Country Paper of Laos

First Economic Census of Lao PDR The 12th East Asian Conference, 13-15 November 2008 Tokyo, Japan

1. INTRODUCTION

Laos's statistical system has initiate developed since 1990 under leadership of Ministry of Planning and Investment (former Committee for Planning and Investment). However a completeness of survey or censuses on economic statistics has not yet conducted. During earlier 1990' Department of Statistics (DoS) has conducted a sample survey of establishments in capital city and in late 1990 the similar survey was expanded the coverage across the country. The survey includes all establishments with 5 employees and more due to lack of frame for selection samples.

With the requirement for improvement of national statistical system in the country and regional integration, in year 2002 DoS has improved and redesigned the survey to meet the demand of compilation of SNA and other economic statistics. Since 2004, the annual and quarterly enterprise survey has conducted till present.

2006 Economic census is the first economic census in Lao PDR. The census cover wide ranges of economic units including non-profit institutions operate in economic related sector regardless of the registration status. This Census is a joint effort between ministry of Finance and Ministry of Industry and Commerce with support from Swedish government in strengthening the statistical system in Laos.

The Economic Census has captured general characteristics of the economic units, nonprofit organizations and non-governmental organizations. The Census is also able to provide information such as the number of enterprises, size, economic activities and economic structure including distribution of enterprise across the country by geographical location, economic activities, labor situation and qualification of labor. In addition, this census has able to use International Standard Industrial Classification (ISIC) to identify the activities of establishments.

The census however excludes the entities as follows: household agricultural entities, household business with no permanent location, international organizations, representative offices, military camps, schools and hospitals located in the military camps or police offices and other business entities that are temporary closed down for more than three months.

2. Objectives and scope of the census

The economic census is the first large enterprise survey in Lao PDR. The Department of Statistics (DoS) has conducted some small enterprise survey since 1997 but the findings of those surveys cannot fully fulfill the objectives and they have been mainly used for the calculation of the National Account (the Gross Domestic Product). Moreover, those surveys were based on the sample frame of the enterprise registration which is incomplete. The findings therefore could not capture the precise situation of the economic activities of both public and private entities at national as well as provincial level.

This economic census will collect information from all business entities across the country that have permanent location and are located in the village with road access and urban villages. The interview does not take place in the business entities located in the village with no road access and rural villages, and only keep a record of those business entities. The survey is an interview based.

The main objectives of the economic census are:

- 1. To precisely record all the economic units which are currently operating in Lao PDR so that policy maker and planner could conduct detailed analysis of the economic activities in various sectors.
- 2. To build the data base of all economic units which will be used as an accurate sampling frame for any related future surveys.
- 3. To provide supplementary data for the estimation of national income and labor force in every economic activity.

4. To analyze the distribution of the economic units with respect to geographical location such as province and district as well as different size of the industry.

Scope of the survey:

Scope of the survey- the economic census <u>cover all economic entities operated during the</u> <u>time of the survey</u> (including public, private, foreign investment and joint venture production units of all sizes; formal and informal units; <u>the entities that involved with management work</u>, <u>association and non-profit</u>). The survey cover all economic activities based on the ISIC system except the embassies, international organizations and temporary as well as permanent closed down entities.

The survey is divided into two parts: (1) primary economic units (production business) and (2) non-profit organizations/institutions and non-government organizations. The surveyed entities are the primary business entities that have permanent location, engage in some economic and management activities and engage in the production of goods and provision of services. The survey (interview) does not cover the business entities that are self-employed business, operate at the owner's residence or do not have permanent office such as carpenter, taxi driver and mobile sellers and only the statistics on these groups of entities are collected.

The survey covers:

 Every business entity either formal or informal including shops that operate any economic activities (based on ISIC system) and non-profit and non-government organizations.

The survey does not cover:

- household agriculture productions including raising animals: chicken, pig and fish (animal farms are however included in the survey)
- international organizations and representative offices such as embassy or some projects of the foreign embassies)
- schools, hospitals and other primary economic units located inside military camps and police departments (for those located outside the military camps and police offices are covered in the survey)
- the economic units and shops that are temporary closed down for renovations

3. Preparation of Census

a. Listing

Before the economic census, the registration of primary economic units is an important preparatory stage to gain basic information. The registration was carried on during October to November of 2006. The registration includes primary economic units across the country which can be summarized as follows.

The majority of the economic units are located in the urban especially in the business area in big provinces. For instance, Vientiane Capital covers 18 percent of total economic units. The other big provinces are Champasack covering 12 percent, Savannakhet covering 9.9% followed by Vientiane province and Luangprabang each covering 9 percent.

