

Lai Chau

Provincial performance in implementing Free Trade Agreements

Good

BAND 2 OF 6

PERFORMANCE TIER

Good

Band 2 of 6 — **6th of 34** assessed provinces and cities.

OVERALL SCORE

28.17 / 40

Above the national average of 21.66 by **6.51 points**.

STRONGEST PILLAR

1 / 34

Support policies — **1st** nationally, with a top-5 place on every pillar.

FOUR PILLARS AT A GLANCE

A INFORMATION ACCESS

RANK 10 / 34

5.49 / 10 **+0.69 vs national average**

B LEGAL IMPLEMENTATION

RANK 5 / 34

6.85 / 10 **+1.64 vs national average**

C SUPPORT POLICIES

RANK 1 / 34

7.59 / 10 **+1.77 vs national average**

D SUSTAINABLE DEVELOPMENT

RANK 5 / 34

7.77 / 10 **+1.80 vs national average**

★ KEY STRENGTHS

#1

A3/A6 — Channels through which enterprises access information on FTAs & Sources of information on FTA-related events

#1

B1 — Understanding of legal documents

#1

C6 — Access to competitiveness support policies

#1

D2 — Perceived impact of sustainable development commitments

GAPS TO THE LEADING GROUP

#33

B4 — Complexity of compliance with legal documents

#14

A8 — Quality of forecasting and market-orientation information from local authorities

#14

D5 — Perceived importance of compliance with import-market sustainable development commitments

#9

A9 — Quality of FTA-related information on the online portal

SOURCE: FTA INDEX 2025, PREPARED BY FOREIGN TRADE UNIVERSITY FOR THE MINISTRY OF INDUSTRY AND TRADE; SURVEY OF 4,066 EXPORTING AND IMPORTING ENTERPRISES. COMPONENT SCORES ARE ON A 10-POINT SCALE AND THE OVERALL SCORE IS ON A 40-POINT SCALE. RANKINGS COVER 34 PROVINCES AND CITIES.

01 Overview of results

Lai Chau scored 28.17 out of 40, placing it in the “Good” tier and ranking **6th of 34** provinces and cities. That is a notable result for a mountainous province with a small economy, far from the major centres. Lai Chau places in the national top 5 on all four pillars, ahead of many provinces with far better economic conditions. Disadvantages of location and scale need not hold back FTA implementation where the local administration is proactive, targets its support, and stays closely engaged with the business community.

PERFORMANCE ACROSS THE FOUR PILLARS

■ Lai Chau ■ National average

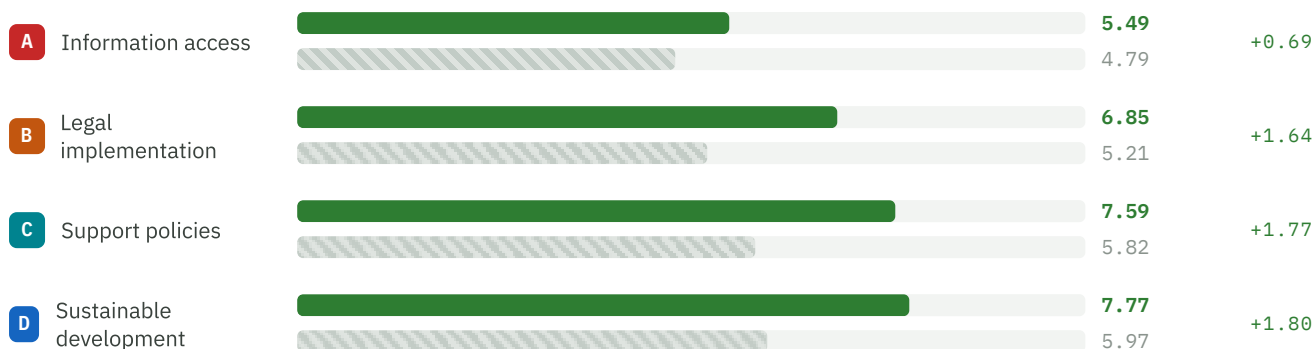


TABLE 1 · COMPONENT SCORES ON A 10-POINT SCALE · LAI CHAU VS. NATIONAL AVERAGE ACROSS 34 PROVINCES AND CITIES AND CITIES

02 Detailed analysis by component



COMPONENT 1 Information access

5.49 /10

RANK 10 / 34 · +0.69

OVERVIEW

Lai Chau leads the country on disseminating FTA information: the channels through which enterprises access information on FTAs (A3) and the sources of information on FTA-related events (A6) both rank **1st**. The province is also in the top 5 on enterprises' knowledge of FTAs (A1, **4th**), frequency of participation in FTA-related events (A5, **3rd**) and the quality of information supplied relative to business needs (A4, **5th**). Although export forecasting and market-orientation information (A8, **14th**) and information on the local online portal (A9, **9th**) rank lower, the overall picture is of an energetic administration that pushes information out to firms. High satisfaction among small firms also reflects the local government's effort to keep information accessible and inclusive.

CHANNELS & PARTICIPATION

FTA communication in Lai Chau has wide reach through mass media and social networks, each reaching 100% of firms surveyed. By contrast, not one firm reported reaching information through the local Zalo channel, while web portals reach just 46.2%. Participation in communication events is also strong: 100% of firms attend at least occasionally and 84.6% attend regularly. Small firms participate more actively than medium-sized ones, at 100% versus 60% for regular attendance.



NATIONAL RANK BY INDICATOR

- #1** Authorities providing FTA information
- #1** Channels through which enterprises access information on FTAs
- #3** Frequency of participation in FTA-related events
- #14** Quality of forecasting and market-orientation information from local authorities



COMPONENT 2

Implementation of Legal Documents

6.85 /10

RANK 5 / 34 · +1.64

OVERVIEW

Firms' understanding of the legal documents (B1) ranks first nationally. Lai Chau also scores highly on the frequency of guidance from local authorities (B2, **4th**), the quality of that guidance (B3, **5th**), participation in training on legal documents (B5, **3rd**), frequency of enterprise feedback on FTA-related legal documents (B6, **3rd**) and the uptake of enterprise feedback by local authorities (B7, **3rd**). Complexity of compliance (B4), however, ranks only **33rd**. Despite active information and guidance, firms still struggle to convert legal understanding into practical compliance capacity — particularly small firms and those with limited export experience.

GRASP & GUIDANCE

All firms surveyed report a clear grasp of the rules on tariff preferences, rules of origin, SPS, TBT, intellectual property, trade remedies and labour. All firms also report receiving guidance from the local government frequently or very frequently across every legal area surveyed, and all rate that guidance good or very good. The local government is especially active on newer commitments such as intellectual property, trade remedies and environment.

Lai Chau 6.85

National average 5.21

NATIONAL RANK BY INDICATOR

#1 Understanding of legal documents

#3 Frequency of participation in training on legal documents

#3 Frequency of enterprise feedback on legal documents related to FTA commitments

#4 Frequency of local-authority guidance on legal documents

#33 Complexity of compliance with legal documents



COMPONENT 3

Policies Supporting Enterprises' FTA Utilisation

7.59 /10

RANK 1 / 34 · +1.77

OVERVIEW

Lai Chau leads the country on its FTA support ecosystem, with access to competitiveness support policies (C6) ranking **1st**. The effectiveness of support policies and programmes implemented by local authorities (C7) ranks **3rd**, the need for FTA support programmes and policies (C8) ranks **2nd**, while both the quality and the frequency of trade promotion sit at **3rd**. Self-assessed FTA utilisation (C1, **9th**) and FTA utilisation activities (C3, **5th**) confirm how well the ecosystem works. The main obstacles for small firms are meeting certificate-of-origin requirements, complying with FTA partners' technical standards, and accessing credit. Most firms nonetheless rate the support information as effective and well matched to their needs, indicating that the province's proactive, targeted approach has gone a long way towards offsetting its constraints of scale and location.

UTILISATION MIX BY FIRM SIZE

FTA utilisation among Lai Chau firms still concentrates on the traditional market-access commitments. All firms exploit tariff preferences, while 76.9% use rules of origin and SPS. Small firms confine themselves to these three groups; medium-sized firms have begun to branch out but with limited diversity. Local competitiveness programmes draw roughly 83–85% positive ratings, though satisfaction differs sharply by size — 100% among small firms against just 60% among medium-sized ones.

Lai Chau 7.59

National average 5.82

NATIONAL RANK BY INDICATOR

#1 Access to competitiveness support policies

#3 Effectiveness of support policies and programmes implemented by local authorities

#3 Participation in trade promotion programmes



OVERVIEW

Lai Chau performs strongly and above the national average on every sustainable development indicator. Firms' perception of the impact of the sustainability commitments (D2) ranks first nationally; understanding (D1), readiness to comply (D3) and support from local authorities (D4) all rank **3rd**; the forms of support available (D6) rank **6th**. The perceived importance of compliance with import-market sustainable development commitments (D5) ranks **14th**, closer to the national mean. This capability is a significant competitive advantage for firms exporting agricultural and forestry products into the high-standard EVFTA and CPTPP markets. Small firms nonetheless perceive less impact on their business than medium-sized firms, so awareness remains uneven across size groups.

AWARENESS & SUPPORT EFFECTIVENESS

Knowledge of the sustainable development commitments is generally very high: 100% of firms report at least partial understanding of all 10 areas surveyed, including EUDR, CSDDD, CBAM and the circular economy. Some 41.7% judge the compliance requirements to have a large or very large impact across every area — 40% among medium-sized firms against 25% among small ones. Local support draws exceptionally positive feedback: 100% of firms rate it effective or very effective across all 11 areas, and not one reports receiving no support. Meanwhile 91.7% see commercial significance in sustainability compliance, tied directly to brand-building, finding partners, signing contracts and business costs.

Lai Chau 7.77



National average 5.97

NATIONAL RANK BY INDICATOR

#1 Perceived impact of sustainable development commitments

#3 Understanding of sustainable development commitments

#3 Readiness to comply with sustainable development commitments

#3 Effectiveness of support from local authorities

#14 Perceived importance of compliance with import-market sustainable development commitments

03 Conclusions & implications

CORE STRENGTHS

- **Local government support stands out across all four pillars**, from information provision, legal guidance and FTA utilisation support through to meeting sustainability requirements.
- **Firms rank first nationally on grasp of the legal rules and on access to support policy**, reflecting an unusually effective information and business-support system.
- **Readiness to meet sustainability requirements is in the national top 3**, an important base for agricultural and forestry exporters entering high-standard markets.

GAPS TO CLOSE

- **Complexity of compliance ranks 33rd**, the standout bottleneck despite relatively good guidance and training.
- **Forecasting and market-orientation information ranks only 14th**, short of what agricultural exporters need to spot and respond to market swings.
- **Awareness of what sustainability compliance is worth ranks 14th**, leaving room for the province to make the commercial benefits clearer to firms — for brand, markets and partner relationships.

What to do next

cut compliance friction, sustain the lead

NOW • 0-12 MONTHS

NEXT • 1-3 YEARS

1 Reduce complexity

Hands-on, step-by-step compliance support to lower the barrier for less experienced exporters.

B4 • Rank 33 → higher

2 Market forecasting

Dedicated market intelligence for agricultural and forestry exporters in FTA markets.

A8 • Rank 14 → top 5

3 The business case

Raise awareness of why sustainability compliance matters commercially.

D5 • Rank 14 → top 5

4 A reference model

Become the reference model for other small provinces; institutionalise the hands-on support approach.

Sustain & scale



TARGET

Move from the “Good” tier to “Very good” – cut compliance friction and become the national reference model for proactive FTA support