# Digital Governance in Lao PDR

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Shanghai and Deqing

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# Some Fact of Lao PDR

**7.43M**
POPULATION[1]

**37%**
URBAN POPULATION[1]

**3.2%**
URBAN POPULATION GROWTH[1]

**2026**
EXPECTED YEAR TO GRADUATE FROM LDC STATUS[2]

**2,566 USD**
GDP PER CAPITA[1]

**2.5%**
ANNUAL GDP GROWTH[1]

**0.607**
HUMAN DEVELOPMENT INDEX[3]

**68.5**
LIFE EXPECTANCY[4]

**81.7%**
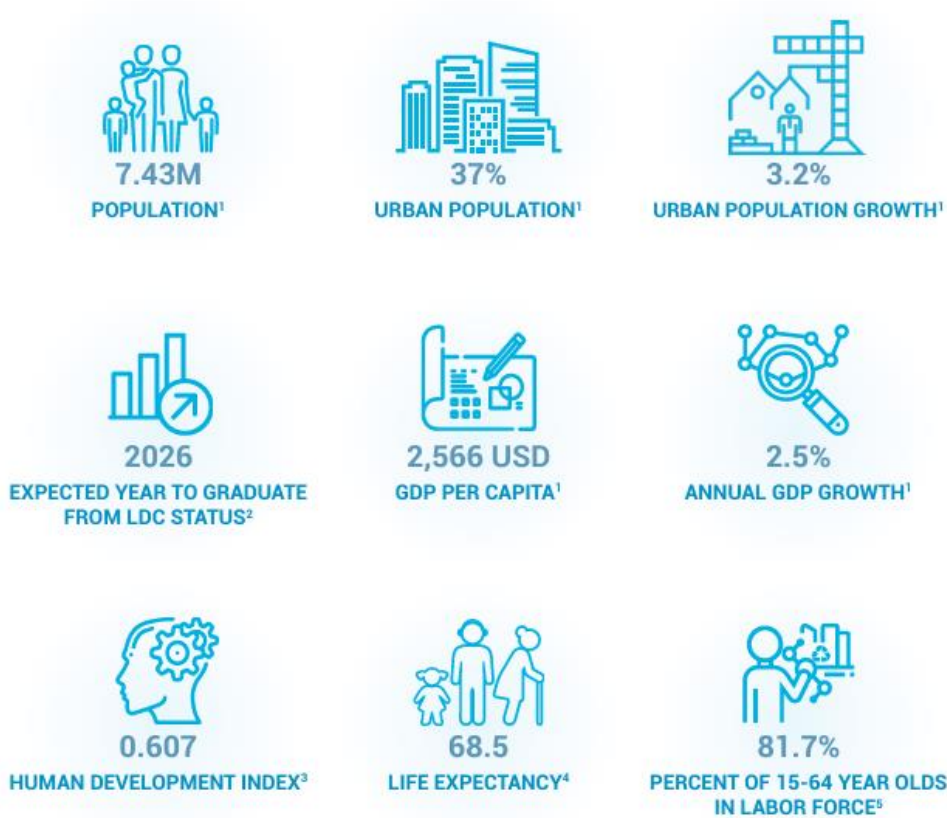PERCENT OF 15-64 YEAR OLDS IN LABOR FORCE[5]

Source: UN habitat report 2023

## Key Market Index

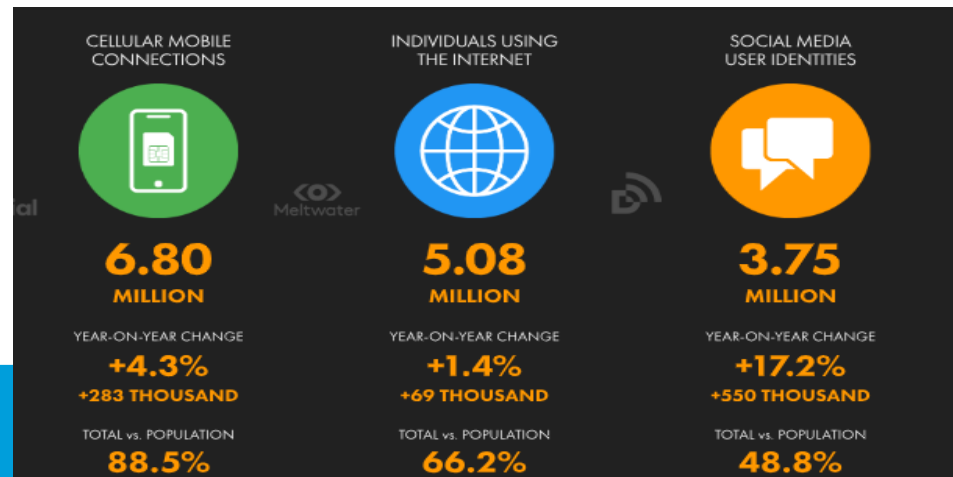| | |
|---|---|
| GDP (Millions of US$) [1] | 19,133 |
| GDP per capita (US$) [1] | 2,630 |
| Median Age [2] | 24 |
| % Improved Sanitation Facilities [3]* | 71 |
| % Improved Drinking Water Source [3]* | 76 |
| Internet Subscribers per 100 persons [3] | 18 |
| Cellular Phone Users per 100 persons [3] | 53 |

