



AUSTRALIA – LAOS DEVELOPMENT PARTNERSHIP PLAN 2024–2029

Section 1: Introduction

Australia's partnership with Laos

Australia and the Lao People's Democratic Republic (Laos or Lao PDR) are longstanding bilateral and regional partners. The relationship is Laos' longest unbroken diplomatic partnership and is underpinned by development cooperation, business ties and people-to-people links. We also cooperate through regional organisations and programs, including through Australia's support for Laos as Association of Southeast Asian Nations (ASEAN) Chair in 2024.

The Australia–Laos Comprehensive Partnership, signed in 2024, elevates our bilateral relationship and sets an ambitious agenda for deeper and broader cooperation. The agreement has four pillars: people, education and human resource development; economics, trade and investment; climate change, environment and energy; and defence and law enforcement. Senior Australian and Lao officials engage regularly on our bilateral relationship, regional cooperation and common strategic challenges, including through annual Senior Officials' Talks and bilateral human rights dialogues.

Laos and Australia aspire to greater trade and investment through *Invested: Australia's Southeast Asia Economic Strategy to 2040*.¹ Australia is supporting Laos' development ambitions as articulated in the *9th Five-Year National Socio-Economic Development Plan (2021–2025)* (9th NSEDP).² Australia supports Laos' pathway towards graduation from Least Developed Country (LDC) status and achievement of the Sustainable Development Goals. Laos and Australia are partners in the global transition to net zero emissions and the development of regional connectivity.

Purpose of the Development Partnership Plan

Australia's [International Development Policy](#) presents a long-term vision for how the development program will meet the critical needs of our partners, support sustainable development and help lift people out of poverty. Australia seeks relationships based on respect and partnerships that create economic and social value for us all. To achieve this, Australia supports our partners to:

- build effective, accountable states that drive their own development
- enhance state and community resilience to external pressures and shocks
- connect with Australia and regional architecture
- generate collective action on global challenges that impact us and our region.

The Australia – Laos Development Partnership Plan 2024–2029 (DPP) translates into action the development priorities Australia shares with Laos. The DPP sets out agreed objectives, how we will work together to deliver shared outcomes, and how progress will be monitored. It also identifies where Australia can add value to Laos' national development priorities and how Australia will work with other development actors, ensuring the Australian Government contribution to Laos' development ambitions is well coordinated.

The DPP reflects the full spectrum of Australia's development support – Australian Government bilateral Official Development Assistance (ODA) as well as significant regional and global ODA and non-ODA development activities. A commitment to ongoing dialogue and engagement with government and non-government actors in support of a genuine and respectful partnership underpins this DPP. A mid-cycle review of the DPP will be undertaken.

Laos reconfirmed its priorities during the DPP consultation process. Australia's long history of engagement and partnership with the Lao Government in basic education, human resource development and economic reform positions us well to continue to support reform in these key areas.

To recognise the evolving context and meet our shared ambitions with Laos, however, the DPP outlines the following areas of new work or changes:

- increasing our emphasis on tackling climate change, including designing a new climate resilient agriculture program
- supporting efforts to crowd in additional finance from international financial institutions, the private sector and other multilateral institutions
- reorienting our infrastructure support to focus on strengthened planning, particularly for connectivity, with the goal of attracting new forms of finance
- reinvigorating the Australian Volunteers Program
- consolidating our portfolio to be more strategically focused on fewer and larger programs, including in the regionally funded portfolio of programs operating in Laos.

Preparing the Development Partnership Plan

To develop the DPP, Australia undertook extensive internal and external consultation with a wide range of stakeholders, including government counterparts (in December 2023 and September 2024), development partners (January to March 2024), United Nations agencies (February 2024), and civil society groups and organisations of persons with disability (December 2023).

In internal workshops, we reviewed Australia's ongoing development cooperation in Laos and identified strengths of the current program, emerging priorities for Laos and Australia, options for consolidation and opportunities to improve program impact. Opportunities identified included options to improve gender equality, disability and social inclusion (GEDSI) and the climate impact of our program.

