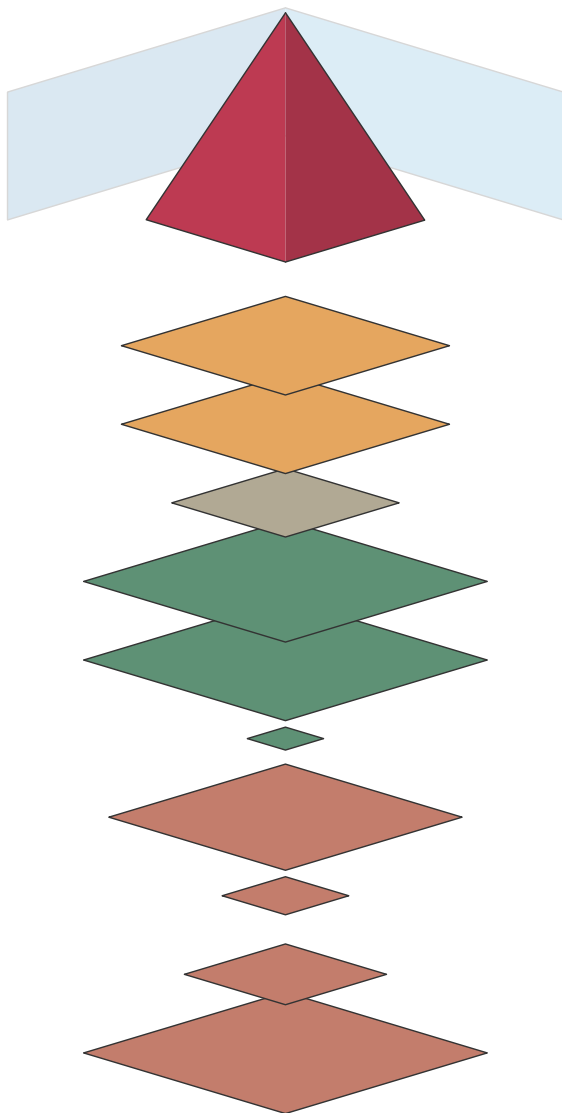


 **LAOS**



 **5.51**
CRIMINALITY SCORE

65th of 193 countries
22nd of 46 Asian countries
8th of 11 South-Eastern Asian countries

 **CRIMINAL MARKETS** **5.65**

HUMAN TRAFFICKING	6.50
HUMAN SMUGGLING	6.50
ARMS TRAFFICKING	4.50
FLORA CRIMES	8.00
FAUNA CRIMES	8.00
NON-RENEWABLE RESOURCE CRIMES	1.50
HEROIN TRADE	7.00
COCAINE TRADE	2.50
CANNABIS TRADE	4.00
SYNTHETIC DRUG TRADE	8.00

 **CRIMINAL ACTORS** **5.38**

MAFIA-STYLE GROUPS	1.50
CRIMINAL NETWORKS	6.00
STATE-EMBEDDED ACTORS	6.00
FOREIGN ACTORS	8.00

 **3.42**
RESILIENCE SCORE

155th of 193 countries
39th of 46 Asian countries
10th of 11 South-Eastern Asian countries

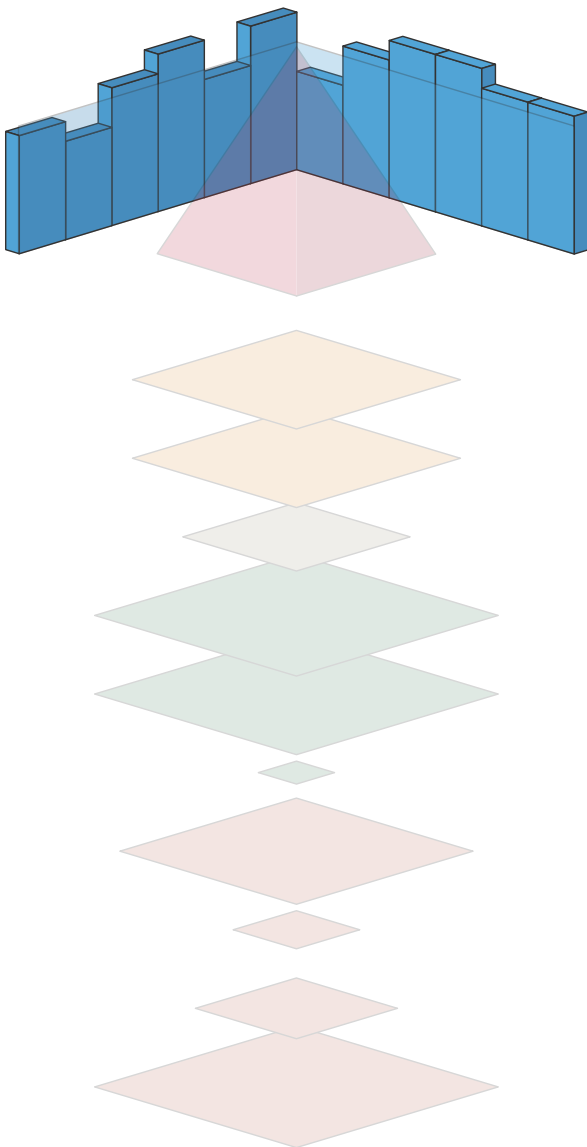


Funding provided by the United States Government.



