



## Country strategic plan revision

### Laos country strategic plan (LA02), revision 02

Gender and age marker code: 4

	Current	Change	Revised
<b>Duration</b>	<i>01.01.2022 to 31.12.2026</i>	<i>N/A</i>	<i>01.01.2022 to 31.12.2026</i>
<b>Beneficiaries</b>	<b>682,770</b>	<b>251,679</b>	<b>934,449</b>
<b>Total cost (USD)</b>	<b>85,925,853</b>	14,792,274	100,718,126
Transfer	62,128,683	9,922,609	72,051,292
Implementation	8,972,165	2,707,798	11,679,963
Direct support costs	9,580,704	1,327,640	10,908,344
Subtotal	80,681,552	13,958,047	94,639,599
Indirect support costs	5,244,301	834,226	6,078,527

#### DELEGATION OF AUTHORITY FOR APPROVAL: RD

##### 1. RATIONALE

1. The Lao People's Democratic Republic has not recovered from the economic downturn experienced during the COVID-19 pandemic. The World Bank and the Asian Development Bank (ADB) project a 4.0 percent increase in gross domestic product (GDP) for 2024, below the level achieved between 2010 and 2019.<sup>1,2</sup> Domestic debt represents 108 percent of GDP, a 23 percent increase from 2023, and debt payments nearly doubled, constraining the Government's ability to invest in social sectors.<sup>3</sup> Driven by persistent external imbalances, the national currency depreciated sharply, losing 31 percent of its value against the United States dollar over the course of 2023, which fueled domestic inflation (standing at 26.1 percent in July 2024)<sup>4</sup> and exacerbated external debt service costs.
2. Persistent inflation has eroded household income, fueling economic migration and undermining household food security.<sup>2</sup> In June 2024, 10 percent of Lao families experienced food insecurity, while 19 percent had inadequate food consumption.<sup>5</sup> In

<sup>1</sup> World Bank Group. 2024. [Lao Economic Monitor, April 2024: Accelerating Reforms for Growth: Key Findings.](#)

<sup>2</sup> Asian Development Bank. 2024. [Asian Development Outlook April 2024.](#)

<sup>3</sup> Ministry of Finance of Lao PDR. 2023. [Public and Publicly Guaranteed Debt Bulletin of Lao PDR.](#)

<sup>4</sup> Bank of the Lao P.D.R. 2024. [Inflation Rate. \(consulted on 2 October 2024\)](#)

<sup>5</sup> WFP. 2024. [Lao PDR Food Security Monitoring, April-June 2024.](#)

2024, 57.1 percent of Lao families or 4.1 million people are unable to afford a healthy diet.<sup>6</sup>

3. The nutrition situation deteriorated between 2017 and 2023, with 32.8 percent of children under the age of five presenting stunting and a significant increase in child wasting from 9.0 percent to 10.7 percent over the same period.<sup>7,8</sup>
4. The Government, which benefits from the ASEAN Plus Three Emergency Rice Reserve (APTERR), has requested WFP's support to handle rice donations from partner countries. This budget revision (BR) adds country strategic plan outcome 5 (CSPO 5), which would facilitate WFP's support to the Government and other stakeholders with common services. CSPO 5 contribute to outcome 1 (people's wellbeing) of the United Nations Sustainable Development Cooperation Framework (UNSDCF) and improve country's readiness to respond to disaster, as set in the 9<sup>th</sup> National Socio-Economic Development Plan (NSEDP).
5. This BR addresses persistent needs in the country driven by an unfavourable economic environment, and the requests for WFP to deliver common services to the Government and other stakeholders. In view of the situation, there is strong donor support across the Country Strategic Plan (CSP) strategic objectives.

## 2. CHANGES

### *Strategic orientation*

6. The overall strategic orientation of the CSP remains unchanged.
7. This revision builds on BR 1 covering the period January 2022 to December 2026, which aimed to accommodate increased programmatic needs and implementation delays related to the COVID-19 pandemic.

### *CSP outcomes*

8. Under CSPO 1, the BR plans for a budgetary increase for oversight, technical, financial and in-kind support for the National School Lunch Programme (NSLP) fully administered by the Ministry of Education and Sports. WFP aims to maintain the nutritional value of meals served considering the Government's budgetary constraints, strengthen governance of the NSLP at central and local levels, and promote a shift toward home-grown school feeding that links school meals with local production. More specifically, this BR plans for:
  - An in-kind transfer of 676mt to support approximately 400 schools operating under the NSLP in 2025 to maintain the nutritional value of meals served in Government-supported schools;
  - Additional capacity strengthening support to provide equipment and training in 200 schools operating under the NSLP in Atapeu, Sekong and Saravan provinces and create a replicable model for home-grown school feeding in Laos.
9. Under CSPO 2, additional support will be provided through the capacity strengthening modality. This increased budget will allow for the implementation of two multi-year nutrition-sensitive agriculture projects, implemented in partnership with the Ministry of Agriculture and Forestry. These projects rest on the implementation of the Farmer Nutrition School model where farming communities receive all or part of the following:

