, Lao PDR has not acceded to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA), which promotes the electronic exchange of trade-related data and documents among participating economies.

²² Joint Statement Initiative on Electronic Commerce, initiated 13 December 2017, Lao PDR is a participant, available at: https://www.wto.org/english/tratop_e/ecom_e/joint_statement_e.htm

²³ ASEAN–Australia–New Zealand Free Trade Area, signed 27 February 2009 in Cha-am, Thailand, entered into force for Lao PDR on 1 January 2011, available at: <https://aanzfta.asean.org/agreement-establishing-the-aanzfta>

²⁴ ASEAN–China Free Trade Agreement (ACFTA), signed 4 November 2002, amended 29 October 2010 (Second Protocol on Trade in Goods), available at: <https://cil.nus.edu.sg/databasecil/2010-second-protocol-to-amend-the-agreement-on-trade-in-goods-of-the-framework-agreement-for-comprehensive-economic-co-operation-between-the-association-of-southeast-asian-nations-and-the-people/2010-acfta-tig-protocol-2-1-pdf/>

²⁵ ASEAN–Japan Comprehensive Economic Partnership, signed 14 April 2008, entered into force for Lao PDR on 1 December 2008, available at: <https://ajcep.asean.org/agreements/legal-text/>

²⁶ World Trade Organization (WTO), Lao PDR became the 158th member on 2 February 2013, available at: https://www.wto.org/english/thewto_e/countries_e/lao_e.htm

²⁷ World Intellectual Property Organization (WIPO), Lao PDR became a member on 8 October 1998, available at: https://www.wipo.int/wipolex/en/treaties/ShowResults?search_what=C&treaty_id=1

²⁸ Patent Cooperation Treaty (PCT), done at Washington on June 19, 1970, available at: <https://www.wipo.int/wipolex/en/treaties/textdetails/13065>

²⁹ WIPO Copyright Treaty (WCT), adopted on December 20, 1996, available at: <https://www.wipo.int/treaties/en/ip/wct/>

³⁰ WIPO Performances and Phonograms Treaty (WPPT), adopted on December 20, 1996, available at: <https://www.wipo.int/treaties/en/ip/wppt/>



DIGITAL TRADE REGULATORY INTEGRATION INITIATIVE