The registration shows that 90 percent of primary economic units have permanent location and could be accessed based on the business information such as the geographical location like province, district, village, units, house number and contact telephone number.

b. Pre-testing the survey

To ensure the success of Lao PDR's first economic census, the National Statistics Center as the secretary office of the Economic census conducted the trial survey in two locations: Vientiane Capital and Champasack. Based on this, the secretary office of the Economic Census would like to report the findings as follows.

c. Training

Training was held in order to build the capacity of the staffs at all levels. The training began at the preparation stage on the registration of economic units during September 2006. The training was organized at all levels such as training of trainers and enumerators from central level; training at provincial level which invite staffs from the provincial and municipal districts; and finally training at district level where district and village staffs can attend.

Technical training was organized twice. The first training was held in November 2006 with 98 participants who were trainers and representative of management level from provinces. The second training organized in December 2006 was for 30 participants from line ministries and other concerned organizations.

Local training was also held at two levels. The provincial level training was held at the same period across the country which invited management level staffs from district level. Afterward, the district level officials held district level training for village staffs for 5 days with participants of 4 525 people nationwide.

d. Field survey implementation

The census was conducted in December 2006. There were a total of 209 484 primary economic units registered during the registration stage in October 2006 including the economic units of various forms and levels. However, the actual field survey only covers 137 357 units excluding the units located in villages with no road access and those with no permanent address. The face to face interview has been used for data collection. The survey block is the village. There are more than 5000 enumerators were use for interview. This enumerator team consist of staff from DoS, provincial statistics

4. Distribution of Establishment: Findings of the survey

The first Economic Census of 2006 was carried on in December 2006 which includes two questionnaires, one for primary economic units (enterprises and establishments) or profit organizations and another one for non-profit organizations and non-government organizations (NGOs) including.

The survey covers a total of 126 913 economic units of which 99 percent are solely owned economic units (with no branch office and does not belong to any other enterprises). 99 percent of the economic units produce for domestic market and only 1 percent produces for exports.

The distribution of the economic units with respect to the economic activities based on the classification under ISIC revision 4, trading coved the highest number of economic units about 65% of all economic units. The second biggest sector is manufacturing covering 19 percent followed by agriculture sharing 3 percent. For other service sectors such as transportation and warehouse/storage, accommodation and restaurants, and other services each covers 3 percent of the economic units. Other sectors cover only very small share with less than 1 percent for the total number of economic units.

Most of economic units in Laos are small and medium enterprises with less than five employees. The survey reveals that 93 percent of the survey economic units are small enterprises. 4 percent has 5-9 employees and other 2 percent employs between 10-99 employees. Only 196 units or 2 percent employs more than 99 employees. These large enterprises are mainly in the manufacturing sectors while some operate in mining, construction and trading sectors.

The economic units are more concentrate in big cities. 55 percent of all economic units are located in Vientiane Capital and other provinces in the central part of Laos. By comparing across provinces (Table 5), Vientiane Capital has highest number of economic units followed by Vientiane province, Savannakhet, Champasack, Sayabury and Luangprabang. However, the size of the business varies quite substantially across provinces. Phongsaly, Luangnamtha, Sekong and Attapeu mainly hold small size enterprises. These infer that there is still large economic development gap and industrialization status across region, province and urban-rural.

The distribution of economic units in different regions reveals that productions and trade are key economic activities in many provinces. These sectors cover more than 60 percent of the economic units in Vientiane Capital, Central, Northern or Southern part of Laos. Central region appears to have higher share of agriculture units as compared to other parts including Vientiane Capital.

5. Lessons learned and future direction

- 1. Time lag between listing date and survey date should not be large
- 2. Training of enumerators need some time and careful selecting the enumerators to ensure the quality of data captured.

- 3. Upgrading the staff capacity in analysis have to pay more attention
- 4. Closed collaboration with tax department, Ministry of finance and tax unit at local level is essential for future updating this frame.
- 5. Business register system need to be set up and should able to use for statistical purpose and census of economic is plan to conduct every 5 year.
- 6. Updating business register need to be done on annual basis
- 7. A n annual and quarterly sample survey should will continue to implement in order to provide data for SNA compilation
- 8. In medium and long term need to improve data collection approach to minimize to cost for census or survey

Annexes: Questionnaires for Economic Census Form 1: For all establishments Form 2: For State organization and NGO Form 1: For all establishments

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Steering committee for economic census

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National statistics center

ECONOMIC CENSUS, 2006

Form 1 : For all establishments

1. Name of es	stablishment:			
2. Address establishmer	Province Dist	trict Village N	l.establisment	Unit House's Number
Telephone			Fax	
Email:	<u> </u>			
3. Informatio	on of Director/Manag	er/Owner		
3.1.Na	ame:			
Day of birth	month	year I I I	sex : 🗆 1	1 male 🗌 2 female
Nationality	If Lao nationality her(specify-)	Lao	Ethnic	Ethnic group 🔲 Lao r
3.2.Educatio	on 1.PhD, Maste	ər 🔲 3.Təchnical sc	hool	5.general education
level/vocatio	nal 2.Bachelor/co	ollege 🔲 4. Vocational		☐ 6.No education
3.3. Do you	get salary ?	□1.Yes		2. No
5. Econom	ic Activity	Number of activiti	es:	Four digits ISICcode
Main 1				
2				
3				
4				
+		1		+