1 World Bank, GDP (current US$); World Bank, GDP per capita (current US$) *Data for 2020
2 United Nations, Department of Economic and Social Affairs, Population Division (2019) *Data for 2020
3 ASEAN Secretariat, "ASEAN Statistical Report on Millennium Development Goals", 2017. * Data as of 2015

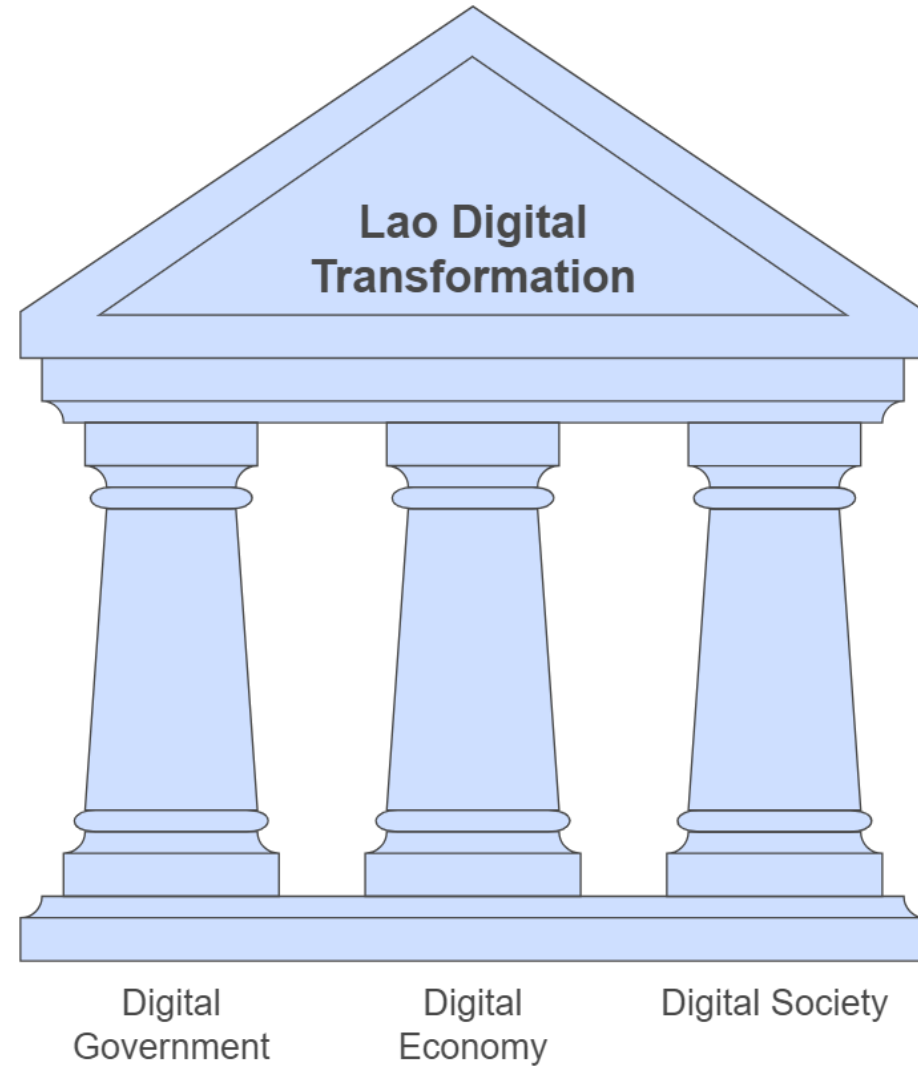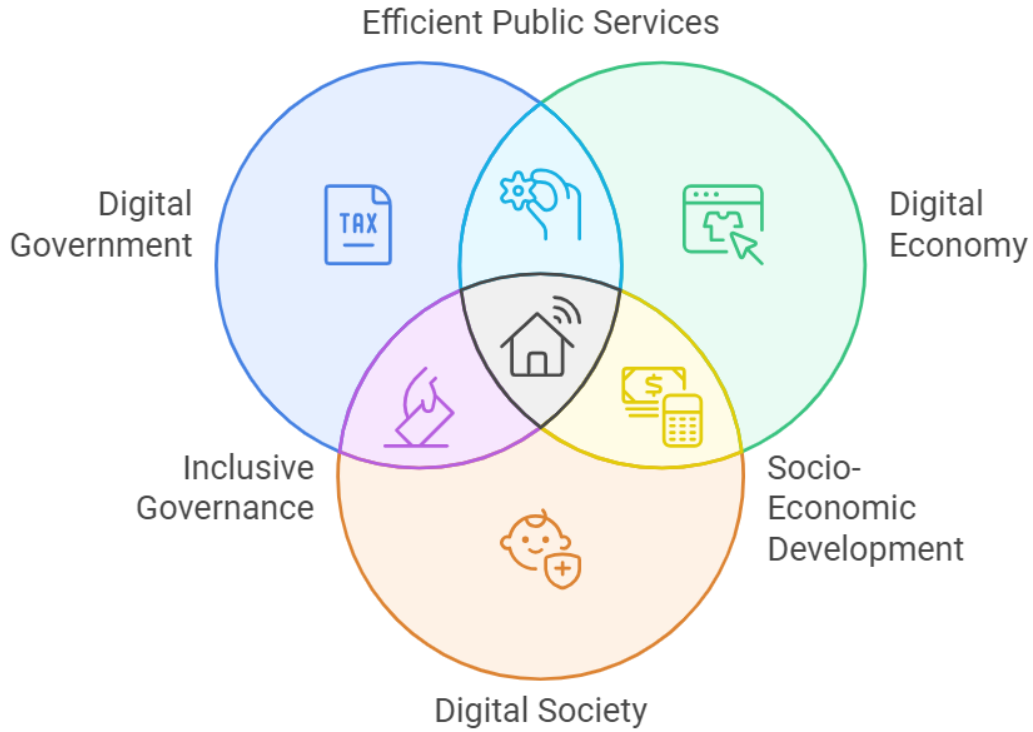| CELLULAR MOBILE CONNECTIONS | INDIVIDUALS USING THE INTERNET | SOCIAL MEDIA USER IDENTITIES |
|---|---|---|
| **6.80** MILLION | **5.08** MILLION | **3.75** MILLION |
| YEAR-ON-YEAR CHANGE +4.3% +283 THOUSAND | YEAR-ON-YEAR CHANGE +1.4% +69 THOUSAND | YEAR-ON-YEAR CHANGE +17.2% +550 THOUSAND |
| TOTAL vs. POPULATION 88.5% | TOTAL vs. POPULATION 66.2% | TOTAL vs. POPULATION 48.8% |