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<sup>6</sup> FAO, IFAD, UNICEF, WFP & WHO. 2024. [The State of Food Security and Nutrition in the World 2024. Financing to end hunger, food insecurity and malnutrition in all its forms.](#)

<sup>7</sup> Lao Statistics Bureau. 2024. [Lao Social Indicator Survey - III-2023 \(Publication Pending\)](#)

<sup>8</sup> Lao Statistics Bureau. 2018. [Lao Social Indicator Survey - II-2017.](#)

- agriculture extension services and farm inputs for crop enhancement and diversification;
  - inputs and training for home gardens and livestock activities;
  - social behaviour change intervention; and
  - nutrition awareness and cooking demonstrations.
10. Under CSPO 3, a budget increase is necessary to implement two resilience projects. Most of the increase is planned under the capacity strengthening modality, while a modest budget increase is necessary to implement conditional cash transfers for farmers. Food transfers in 2024 were removed from the budget since there is no funded project calling for these transfers this year.
  11. Under CSPO 4, this BR increases in-kind unconditional food assistance in 2024 and 2025 to allow WFP to respond to devastating floods in Northern Laos following Typhoon Yagi on 9 September 2024. It also increases capacity strengthening to enhance the Ministry of Labour and Social Welfare's capacity and readiness to respond to emergencies and assist an average of 30,000 per year with non-food items.
  12. This BR adds CSPO 5, under which *the Government of Lao People's Democratic Republic, humanitarian and development partners have access to reliable common services on demand*. This outcome will be implemented through activity 5 (*Provide coordination and on-demand services to the Government of Lao People's Democratic Republic, humanitarian and development partners*) under the service provision modality and will ensure that *the Government of Lao People's Democratic Republic, humanitarian and development partners (tier 3 beneficiaries) benefit from reliable on demand services to deliver more efficient and effective responses* (output 5). Under this outcome, the Ministry of Labour and Social Welfare will contract WFP to transport and store rice donated to the Government by partner countries under the APTERR facility. WFP will provide logistics services to ensure the national emergency rice reserve can swiftly be mobilized to respond to rapid onset emergencies when the Ministry of Labour and Social Welfare requests it. WFP has contracts in place with private transporters covering the entire country and sufficient warehousing capacity, hence no additional capacities are required to implement this activity.
  13. The workforce is expected to increase from 170 people to approximately 220. Increased capacities are planned for field offices, the programme unit, monitoring and support functions. An organisational alignment will be conducted in 2024.

### Beneficiary analysis

TABLE 1: DIRECT BENEFICIARIES BY CSP OUTCOME, ACTIVITY & MODALITY							
CSP Outcome	Activity	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	1.1. Food	Current	1,645	705	131,585	136,955	270,890
		Increase	0	0	49,000	51,000	100,000
		Revised	1,645	705	180,585	187,955	370,890
	1.2. CBT	Current	1,388	1,372	862	878	4,500
		Increase/decrease	0	0	0	0	0
		Revised	1,388	1,372	862	878	4,500
	1.3. Capacity	Current	852	848	0	0	1,700
		Increase/decrease	18,172	7,788	29,400	30,600	85,960
		Revised	19,024	8,636	29,400	30,600	87,660
2	2.1. CBT	Current	20,968	3,032	8,000	0	32,000
		Increase/decrease	0	0	0	0	0
		Revised	20,968	3,032	8,000	0	32,000
	2.1. Capacity	Current	8,759	2,065	2,000	0	12,824

		Increase/decrease	24,737	2,263	0	0	27,000
		Revised	33,496	4,328	2,000	0	39,824
3	3.1 Food	Current	16,955	16,759	10,544	10,742	55,000
		Increase/decrease	(3,083)	(3,047)	(1,917)	(1,953)	(10,000)
		Revised	13,872	13,712	8,627	8,789	45,000
	3.2. CBT	Current	60,581	59,874	37,669	38,376	196,500
		Increase/decrease	(19,557)	(5,588)	(3,515)	(3,581)	(32,241)
		Revised	41,024	54,286	34,154	34,795	164,259
	3.3. Capacity	Current	25,220	25,080	0	0	50,300
		Increase/decrease	0	0	0	0	0
		Revised	25,221	25,079	0	0	50,300
4	4.1. Food	Current	17,265	17,063	10,735	10,937	56,000
		Increase/decrease	24960	24669	15520	15811	80960
		Revised	42224	41733	26256	26747	136960
	4.2. CBT/CV	Current	21673	21943	6134	6250	56,000
		Increase/decrease	0	0	0	0	0
		Revised	2,1673	2,1943	6,134	6,250	56,000
	4.3. Capacity	Current	0	0	0	0	0
		Increase/decrease	0	0	0	0	0
		Revised	0	0	0	0	0
<b>TOTAL</b> <i>(without overlap)</i>	Current	150,040	113,140	211,456	211,134	682,770	
	Increase/decrease	45229	26085	88488	91877	251679	
	Revised	195269	139225	299944	303011	934449	