ENACT is funded by the European Union and implemented by the Institute for Security Studies and INTERPOL, in affiliation with the Global Initiative Against Transnational Organized Crime.

 **LAOS**



 **3.42**
RESILIENCE SCORE

155th of 193 countries
39th of 46 Asian countries
10th of 11 South-Eastern Asian countries

<u>POLITICAL LEADERSHIP AND GOVERNANCE</u>	3.00
<u>GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY</u>	2.50
<u>INTERNATIONAL COOPERATION</u>	3.50
<u>NATIONAL POLICIES AND LAWS</u>	4.00
<u>JUDICIAL SYSTEM AND DETENTION</u>	3.00
<u>LAW ENFORCEMENT</u>	4.00
<u>TERRITORIAL INTEGRITY</u>	2.50
<u>ANTI-MONEY LAUNDERING</u>	3.50
<u>ECONOMIC REGULATORY CAPACITY</u>	4.00
<u>VICTIM AND WITNESS SUPPORT</u>	4.00
<u>PREVENTION</u>	3.50
<u>NON-STATE ACTORS</u>	3.50

 **5.51**
CRIMINALITY SCORE

65th of 193 countries
22nd of 46 Asian countries
8th of 11 South-Eastern Asian countries

 CRIMINAL MARKETS	5.65
 CRIMINAL ACTORS	5.38



Funding provided by the United States Government.



ENACT is funded by the European Union and implemented by the Institute for Security Studies and INTERPOL, in affiliation with the Global Initiative Against Transnational Organized Crime.

CRIMINALITY

CRIMINAL MARKETS

PEOPLE

The majority of human-trafficking cases identified in Laos involve the trafficking of individuals to other countries in the region, mainly Thailand. Men and boys from Laos and neighbouring countries are vulnerable to forced labour in the fishing, construction and agricultural sector in Thailand. However, internal trafficking of both Lao and foreign nationals is also pervasive, driven in large part by a combination of irregular labour migration, lack of economic opportunities and rising rates of poverty. Internally, young women and girls from Laos and neighbouring countries are vulnerable to forced labour, particularly in the illicit logging and construction sectors, as well as to sexual exploitation, the demand for which is often fuelled by external sources such as tourists and businesspeople. Traffickers often recruit through personal connections. Additionally, foreign-owned companies and corrupt officials also facilitate the market.

Human smuggling in Laos largely involves the movement of employment-seeking individuals from across South-eastern Asia and other developing countries in Asia through Laos into Thailand. Corruption among law-enforcement, military and immigration officials plays a key role in supporting the market.

TRADE

Laos is a transit country for arms trafficking into Myanmar, in particular to Wa State, where active insurgent groups operate. The weapons trafficked through the country are believed to originate primarily from China, with considerable state involvement playing an important role in the illicit trade. Although civilian arms-possession is banned in the country, some individuals in rural areas do own guns, mainly for traditional hunting purposes.

ENVIRONMENT

Illicit logging is one of Laos' most significant and profitable criminal markets, featuring significant involvement of highly organized and transnational criminal groups. The market is largely driven by high demand for protected wood, such as Siamese rosewood, in Vietnam and China. Illicit logging has had a severe impact on the country's ecosystem, including the destruction of entire forest areas in the provinces of Saravan and Sekong.

Laos also has one of the world's most notable illegal wildlife trade markets, serving as a major transit point for wildlife trafficking, in particular of ivory, from Africa to Vietnam and China. Laos is also an important transit, as well as

origin, country for other wildlife products such as tigers, pangolins and bears, among others. High-level corruption plays a significant role in this market, with reports from 2016 revealing that officials at the highest levels of the state apparatus were involved in cutting deals with leading wildlife traffickers to move millions of dollars' worth of wildlife through select border crossings. Conversely, there are no significant non-renewable resource crime markets in Laos, although some liquified petroleum gas has been smuggled into the country from Thailand in recent years.

