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Lao PDR representatives attend the Mekong Symposium on Migration held in Chiang Mai, October 2004.

LAO PDR

Political and Economic Update

Lao PDR is now a member of the Mekong River Commission (MRC) and ASEAN, and 2003 witnessed increasing international cooperation and ties in the region. During the year, Lao PDR started peparation for its cooperation with Thailand to carry out the terms agreed to in the MOU on Employment Cooperation it signed with the Thai government in October 2002. In October 2003, it was announced that Lao PDR would host the ASEAN summit in 2004. In November 2003, leaders of Thailand, Burma, Cambodia and Lao PDR endorsed the Pagan Declaration to increase economic competitiveness and generate growth.

Domestically, however, the country suffered bombings and armed attacks by anti-government rebels. There were at least five separate insurgent attacks on passenger vehicles, resulting in the deaths of at least 36 civilians.[1] In February, armed gunmen attacked a bus near Vang Vieng, killing at least eight Laotian, two Western and one Chinese passenger. In April, at least ten people were killed by gunmen who attacked a bus travelling between Luang Prabang and Vientiane, a common tourist route.[2] In June, an international journalist visited a remote camp of Hmong rebels, reporting that the group was living in desperate conditions and constantly on the run from Lao authorities.[3] The 2004 report by Amnesty International on Lao PDR stated that the bombings caused the government to step up its efforts to eliminate insurgents. During the year, the UN Committee to Eliminate Racial Discrimination strongly criticized the Government for its treatment of these insurgent Hmong groups.[4]

Also in June, the Fact Finding Commission, a US-based group of Lao exiles, declared that a group calling itself the Lao Citizens Movement for Democracy proclaimed an "uprising" against the Government, although the government dismissed the claim. That proclamation was immediately followed by an attack in Sayaboury Province on the Thai border, however, as well as another attack in

August also in Sayaboury Province in which five people were reportedly killed.[5] The Amnesty International report also states that fighting broke out between rebels and government troops in several areas of Houaphanh Province.

In July, an American Lutheran pastor and two European journalists received 15 year prison sentences for involvement in the killing of a security officer, despite international efforts to free the men on grounds that they were innocent. In response to diplomatic intercessions, the government later released and deported the three foreigners.[6]

The Lao PDR government's economic development goal is to move up from its current rank as a Least Developed Country (LDC) by the year 2020. The country's GDP grew 5.9% in the year 2003, up slightly from 2002 but below its targeted 7.5% annual growth rate. Based on the country's current annual population growth rate of 2.8% and current per capita GDP of USD350, the target was set as the growth rate needed for the Lao PDR to attain the per capita income level of USD1,000 necessary to shed its LDC status. The government will need to further increase GDP growth, then, to move towards its goal. Macroeconomic growth is also particularly important, given that half the current population is under 20 years of age and the number of job seekers is set to rise rapidly in the coming years. Accordingly, the economy will need to expand quickly to provide sufficient employment opportunities for a rising number of young adults.[7]

To further growth, the government emphasizes the strong role to be played by the private sector. Private sector growth is currently constrained by a number of factors including a weak financial sector, poor infrastructure and limited human resource capacity. The country has only a rudimentary road system, limited external and internal telecommunications, and limited electricity.[8] Observers opine that a more comprehensive and diverse private sector must be developed if economic growth and employment is to be increased.[9]

The government devised the Eight National Socio-Economic Priority Program to help meet its 2020 development goal. The programs implemented are 1) food production; 2) commodity production; 3) stabilization of shifting cultivation; 4) rural development; 5) infrastructure development; 6) expansion of external economic relations and co-operation; 7) human resource development; and 8) services development. Of the programs, the government gives highest priority to achieving permanent food security, preserving the country's natural resources and developing the national human resource potential.