Digital Transformation in Laos

Efficient Public Services

Digital Government

Digital Economy

Inclusive Governance

Socio-Economic Development

Digital Society

Lao Digital Transformation

Digital Government

Digital Economy

Digital Society

E-Government Survey 2024

Accelerating Digital Transformation for Sustainable Development

With the addendum on Artificial Intelligence

**< EGDI for Lao PDR: 2003-2024 >**

| Year | 2003 | 2004 | 2005 | 2008 | 2010 | 2012 | 2014 | 2016 | 2018 | 2020 | 2022 | 2024 |
|------|------|------|------|------|------|------|------|------|------|------|------|------|
| EGDI ranking | 149 | 144 | 147 | 156 | 151 | 153 | 152 | 148 | 162 | 167 | 159 | 152 |
| EGDI value | 0.19161 | 0.23286 | 0.24208 | 0.23830 | 0.26371 | 0.29350 | 0.26588 | 0.30900 | 0.30560 | 0.32880 | 0.37640 | 0.44040 |

Source: UN e-Government Survey 2003-2024

**< EGDI for Lao PDR: 2022-2024 >**

| | Rank | EGDI | OSI | TII | HCI | EPI |
|------|------|------|------|------|------|------|
| 2022 | 159 | 0.3764 | 0.3005 | 0.2820 | 0.5468 | 0.2614 |
| 2024 | 152 | 0.4404 | 0.3265 | 0.5338 | 0.4608 | 0.2877 |