5. M	ain goods and services (CPC)		Goods Sell	
	Specify type of product/ goods/ service	Four digits CPC code	1.Domestic 2.Foriegn	
1			1 2	
2			□1 □2	
3			□1 □2	
4			□1 □2	
5			□1 □2	
5.1. T	o what main country are the products exported? Cou	ntry :		
6. Le	egal Organization			
1.Dc	mestic Single Proprietorship 🗖 4 Private Foreign Partner	ship 🔲 7. State and Fo	reign Partnership	
2.For	eign Single Proprietorship 🔲 5. Private Domestic and I	Foreign Partnership 🔲 8.0	Co-operatives	
□3. Pr	ivate Domestic Partnership 🗌 6. State and Domestic Priv	vate Partnership 🗖 9. State	Owned Enterprises	
7. Sta		year 2006 how many r d the organization oper		
8. Ec	conomic structure			
	1.Single enterprise(No branch and enterprise)	⇒ (Skip to 11)		
	2.Headquarter ↔ (Skip to Q10) ↓ 4.Represer	ntative office		
	3.Branch of an enterprise 5.Support	office/production or service	unit	
9. Plea	se specify name of Headquarter : Write tax registrati	on number		
Name o	fHeadquarter.			
	Province:District	Village∶		
9.1Loca PDR)	ation (if in Lao			
9.2. Loc abroad)	cation (if located Name of country:			

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Ŧ	1		+					
10.lf H	10. If Head quarter, please record the name of each branch/support office/production or service unit							
	Write number of branches	Province District	Village					
1								
2								
3								
4								
5								
6								
7								
8			ĨĨ					
9								
10								
11								
12								
13								
14								
15								
16								
17								
+	3		+					

11. Holding Regist	ration							
11.1. Does your bus	iness have a reg	gistration of con	nmerce?	(11.2. A	twhatlevel?	
1.Yes						1 Center 2 3 District		
🗌 2.Nổ 🖂	¦>(Skip to Q 11	.3)				2 F	Province 🔲 4 \	/illage
11.3. Does you	r business have	a tax registratio	on ?		-	11.4. A	t what level?	
☐ 1 Yes . (specify ID of business)						[]1C	Center 🔲 3	District
		ттт]			□ 2F	Province 4	/allage
🗌 2.Yes, Ba	asic regisration		_					
🔲 3.Yes, Da	aily pay tax							
🗌 4. No 💳	Skip to Q 12¢	2)						
12.The book kee	ping status of	the enterprise	;					
12.1.Does you keeping (a		nt have book		12.2.Does the book keeping include all branchesof the enterprise				
	ed book keeping	(software)		1.included				
—	ook keeping(ma			2.Not included				
	ook keeping (onl							
4.none	⊰) (skip to Q 13	3)						
13.Employment	(at 1/12/2006)	: incude emplo	yee, er	nploye	r in estal	olishm	ent	
(exclude: emp	oloyment in bran	ches/represent	ative offi	ce/prod	luction or	service	e unit in other lo	cations)
13.1. Number o	f employees b	y paid/unpaid,	Lao/fo	reign, p	permane	nt/terr	nporary emplo	yment
	Total	Female	Perr	nanent	employe	Э	Temporary er	nployee
			Тс	tal	Ferr	ale	Total	Female
1. Total				I		Т		
2. Paid employee		LIT	I					
Unpaid employee						I		
4. Lao employee						I		
5.Foreign employee			Ĺ					

+		1						+
13.2. Number o	f emloyess by	eductior	ı leve	l by permaner	nt/tempora	ary ei	mployment	
Type of trained	Total	Female		Permanent	employee	19 9	Temporar	y employee
/qualification level				Total	Mal	е	Total	Female
Total			1			1		
1.PhD, Master			1			T		
2.Bachelor/Collage						1		
3. Technical school						1		
4. Vocation/ elementary voca -tion						1		
6. General education			L			T	ТП	
7. Other			1			1		
14. What is the	e turnover of th	e operat	ion p	er month?				
□ 1.< 1 Millio	on Kips		4.10	to 15 Million Kip	os [7.1	25 to 30 Million	Kips
□ 2. 1 to 5 M	lillion Kips		5. 15 ⁻	to 20 Million Kip	os [8.3	30 to 35 Million	Kips
☐ 3. 5 to 10	Million Kips		3. 20 t	o 25 Million Kip	s [_ 9.1	More than 35 M	illion Kips
15. Informatio	15. Information Technology application (IT)							
15.1.Do you have a computer in your establisment?								
1.Yes								
☐ 2.No (End of question)								
	nany computers e number of con		sing ii	n your establish		1	Unit	