Action to reduce poverty incidence in Lao PDR is greatly needed. Subsistence agriculture accounts for half of GDP and provides 80% of total employment.[10] In terms of real per capita consumption, Vientiane municipality is the wealthiest region in the country, while the North is the poorest. Per capita consumption in Vientiane municipality increased at an average annual rate of 10.8% from 1997-1998, more than twice the rate of increase in per capita consumption in other regions. During the same period, real per capita consumption in the rural areas increased by 5.4% per year, indicating the wide disparity between the urban and rural populations. Similarly, the North had the highest incidence of poverty at 52.5% for the period, while the country average was 38.6%. Overall, some 830,000 people in the North are living below the poverty line, accounting for about 45% of the total number of poor people in Lao PDR. The North not only is the poorest region, it has experienced the slowest rate of poverty reduction. Lao PDR ranks 140 out of 174 countries on the Human Development Index, well below neighboring countries Thailand, China and Vietnam, ranked at 76, 94 and 112 respectively.

Migration Update

In 2004, the Lao members of the Mekong Migration Network (MMN) conducted a study on migration focusing on the quality of life of migrant workers in Lao PDR and abroad. The research team held focus group discussions with key informants, village leaders in selected areas in Lao PDR, who provided their observations on the experiences of migrant workers in their villages. The following is a synthesis of the research.

Lao Migrants Overseas

As a large number of Laotians migrate through undocumented channels, the Lao PDR government does not have exact figures on the number of

Lao PDR Significant

2003

February

(6) Over 20 armed men attack a bus on a highway outside of Vang Vieng.

April

(20) A bus traveling between Luang Prabang and Vientiane is attacked by gunmen, killing at least 10 people.

June

(30) An American Lutheran pastor and two European journalists receive 15-year prison sentences for involvement in the killing of a security officer, despite international efforts to free the men on grounds that they are innocent.

July

(9) The two European journalists and their American translator, previously sentenced to 15-year jail terms, are released after negotiations with their respective governments.

(16) *Voice of America* (VOA) reports that the Lao government intends to issue workers ID cards; those in possession of such cards will be considered as having the government's approval to work abroad.

(23) Lao domestic workers tell tales of fear and torture to police in Thailand.

August

Bomb explodes in a crowded bus station in Vientiane, injuring more than 10 people.

Lao Human Rights Council appeals at the 21st session of the UN Working Group on Indigenous Peoples on behalf of Hmongs in Lao PDR.

(8) Thai authorities arrest five North Korean women for illegal entry after crossing the Mekong River by boat from Lao PDR.

(29) Thai and Lao drug authorities agree to set up more coordinating units in an effort to stamp out drug trafficking between the two countries.

October

Lao National Assembly appoints a deputy prime minister, Bouasone Bouphavanh, to be responsible for national security.

(21) It is announced that Lao PDR will hold the ASEAN summit in 2004.

November

(12) Leaders of Thailand, Burma, Cambodia, and Lao PDR endorse the Pagan Declaration to increase competitiveness and generate greater growth in the region during the Economic Cooperation Strategy (ECS) summit in Pagan.

(16) Prime Minister Bounyang Vorachit, Minister of Security Soudchai Thammasith, and other leaders of the Lao PDR deny the

migrants working overseas. A recent study on migration in the southern provinces, however, found that 7% of the sample population migrated for work, either seasonally or permanently. 45% of these were male and 55% female.[11] Thailand continues to be the primary destination for Lao migrants, due to the shared cultural history and affinity between the two countries as well as their long, porous border (See Lao PDR Country Report in *AMY 2002-2003* for further information). According to the Ministry of Labor and Social Welfare of Thailand, the numbers of Laotians working in the country is currently estimated at 200,000. This estimate includes undocumented migrants, as Thai registration figures indicate only 179,887 registered Lao migrants working in the country in 2004 (see Thailand Country Report for more details on Thailand's registration system).[12] Village leader respondents reported a range of percentages – from 7.3% to 13.3% – of village members who were migrant workers, depending on the village.