Source: UN e-Government Survey 2022-2024

**< Comparison of EGDI among CLMV: 2022 and 2024 >**

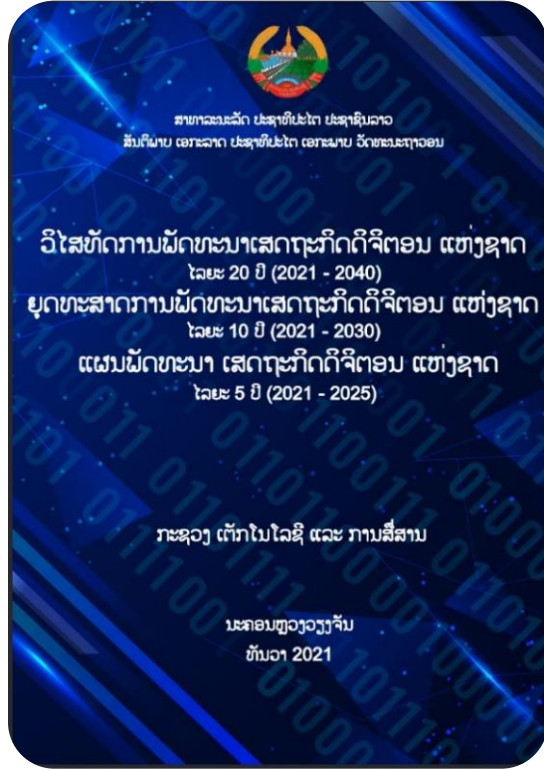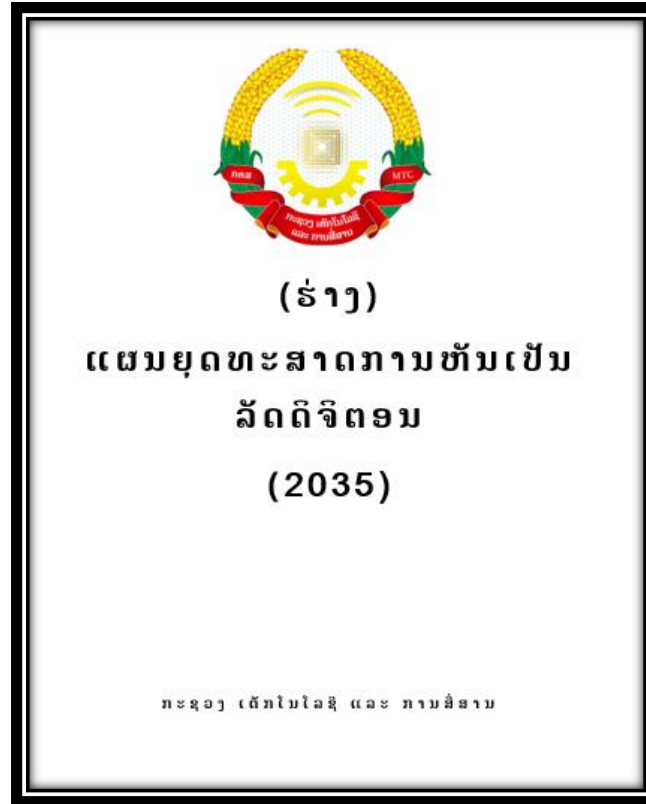| | Cambodia | Lao PDR | Myanmar | Vietnam |
|------|------|------|------|------|
| 2022 | 127 | 159 | 134 | 86 |
| 2024 | 120 | 152 | 138 | 71 |

Source: UN e-Government Survey 2022-2024

# Digital Policy Development
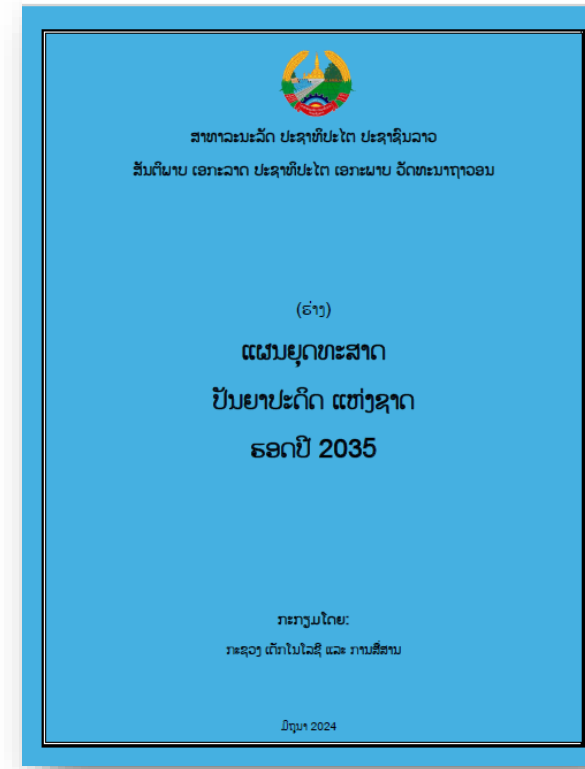
**Legal and Regulatory on ICT and digital economy**