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15.3. Do you use Internet in yo	our establishment ?		
1.Using			
2.Not Using 📇 Xskip	Q 15.5)		
15.4. How many computers a	are connected to Interr	net?	
15.5.Do you have a website f	or your establishment ?		
1.Yes Write name o	fWebsite		
WWW.			
2.No			
sign by Director/Manager/ Owner	Sign by interviewee	Sign by Enumerator	Sign by Supervisor
Date//	Datē/	Date and month	Date//
	Thank you very mi	uch for your cooperatio	n

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Form 2: For State organization and NGO + 2 +

Steering committee for economic census

National statistics center

ECONOMIC CENSUS, 2006

 $Form \ 2: \ For \ state \ organization \ and \ nonprofit \ organizations$

1. Name of c	prganization :
2. Address of organizati	
Telephone	Fax Fax
Email:	<pre> </pre>
3. Informatio	n of Director/Manager/Owner
3.1.Na	me:
Day of birth	month year sex : 1 male 2 female
Nationality	If Lao nationality Lao If Lao Ethnic group Lao her(specify.) Image: specify.) Image: specify.) Image: specify.) Image: specify.)
3.2.Educatio	n 1.PhD, Master 3.Technical school 5.general education
levell	2.Bachelor/college 4.Vocational 6.No education
5. Economi	c Activity Number of activities: Four digits ISICcode
Main 1	
2	
3	
4	

+						+	
5. Main goods or services (CPC)							
	Specify type of	f product/ goods/ s	ervice		Four digits CPC c	ode	
1							
2							
3							
4							
5							
6. leç	gal organization						
	state administrat.	ion [4.political organiz	zation			
	Public Service	I	□5.Other(specified	6)		
	3.Private Service/N	IGO					
7. mar	nagement level	Center	2.Province	□3.Di	strict □4.Village	>	
8.Year	when operation	started			ow many months	1	
9.Ecor	nomic Organisa	lon					
	Single organizati	on (no branches)	⇒ (Skip to Q 1)	1)			
	2.Head organizati	on with branches	⇒ (Skip to Q 1)	1)			
□3	□ 3.Branch organization						
10. 10	10. 10. If branch organization, ask questions below:						
Name	e, Head organiza	ion :					
10.1.Lo PDR)	ocation (if in Lao	Province		t	Village		
10.2.Lo abroad	ocation (if located)	Country:					

+		2				+		
 Employment (at 1/12/2006): Include employee, employer in organization (exclude: employees in branch organization) 								
11.1.Number of employees by paid/unpaid, Lao/foreign, permanent/temporary								
	Total	Female	Pernanent	employee	Temporary e	mployee		
	, oran		Total	Female	Total	Female		
1. Total								
2. Paid employee				111				
3.Unpaid employee salary								
4. Lao employee								
5.Foreign employee						Гтт		
11.2. Number	of employees	by education	level by perma	anent/tempora	ary			
Type of trained	Total	Female	Permanent	employee	Tempora	ary employee		
/qualification level	Total	remaie	Total	Male	Total	Female		
Total		111		111	пт	ТТТ		
1.PhD, Master				111				
2.Bachelor/College								
3. Technical school		111		111		TII		
4. Vocation/ elementary voca -tion								
6. General education								
7. Other								

+			+				
12. Source of budget (2005-2006)							
12.1.Does your organization receive government budget? (except salaly)							
1.Yes							
2.No							
12.2.lf	"Yes" how many percent of your costs in 2006	δ was was covered by	government funds ?				
	%						
13.Pro	oject (in 2006)						
13.1.ln 2	006, do you have any project or receive suppo	ort from int. organizatio	n, donor or government				
	1. Yes						
	2. No 🖙 (skip to Q 14)						
,13.2. lf "`	Yes" How many project, do you have ?						
13.3. Ple	ase fill name of country or organization and nu	mber of project down l	here				
Serial No.	Name of Country or Organization	Number of project	3 digits country code				
1							
2							
3							
4							
5							
6							
7							
8							
9							

4

+	2			+			
14. Information Technol	logy application						
14.1.Do you have a computer in your organization ? □ 1.Yes □ 2.No (End of question) 14.2.How many computers do you use in your organization ? □ 1.Yes □ 1.Yes □ 2.No ⇒ (skip to Q 14.5) 14.4.How many computers are connected to Internet? Unit							
14.5.Do you have a website for your organization ? □ 1.Yes □ 1.Yes □ 2.No							
Sign by Director/Manager/Owner	Sign by Interviewe	e Sign by F	Enumerator	Sign by Supervisor			
Date/Date and month Date/							
Thank you for your cooperation							