Lao citizens seeking to travel abroad must obtain the necessary documentation. Laotians can apply for a three-day pass to enter Thailand; many migrants use this channel to cross, and then overstay their passes to work. It appears that the majority of migrants cross the border on their own, many by small boat, while some go in groups with friends and relatives. Some Lao migrants who did

Events 2003 – June 2004

existence of any political resistance movement against the Lao PDR government. The government is increasingly vocal about what it sees as laxity on the part of Thai officials in cracking down on groups of people who enter in to Laos, cause trouble, and then disappear back into Thailand.

December
(1) Mekong River Commission members – Thailand, Cambodia, Lao PDR, and Vietnam – agree to monitor projects which could affect the water quality of the Mekong.

(6) Lao PDR, Thailand, and Cambodia invite the US to join a strategic economic cooperation project.

2004

January
Presence of Avian Influenza virus is confirmed in Lao PDR.

Lao PDR and Vietnam sign an economic cooperation agreement for 2004.

February
(4) Bomb explodes in Khanthabouly, Savannakhet, during ASEAN Tourism Forum.

March
(10) VOA reported that Lao workers were demanding refunds from a Lao government agency after waiting five months for job placement in Malaysia.

Leaders between Lao PDR and Thailand meet, signing seven agreements on cooperation in various areas.

April
Construction begins on a highway that will connect China and Thailand via Lao PDR.

May
(10) Cambodian Prime Minister visits Lao PDR to expand bilateral cooperation.

(14) Lao Ministry of Information and Culture issues prohibition against showing Thai television and video programs in public places, including airports, hotels, bus stations, restaurants and markets.

June
(16) Hmong refugees who had been stranded in Thailand for over 30 years depart for America under U.S. resettlement program.

(30) Lao PDR assumes chairmanship of ASEAN; it will hold the position for one year.

Sources:
BBC News,Human Rights Watch, VOA news

not have connections in Thailand did pay brokers; fees were reported to vary based on the nature of the intended work and location in Thailand. Those going to the south of Thailand reportedly paid around THB6,000 to the broker, while those intending to work in Bangkok or Chiang Mai paid THB3,000. Workers going to the north eastern region of Thailand paid THB2,000.

The push and pull factors reported in 2004 are similar to those cited in earlier studies of Lao migrant workers. The key informants listed reasons for migration including similar culture with Thai people and the ease of migration, the close location of Thailand to Lao PDR and convenience of crossing the border, higher wages in Thailand, and the need to earn surplus income, particularly in the off-season after the rice has been harvested. Most key informants reported the difficulty of finding jobs in their villages and even in Vientiane; almost all expressed the need for increased job opportunities in Lao PDR. Also, some of the respondents said the decision to migrate had been heavily influenced by positive reports from returning migrants from Thailand, which persuaded them to try their luck.

Key respondents reported Lao migrants were working in jobs including domestic work, agricultural work such as jobs on fruit plantations, factory work, construction work, and jobs in temples. According to Thai registration figures in 2002, registered Lao

migrants are working in agriculture, construction, and fisheries, while the large majority working as domestic workers. Lao migrants registered in Thailand reportedly received wages of about THB3,000 per month, and not more than THB10,000 per month, lower than that of local Thai workers.

According to the key informants, migrants in the villages studied reported they continue to experience difficulties in Thailand such as non-payment, underpayment or late payment of wages, being overworked for low wages, industrial accidents, occupational disease and even two deaths. Lao village heads also expressed concerns about the health and well-being of the migrant workers. Some migrant workers married a new spouse while in Thailand, or had adopted behavior which clashed with their family or village traditions upon their return. Also, Lao migrant workers fear of arrest and being fined by Thai and Lao authorities.