Law on Electronic Transaction

Digita Signature Law

Draft Digital Government Strategy, AI, cybersecurity law

ICT Policy and development

Law on ICT

Digital Economy Masterplan

| 2009 | 2011 | 2013 | 2015 | 2016 | 2017 | 2018 | 2020 | 2021 | 2022 | 2024 |

Law on Telecommunication

Data Protection Law

Cyber Crime Law

Decree on Telecom Trasmission

- Decree on Digital Government
- - Amened3 Laws: 1. Telecom, Electronic transaction, advance technology

**Law support Digital and ICT : the Law on ICT (2017), Law on Prevention and Combating Cyber Crime (2015), Law on Payment System (2017) and the Law on Electronic Signatures (2018), Law on advance Technology (2020) , Law on Telecommunications (2020), Law on Electronic Transactions (2022), Decree on Digital Government  (2022),  and 2024 Draft digital Government Strategies, AI strategies, Cybersecurity Strategy and Law.**
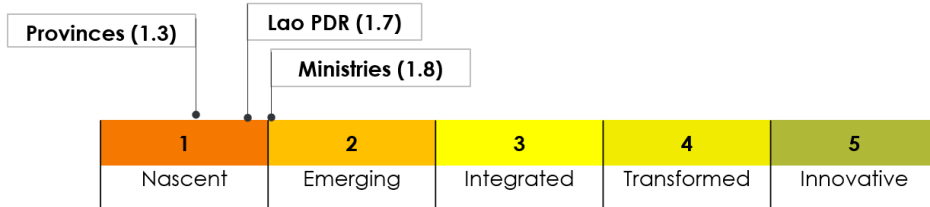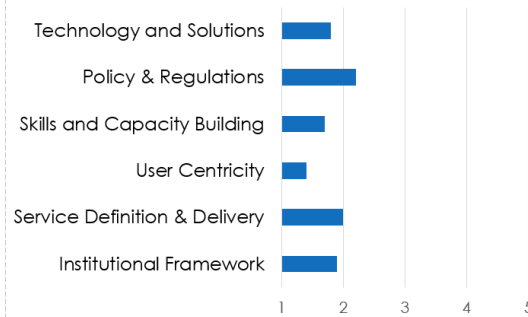
# Challenges on digital governance

## Country-Level Assessment[1]

| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
| Nascent | Emerging | Integrated | Transformed | Innovative |

Provinces (1.3)
Lao PDR (1.7)
Ministries (1.8)

### Key Insights

- Lao PDR is currently **digitally nascent** at an overall country-level
- The country is making good progress and is **moving towards becoming digital emerging** through:
  - Enactment of multiple legislations and laws related to digital governance
  - Digital transformation initiatives such as National Digital Economy Vision (2021-2040), five-year National Digital Economy Plan, and National ICT Policy 2015-2025
- However, the country falls behind in terms of :
  - Affordability and quality of internet services
  - ICT/Digital skills workforce and educational ecosystem
  - Lack of e-participation and feedback mechanism

1: Lao PDR's digital maturity across 19 ministries and 18 provinces

### DMA Pillars

Technology and Solutions
Policy & Regulations
Skills and Capacity Building
User Centricity
Service Definition & Delivery
Institutional Framework

(axis: 1  2  3  4  5)

- **Data Availability and Quality:**
  - Limited access to high-quality, relevant data
  - Challenges in data standardization and integration across different sectors.
  - Language and local content
- **Skill Gaps and Capacity Constraints:**
  - Shortage of expertise and trained personnel in government agencies.
  - The need for continuous learning and skill development among public servants.