## Transfers

TABLE 2: Food ration (g/person/day) or cash-based transfer value (USD/person/day) by CSP Outcome and Activity						
CSP Outcome	CSP outcome 1		CSP outcome 2		CSP outcome 3	CSP outcome 4
Activity	Activity 1		Activity 2		Activity 3	Activity 4
Beneficiary type	Schoolchildren	Supporter	PLWG*	Care giver supporter	Participants	Shock-affected people
Modality (food** or cash)	Food	Food	Cash-based transfers	Cash-based transfers	Food/cash-based transfers	Food/cash-based transfers
cereals	100	570			400	400
pulses	35					
oil	10					
salt						
Fish (canned)	30					85
sugar						
Supercereal						
Supercereal Plus						
micronutrient powder						
lipid-based nutrient supplement						
Total kcal/day	633.2					
% kcal from protein	23.4	-	-	-	-	-
Cash (USD/person/day; use average as needed)	-		120	15.6	1.07/28.30	1.07
Number of feeding days per year	<b>175</b>	<b>87</b>	<b>1</b>	<b>1</b>	<b>15</b>	<b>90</b>

\*Pregnant and lactating women and girls

\*\* All food commodities expressed in grams/pers/day

TABLE 3: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS AND VALUE						
Food type / cash-based transfer	Current Budget		Increase		Revised Budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	10,928	6,455,127	927	689,663	11,854	7,144,790
Pulses	1,199	832,684	(116)	(90,718)	1,083	741,966
Oil and Fats	835	1,221,308	47	78,388	881	1,299,696
Mixed and blended foods	-	-	-	-	-	-
Other	1,676	4,099,436	351	937,835	2,026	5,037,271
<b>TOTAL (food)</b>	<b>14,637</b>	<b>12,608,555</b>	<b>1,209</b>	<b>1,615,168</b>	<b>15,845</b>	<b>14,223,723</b>
Cash-Based Transfers (USD)		9,985,645		(219,052)		9,766,593
<b>TOTAL (food and CBT value - USD)</b>	<b>14,637</b>	<b>22,594,200</b>	<b>1,209</b>	<b>1,396,116</b>	<b>15,845</b>	<b>23,990,316</b>

### 3. COST BREAKDOWN

14. The budget of CSP Outcome 5 is based on the anticipated level of service provision through the end of 2026.

TABLE 4: COST BREAKDOWN OF THE REVISION ONLY (USD)						
WFP strategic outcomes	SO 2	SO 2	SO 3	SO 1	SO 5	Total
CSP outcomes	01	02	03	04	05	
Focus area	Root Causes	Root Causes	Resilience Building	Crisis Response	Crisis Response	
Transfer	2,303,900	9,922,609	9,922,609	9,922,609	9,922,609	9,922,609
Implementation	1,344,568	2,707,798	2,707,798	2,707,798	2,707,798	2,707,798
Direct support costs						<b>1,327,640</b>
Subtotal						13,958,047
Indirect support costs						834,226
<b>TOTAL</b>						<b>14,792,274</b>

<b>TABLE 4: OVERALL CSP COST BREAKDOWN, AFTER REVISION (USD)</b>						
<b>WFP strategic outcomes</b>	<b>SO 2</b>	<b>SO 2</b>	<b>SO 3</b>	<b>SO 1</b>	<b>SO 5</b>	<b>Total</b>
<b>CSP outcomes</b>	<b>01</b>	<b>02</b>	<b>03</b>	<b>04</b>	<b>05</b>	
<b>Focus area</b>	<b>Root Causes</b>	<b>Root Causes</b>	<b>Resilience Building</b>	<b>Crisis Response</b>	<b>Crisis Response</b>	
Transfer	35,943,188	13,650,781	12,529,844	9,076,230	851,248	
Implementation	6,657,518	2,102,585	1,927,597	885,073	107,189	11,679,963
Direct support costs	5,373,354	2,164,135	2,009,246	1,196,252	165,437	10,908,344
<b>Subtotal</b>	<b>47,974,060</b>	<b>17,917,502</b>	<b>16,466,687</b>	<b>11,157,556</b>	<b>1,123,794</b>	<b>94,639,599</b>
Indirect support costs	3,118,314	1,164,738	1,070,335	725,241	-	6,078,527
<b>TOTAL</b>	<b>51,092,374</b>	<b>19,082,140</b>	<b>17,537,022</b>	<b>11,882,797</b>	<b>1,123,794</b>	<b>100,718,126</b>