There is currently no affordable channel for long-term legal migration for laborers. According to the village heads surveyed, not only do migrants face arrest and fines in Thailand, but they are also subject to fines upon their return to Lao PDR imposed by village authorities. For the first offense, migrants may be fined LAK20,000; LAK 50,000 for the second offense, LAK100,000 for the third offense, and as much as LAK450,000 for the fourth offense. While Thailand does have a registration system, some Lao migrants reported that they found the procedure complicated, expensive, and lengthy, therefore they chose to remain undocumented. Another factor which may lead to migrants choosing not to register is that many migrants go to Thailand only during the off-season after the rice harvest, a period of about three months. As the Thailand registration fee in 2003 was fairly expensive in relation to wages, at around USD100, short-term migrant workers may have preferred to take their chances.

Thailand's registration policy accords registered Lao migrant workers the same rights as those of Thai workers, including the same working hours and holidays in accordance with Thai labor law. Registration is also quite significant for migrant workers, as it means they can rent housing, and go out after work or travel around the city without fear of arrest.[13] However, it is important to note that a large number of Lao migrants (12,676 Laotian domestic workers were registered in 2002) work as domestic workers and domestic workers in Thailand are not covered under the labor laws. Thus, the working conditions of both local and migrant domestic workers all depend on the employer. Migrant workers in even other sectors which are protected under the labor laws have also reported that their labor rights are often violated.

Trafficking

Despite the government's current focus on trafficking prevention, Lao PDR is extremely vulnerable to trafficking, due to its virtually open borders, poverty and low levels of education.[1] Women from highland ethnic groups were found to be especially vulnerable due to increased poverty and illiteracy levels; a large number of trafficking victims were from non-Lao ethnic backgrounds. A study on child trafficking by MLSW and UNICEF, *Broken Promises, Shattered Dreams* found that approximately 60% of trafficking victims in Lao PDR were girls between the ages of 12 and 18, and that 35% of these were forced into sex work. Those who were trafficked to Thailand experienced abuse: some were locked up in Thai homes as domestic workers, while others were forced to do sex work.

TABLE 1: OCCUPATION OF LAO MIGRANT WORKERS IN THAILAND

Activities	Number of Person	Females
Agriculture	3,993	1,363
Livestock	2,239	600
Mining	16	9
Ceramics	160	38
Construction	1,389	144
Rice mills	100	31
Fishery and related jobs	1,307	324
Warehouse delivery	656	160
Domestic work	12,676	11,647
Others sectors	19,599	10,347

Source: MLSW Registration statistics, 2002, Thailand.

Comprehensive data on the number of trafficked persons is unavailable, although the government has statistics on the small number who returned through the government's repatriation program for trafficking victims. This program repatriated 222 trafficked women from Thailand for the period from 2001 to 2003.[14] According to *Broken Promises, Shattered Dreams*, trafficking had occurred in all 17 provinces surveyed, and traffickers were often familiar to their victims. Both men and women were traffickers. In 2003, the Lao government sentenced a convicted trafficker to two years imprisonment.[15]

Migrants in Lao PDR

The study found almost 3,000 Vietnamese migrants were living in Vientiane, including many immigrants with Lao citizenship. The majority of Vietnamese were working in construction and as retail traders. One reason cited for migration for employment in Lao PDR were difficulty finding work in Vietnam and the comparative ease of finding work in Lao PDR. Most crossed the border by themselves without the help of an agent, although there were a few cases where their construction company employers sponsored their work in Lao PDR. According to the law, Vietnamese working in Lao PDR have to pay USD80 for a three-month work permit, and USD140 a one-year work permit. They also pay a USD30 fee to agents.

Reflecting the close diplomatic relations between the two countries, Vietnamese migrant workers were generally seen as having few problems working and living in Lao PDR, and were said to integrate well into Lao customs. The children of Vietnamese migrant workers have the right to education in Lao PDR, although they must obtain Lao citizenship and even change their name to a Lao name in order to attend university. Vietnamese migrant workers can also obtain health services in Lao public hospitals.