DRUGS

Heroin trafficking is among the most profitable criminal markets in Laos, largely due to increasing domestic opium production as well as its shared borders with Myanmar and Thailand. Laos also has one of the fastest-growing synthetic-drug markets in South-eastern Asia, driven by wide accessibility, low prices and growing demand in surrounding economies. In recent years, methamphetamine has become especially popular among Lao youth. Laos also has a domestic cannabis-cultivation industry, which supplies domestic and Vietnamese markets, and has retail sales mainly concentrated in Laos' urban and tourist areas. Cannabis is also trafficked from Cambodia and Thailand through Laos. The cocaine trade in the country is relatively small and mostly involves foreign actors. Corruption among law-enforcement and border officials facilitates trafficking in most of the country's drug markets, particularly heroin and cannabis.

CRIMINAL ACTORS

There is evidence suggesting that criminal networks in Laos collude and cooperate with foreign groups in the region. Laos has especially struggled to tackle these networks since the country moved towards a more open economy in 1986, which allowed for closer ties to China and other regional countries, such as Vietnam and Thailand, and thereby opened the door for several foreign criminal actors from these countries to operate in Laos. These foreign criminal actors are mainly involved in the illegal wildlife trade; however, there have also been reports linking them to sex- and drug-trafficking in Laos.

State-embedded actors facilitate some criminal markets in Laos through corruption, in the form of accepting bribes and sharing profits from criminal actors, particularly in the illegal wildlife trade and illicit logging markets. Cooperation with criminal actors occurs at all levels of the state apparatus, from low-level officials and law-enforcement personnel to the highest office in the country. Mafia-style groups, while present in Laos, are far less prevalent than other criminal-actor types.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Corruption exists at all levels of government in Laos, despite the government maintaining an anti-corruption agenda. Political patronage also pervades Laos' business sectors, and bribery is widespread. Meanwhile, the government's Ministry of Public Security has several branches aimed at tackling transnational organized crime and leads the National Steering Committee on Human Trafficking, which brings together all relevant governmental anti-trafficking stakeholders. In 2020, the government also introduced positive measures to protect victims of human trafficking.

Laos has ratified several international treaties related to transnational organized crime, corruption and the illegal wildlife trade. Laos also cooperates with regional organizations on programmes and conventions aimed at tackling drug production and trafficking, arms trafficking, human trafficking and human smuggling. At the domestic level, the country lacks legislation to criminalize organized-criminal groups en masse but has addressed human trafficking under the 2016 Anti-Trafficking Law and the criminalization of sex- and labour-trafficking under the 2018 Penal Code. The government also has several laws addressing environmental crimes, including illicit wildlife trade and illicit logging. Nevertheless, legal loopholes remain. In 2016, the Laos Cabinet approved a national plan on narcotics control for 2016–2020.

CRIMINAL JUSTICE AND SECURITY

Although due process is enshrined in Lao law, it is routinely denied in practice, and long procedural delays are common. Rural communities are also encouraged to settle non-criminal disputes outside the formal judicial system. Furthermore, the country's prison system suffers from inadequate facilities and torture is occasionally reported, though the independent monitoring of prisons has been refused. Specialist law-enforcement and government bodies exist to curb all major criminal markets. However, Laos' porous borders with five countries make inspections and management difficult, particularly in the area of illegal wildlife trade. The porous borders also render the country highly susceptible to criminal actors, who often explicitly target border areas.

ECONOMIC AND FINANCIAL ENVIRONMENT

Laos is among the countries with the highest risk of money laundering and terrorist financing in the world. Money laundering is relatively easy in the country because of its limited legal framework, poor financial regulation, weak border controls and reduced investigative capacity. However, in 2018, Laos' penal code set forth specific

penalties for money laundering and, in 2019, Lao officials from various agencies completed training on basic financial investigations and anti-money-laundering techniques. The rise in corruption, organized crime and money laundering related to criminal markets has had a negative impact on Laos' economic development and regional integration. Furthermore, various factors, including difficulties in accessing finance and poor enforcement of regulations, have led to the proliferation of the informal economy in Laos, which, as a proportion of the country's economy, is one of the largest in the region.

CIVIL SOCIETY AND SOCIAL PROTECTION

The Laos government has made improvements in offering official assistance to trafficking victims through cooperation with international and local non-governmental organizations, as well as the 2016 Anti-Trafficking Law, which entitles victims – although not foreign victims – to assistance programmes. The Lao government has also increased its organized-crime-prevention efforts and supported training on transnational organized crime for various stakeholders. Nevertheless, efforts to prevent human trafficking and other crimes remain disjointed amid resource challenges and limits placed on civil society actors, who often face kidnappings and government intimidation. Moreover, the majority of the country's media is state-owned, although some independent media outlets have emerged in recent years and Laos has joined other ASEAN countries in defending a free press. Additionally, although population surveillance has diminished in recent years, public dissent continues to be monitored. Overall, press freedom in Laos is among the worst in the world.

This summary was funded in part by a grant from the United States Department of State. The opinions, findings and conclusions stated herein are those of the authors and do not necessarily reflect those of the United States Department of State.