- **Infrastructure and Resource Limitations:**
  - Insufficient technological infrastructure to support
  - Financial constraints limiting the adoption of digital technologies.
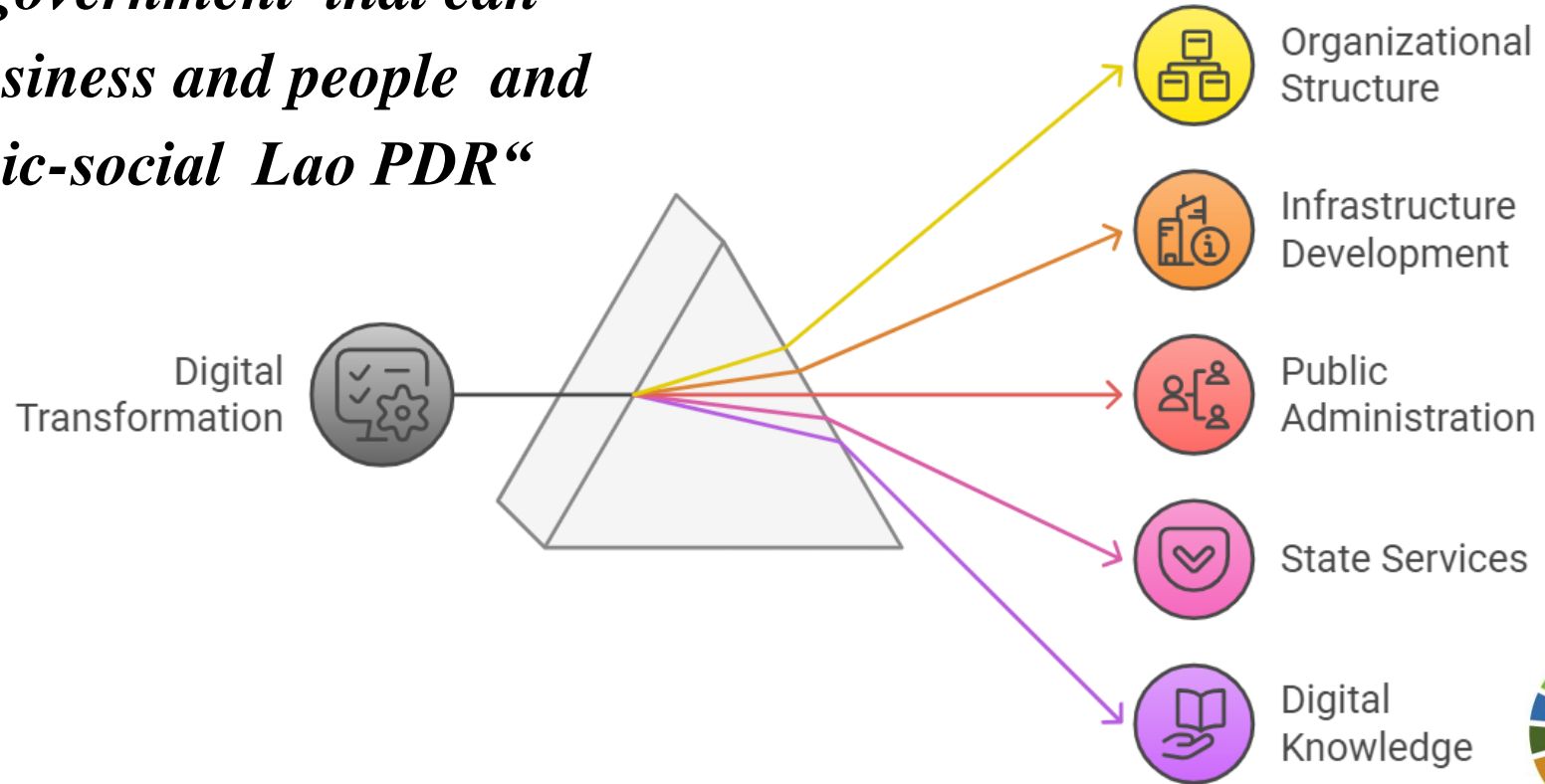- **Public Awareness and Trust:**