Vietnamese living in Vientiane have formed a number of Vietnamese associations, which provide assistance and social support to Vietnamese as well as to improve solidarity between Vietnamese migrants and Lao people. Services provided by Vietnamese associations include a temple, school, and financial system to remit money to and from Vietnam. At present,

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Lao participants in the UN Task Force meeting in Chiang Rai, Thailand. July 2003.

TABLE 2: NUMBER OF FOREIGN MIGRANT WORKERS IN LAO PDR

Countries	2004	2003	2002	2001	2000	1999	1998
China	-	685	899	539	855	533	709
Vietnam	-	319	581	885	1676	740	667
Thailand	-	367	520	410	641	667	529
Malaysia	-	42	33	14	16	32	23
French	-	50	37	48	55	53	62
India	-	33	24	29	27	90	23
Singapore	-	4	6	5	6	6	6
Others	-	213	295	325	248	278	445
Total	-	1,731	2,383	2,207	3,524	2,399	2,464

Source: Annual Report 2004, Department of Labor, Ministry of Labor and Social Welfare

there are eight Vietnamese Associations located in Vientiane, Luangprabang, Savannakhet, Parkse, Saravanh, Sekong and Attapeu.

Chinese migrants living in Lao PDR come primarily from southern China and Yunnan province and work in Lao PDR as traders. They have also formed their own associations, temples and continue their studies at mainland universities, and had established a foundation in order to help the poor and vulnerable people in certain districts.

Unlike the MMN report, however, one US report told of undocumented migrants in Lao PDR from Vietnam and China said to be vulnerable to exploitation by employers, and even reported that some undocumented Vietnamese children were working on the streets, selling various goods.[16]

Responses

Government

The Lao government responses continue to center largely around trafficking. The Ministry of Labor and Social Welfare (MLSW) has a repatriation assistance center for trafficking victims, although the number receiving assistance through this program is quite small. MLSW also has a program which includes a focus on preventing the trafficking of children. Anti-trafficking information campaigns were studied by the MLSW and Lao Women Union (LWU), and they are now looking into implementing such a program. At the local level, village heads have conducted awareness-raising activities and information dissemination about the conditions migrant workers may encounter in Thailand.

The LWU and the Lao Youth Union (LYU), both party-sanctioned organizations, offered educational programs designed to educate the public about the dangers of migration. These organizations also work to develop labor skills, along with income generation projects for villagers such as handicraft production.

IGOs

A number of inter-governmental organizations continue to carry out anti-trafficking programs in Lao PDR, including UN agencies such as UNDP, UNIAP, UNESCO and UNICEF. UNESCO is conducting research on minority women in Lao PDR, and also works to provide radio programs in minority languages to raise awareness on the dangers of trafficking. UNICEF supports the training of MLSW staff on human rights conventions, and also supports the LWU's program to provide counseling. The counseling is currently only offered in Vientiane, but it plans to extend the union's services throughout Lao PDR.

ILO-IPEC and the IOM are also active in Lao PDR, working closely with the Lao government. The IOM continues to carry out its return and

reintegration program, while ILO-IPEC focuses on the trafficking prevention nd undocumented migration by conducting village development programs and awareness-raising activities, particularly in high-risk areas.

Lao government-sponsored mass organizations such as the LWU and LYU carry out some anti-trafficking activities in Lao PDR. These organizations have activities aimed at awareness raising regarding migration and providing alternative to migration through seeking micro credits and skill training.

NGOs

There is no local NGO or CBO in Lao PDR and the organizations that can function in Lao PDR are branches of the international NGOs or programs funded by these. Some of these international NGOs have responded to the issues related to trafficking in Lao PDR. In March 2004, for example, an organization funded by The Asia Foundation announced the launch of a women's shelter and counseling center for Lao trafficking victims. Another NGO, Consortium Laos, is carrying out capacity building and skills training at an existing vocational training center in order to provide assistance to trafficking victims and high-risk youth.

Endnotes

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