IFC in Lao PDR

Creating Opportunity Where It’s Needed Most

IFC supports the sustainable economic development of the Lao People’s Democratic Republic by investing in commercial enterprises and advising the government and firms so that private sector projects yield returns for investors, generate income for the poor, and set good standards in environmental and social practices.

Since 1998, IFC has provided more than $60 million in equity and loans to private Lao companies. We have also helped improve the country’s investment climate to attract more quality foreign investors.

IFC’s unique financing and advisory products combine global expertise with local knowledge, maximizing investment returns and social benefits. In Lao PDR, we serve sectors such as infrastructure (including hydropower and transport), banking and financial services, manufacturing, and tourism.
Promoting Equitable Access to Finance

- IFC works with banks and other financial institutions as well as related government authorities to improve access to finance among businesses.
- We boost lending to small and medium enterprises, which make up more than 90 percent of Lao PDR’s private sector, by helping to set up an online movable collateral registry. The registry makes it easier for borrowers to obtain loans by pledging equipment and inventory, rather than land titles or property, as collateral.

Promoting Sustainable Hydropower and Other Infrastructure

- IFC mobilizes private sector participation in Lao PDR’s power generation and distribution programs to develop more sustainable hydropower, which will expand electricity supply to spur economic growth.
- Since 2012, IFC has provided $15 million worth of loans to Electricite du Laos and has been advising EDL-Generation Public Company, the largest Lao energy provider, on improving its environmental and social risk management.
- We help banks better manage their investment risk in hydropower projects and advise hydropower companies on ways to improve their business performance while raising their environmental and social standards.
- IFC promotes public-private partnerships to encourage private companies to invest and work with the government to build high-quality infrastructure for the future.

Financial Products

- Loans
- Equity
- Quasi-equity/convertibles
- Energy-efficiency financing
- Risk-management products
- Structured finance
- Syndications
- Trade finance

Improving the Investment Climate

- IFC supports the Lao government in developing business-friendly laws and regulations on start-ups, investments, and sustainable hydropower.
- We advise the government on simplifying tax-filing procedures to reduce compliance costs for businesses and improve tax administration and revenue collection.
- We bring together the public and private sectors to discuss policies affecting businesses through the Lao Business Forum.

Contact

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In Lao PDR, our advisory services are delivered in partnership with: