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## LAO PEOPLE'S DEMOCRATIC REPUBLIC

### COUNTRY PROFILE

Laos sits at the heart of mainland Southeast Asia, bordering Burma, Cambodia, China, Thailand, and Vietnam. The country has made progress toward building the institutions for a market economy and implementing important reforms that will help it graduate from Least Developed Country status in 2026. However, Laos' potential for long-term, equitable economic growth is limited by its still developing education and health systems, and challenging business enabling environment for attracting foreign investment.

USAID partners with Laos to improve the climate for investment and trade, enhance the competitiveness of Micro, Small and Medium Enterprises, strengthen governance and the rule of law, improve energy sector growth and climate resilience, and advance health and education outcomes for the people of Laos. These efforts build human capital, encourage sustainable and inclusive development, spur market-driven growth, support economic integration with ASEAN and the Mekong region, and foster high-quality international investment. USAID's activities are aligned with the Government of Laos' strategic priorities under its 9th National Socio-Economic Development Plan (NSED), partnering with the government, civil society, and private sector stakeholders to drive sustainable and inclusive development.

### ECONOMIC GROWTH

Lao PDR has been one of the fastest-growing economies in the region, and expects strong recovery from the COVID-19 pandemic. To bolster diversified, quality and inclusive economic growth, USAID works with the government and the private sector to improve the business

enabling environment, and enhance the competitiveness of micro, small and medium enterprises. This will help strengthen Laos' role in ASEAN and the World Trade Organization, and will open the doors to foreign investment.

## **GOVERNANCE AND RULE OF LAW**

USAID partners with Lao PDR and development partners to strengthen governance through enhancing institutional capacity, transparency and accountability, the rule of law, and access to justice. USAID is assisting the Ministry of Justice to more than triple the number of legal aid offices in the country. To counter trafficking-in-persons, USAID works to reduce the vulnerability of at-risk populations, and supports skills training for victims of trafficking and labor returnees. USAID also partners with Lao PDR to build the capacity and effectiveness of the legislature to ensure citizens' needs are met, and enhance accountability and transparency. USAID partners with the Government of Laos and development partners to strengthen the capacity and effectiveness of Laos' national planning system, build government resilience against emerging shocks, support monitoring of socio-economic development planning, financing, and alignment with its 9th National Socio-Economic Development Plan and Sustainable Development Goals, and preparation for graduation from Least Developed Country status in 2026.

## **HEALTH**

USAID partners with Laos to accelerate public health progress and to build up defenses against infectious diseases and future pandemic threats. USAID strengthens the quality of reproductive, maternal, newborn, child, and adolescent health and nutrition services, by improving the capacity of the health system workforce. USAID also supports the One Health principles which link human, animal, and environmental health outcomes. Other key areas of USAID's strategic support to Laos include, improving the quality of rehabilitation services to ensure their availability for people in need, particularly persons with disabilities, and fighting against HIV, malaria, and other infectious diseases. During the height of the COVID-19 pandemic, in addition to donating nearly 3 million life-saving vaccines, USAID assisted Lao PDR to improve the overall Lao health system across the country. Training doctors and nurses, tracking vaccines and monitoring outbreaks through improved information and communication technology, and strengthening cold chain capacity helped prepare Laos for future health crises. USAID assistance ensured that health workers were able to bring vaccines to the hardest to reach populations, including the elderly, persons with disabilities, and ethnic minority communities.

## **EDUCATION**

Education is key to accelerating the success of all development efforts in Laos. USAID partners with Laos to strengthen the pre-primary and primary education systems, improving the reading skills of young students with a particular focus on non-Lao speaking children and children with disabilities. USAID's higher education programming provides organizational capacity development to improve operations and research, promote innovation, and sustainability to

universities and institutions in Laos. USAID works with book publishers to ensure that reading and learning materials for children include characters and aspects that depict diversity, equity, inclusion and accessibility, core USAID priorities that give Laos' future leaders the skills needed to lead healthy, productive lives.

### **ENERGY, ENVIRONMENT, AND GLOBAL CLIMATE CHANGE**

USAID works with the Government of Laos to support an enabling environment for renewable integration in Laos (solar and wind), and advanced energy technologies (electric vehicles and infrastructure). This will help reduce Laos' reliance on fossil fuels and mitigate greenhouse gas emissions. USAID strengthens Laos' energy sector to improve efficiency and sustainability. In collaboration with other countries in the region, USAID helps address climate change challenges and environmental implications along the Mekong river through supporting the development of climate resilient infrastructure and promoting sustainable agriculture, and adapting nature-based solutions for sustainable management of natural resources.

### **GENDER EQUALITY AND INCLUSIVE DEVELOPMENT**

USAID integrates Gender Equality and Inclusive Development policies and practices across all activities, affirming that the inclusion of all people—regardless of gender, ethnicity, social status, or ability—are key to maximizing sustainable development outcomes. USAID supports the Lao government's vision of a prosperous and peaceful Laos, whereby all people enjoy equal rights; have equitable access to quality social services; accumulate and control their own assets; exercise their own voice; and live free from violence.

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