□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□
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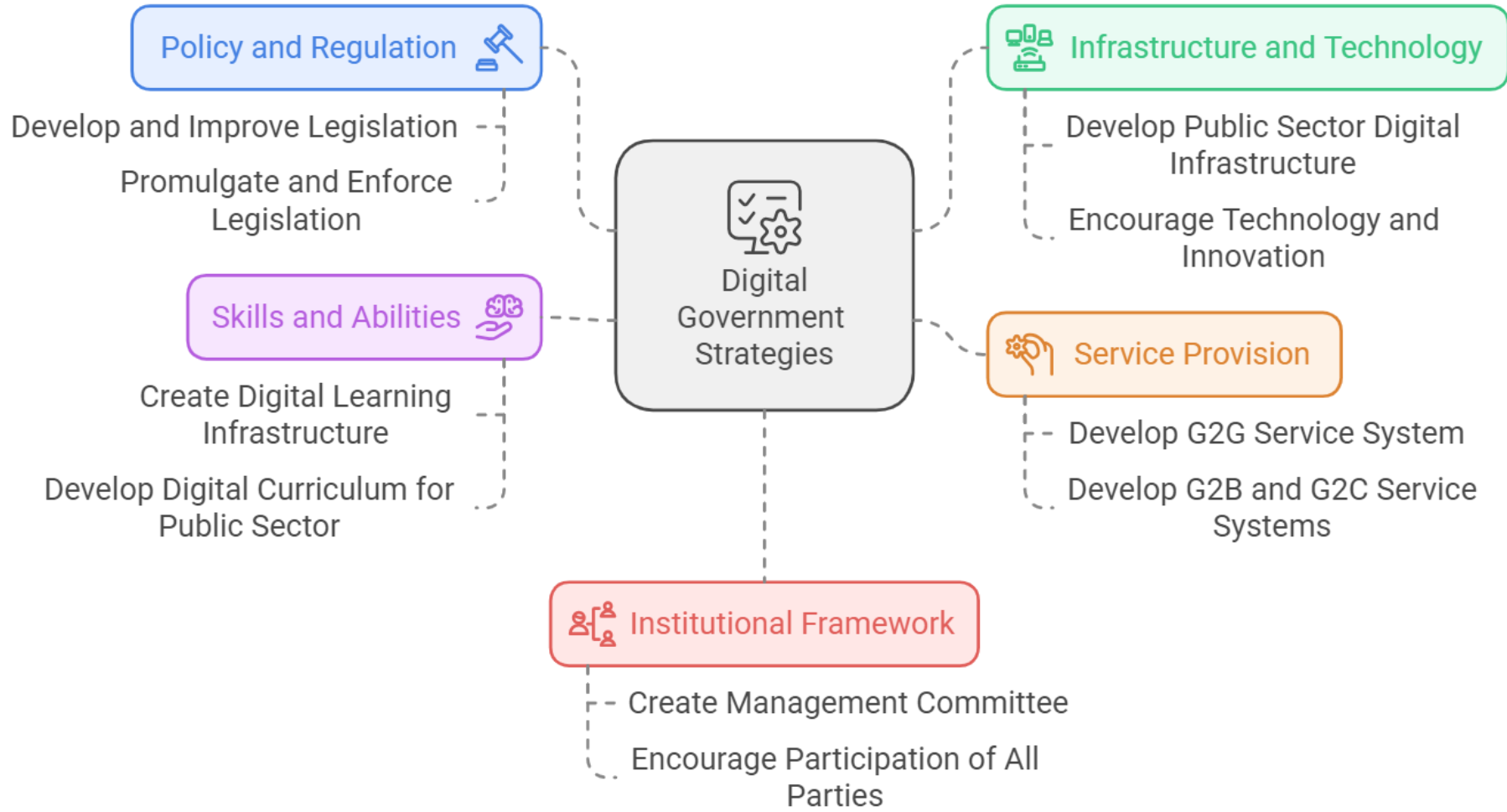*"Transform to digital government that can connect government, business and people and to be driver of economic-social Lao PDR"*

Digital Transformation

- Organizational Structure
- Infrastructure Development
- Public Administration
- State Services
- Digital Knowledge

# 1. What are two critical lessons learned in implementing data/digital transformation strategy in your country: what works and what doesn't?

**What Works:**

1. A National Executive Committee for Digital Transformation has been appointed in the Lao PDR, with the Prime Minister of the Lao PDR serving as the chairperson. This committee facilitates cooperation between the ministries of the Lao PDR in developing a digital government.

2. Laos has made meaningful progress in rolling out digital public services through e-Government platforms. Services like online business registration, tax filing, and health services have improved efficiency and reduced bureaucratic hurdles. These initiatives help streamline interactions between the government and citizens, making processes more transparent and reducing corruption.

3. The Laos government has leveraged partnerships with international organizations and neighboring countries to support its digital transformation efforts. Organizations like the World Bank, the United Nations, and regional partners have provided funding, technical expertise, and infrastructure development to help Laos build its digital ecosystem.
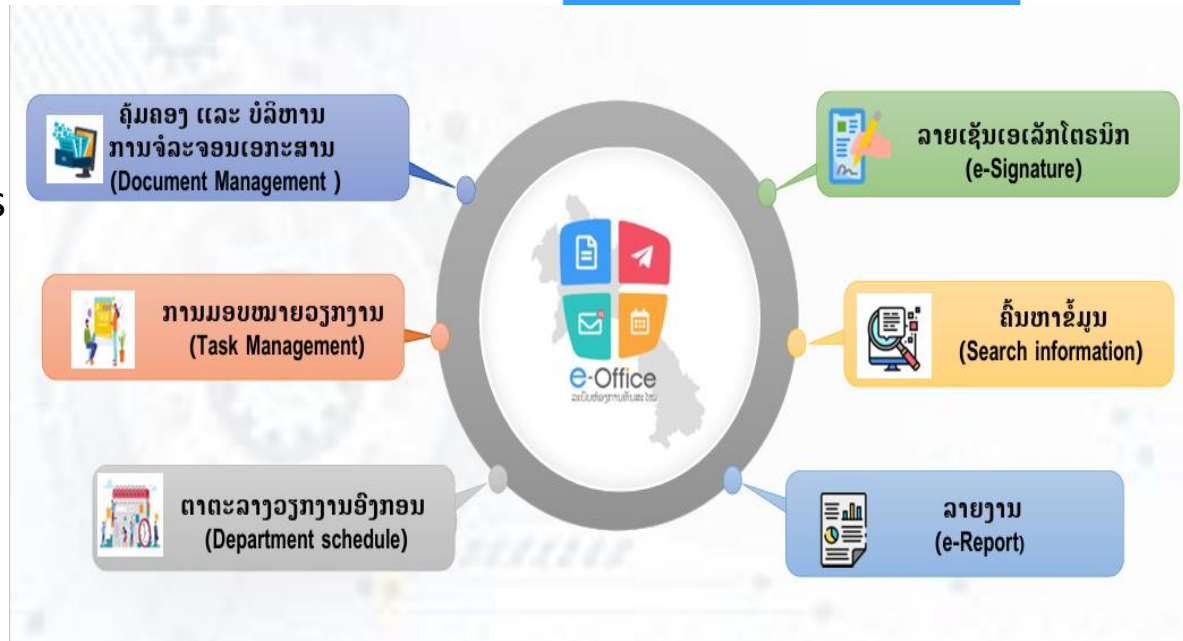
# What works for us ?

**1. Pain Points Driven – User-Centric Approach Focus on Solving Real Problems:**

- Example: E-Office as a Hero Product
- E-Office: A government software designed for **document tracking and management** across inter-governmental agencies.
- Key benefits:
  - Enhances **efficiency** by tracking documents in real-time.
  - **Reduces the risk** of lost or misplaced documents

# What works for us ?

**2. Having local developers' part to be part of digital governance project**

- **Understanding Local Context**:
  Local developers are familiar with the unique challenges and requirements, and know how to navigate within local context
- **Building Stronger Relationships**:
  Local developers foster **stronger connections** with key stakeholders, ensuring smoother project execution.
- **Faster Response and Extended Support**:
  Having developers on the ground leads to quicker response times, ensuring **longer-term service** and support.
- **Cost Efficiency**:
  Reduced travel and outsourcing costs by leveraging **local talent**.

**2. What are two challenges that you face, and would like to learn from other countries?**

## Funding Challenges

- **External Funding**:
  There is a **mismatch** between the real needs of our e-government initiatives and the **available funding** from external sources.
- **Internal Funding**:
  - In Laos, there is **no dedicated budget** for the **maintenance** of e-government systems.
  - This makes it **impossible to apply for state funding** to support ongoing maintenance, leading to unsustainable systems.

## Interoperability Issues

- **Fragmented Systems**:
  As a least developed countries, different ministries and agencies in Laos often receive **donor funds, grants, and aid** to develop their own separate systems.
- **Result**:
  These isolated systems hinder **interoperability** across government agencies, creating inefficiencies in communication and collaboration.

**3. Suggest one recommendation for further discussion in UN forums; how can the UN and the global community better support countries in advancing effective data/digital governance strategies?**

- The UN could create online platforms that connect countries, allowing them to share best practices, case studies, and experiences related to data and digital governance. This would encourage collaboration and provide countries like Laos access to valuable insights from others who have successfully implemented governance strategies.
- The UN can work with member states to develop training programs tailored to the specific needs of countries at different stages of digital transformation. These programs could focus on key areas such as data protection, digital literacy, and cybersecurity, equipping local stakeholders with the necessary skills to implement effective governance frameworks.
- The UN should encourage partnerships between developed and developing countries, enabling knowledge transfer and resource sharing. Collaborations can be established with international organizations, NGOs, and the private sector to provide technical assistance and financial support for capacity building initiatives in data governance.

**How can the UN and the global community better support countries in advancing effective data/digital governance strategies?**

## Resource Mobilization for Advancing Digital Governance

- Funding Support
- Human Resource Development and Capacity Building
- Investment Efficiency Guidelines to prevent duplicate investment

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Thank You

Merci

Спасибо

Gracias

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