The consultation process solicited views on Laos' current development context and challenges, Australia's proposed development objectives and areas of focus of the DPP. Across multiple consultation sessions, stakeholders provided analysis and proposals and largely endorsed Australia's current development cooperation portfolio and our proposed DPP objectives.

Preparation of the DPP was also informed by an evaluation of the *Laos Program Aid Investment Plan 2015–16 to 2019–20*³ and the *Laos COVID-19 Development Response Plan*⁴ (2020 to 2022), as well as the 2023 *Mid-Term Review of the 9th Five-Year National Socio-Economic Development Plan (2021–2025)*.⁵ The mid-term review of the 9th NSEDP calls for enhanced emphasis on reforms to strengthen governance; promote economic diversification and competitiveness; improve the business climate and foster private sector development; protect investment in education, health and other social services; and avoid short-term solutions that could be detrimental to long-term environmental prospects. The DPP is aligned with the priority areas of the 9th NSEDP.

The mid-cycle review of the DPP will ensure it is consistent with the 10th NSEDP (which will cover 2026 to 2030) and Laos' evolving fiscal and economic context.

Section 2: Laos development context and Australian partnership

Development progress

Laos was among the fastest-growing economies in the world for the two decades after 2000, averaging annual growth in gross domestic product (GDP) of 7 per cent with a gradual slowdown from 2012.⁶ This GDP growth was based on natural resource-based exports and borrowing for infrastructure investment, which, although contributing to significant poverty reduction and improved living conditions, has created challenging structural and economic vulnerabilities.

The impact of the COVID-19 pandemic and the global economic downturn have further exposed existing vulnerabilities in Laos and adversely affected its development gains. The progress Laos had achieved in halving poverty, reducing malnutrition and improving access to education and health services is regressing.⁷ Despite these challenges, Laos will likely graduate from LDC status in coming years. Increased trade tariffs and a loss of preferential market access after it graduates could reduce Laos' exports, especially given its exports are concentrated in only a few markets and products. Even with graduation, Laos will continue to require development finance support.

Challenges and opportunities

Laos' difficult macro-economic and fiscal situation, including high public debt, currency depreciation and high inflation since 2021, has put pressure on government spending on essential services and human development. Public and publicly guaranteed debt was an estimated 108.3 per cent of GDP in 2024.⁸ Spending on health and education continue to decline and are the lowest in the East Asia and Pacific region as a percentage of GDP. Combined public spending on education and health has declined from 4.9 per cent of GDP in 2013 to an estimated 2.3 per cent in 2023.⁹ These changes have led to gradual declines in the teacher and health workforce, placing additional pressure on the education and health systems.

Despite a forecasted return to growth in GDP of 3.7 per cent in 2025,¹⁰ escalating costs of living have reduced the affordability of, and engagement with, education at all levels. Since 2022, enrolment in every school grade has fallen, and the dropout rate has risen in both primary and secondary schools. Enrolment rates at universities and technical and vocational education and training institutions across the country have also dropped sharply.¹¹ The private sector faces increasing labour shortages due to emigration, undermining the recovery prospects of labour-intensive sectors, including agriculture, manufacturing and services.

To combat mounting economic challenges, the Lao Government is pursuing the National Agenda on Addressing Economic and Financial Difficulties, announced in 2021. The agenda aims to ease macro-economic vulnerabilities and support a growth recovery. The Lao Government has since introduced measures to improve the economic situation, but there remains a substantial structural reform agenda to take forward.

The Lao Government is placing great importance on leveraging its long land borders with Cambodia, China, Thailand and Vietnam to transform Laos from a landlocked to a land-linked country. The government aims to expand Laos' connectivity with neighbouring economies to stimulate economic growth and become a regional logistics hub. The government is promoting exports of agricultural products, manufactured goods and electricity, and anticipates significant growth opportunities from the Laos–China railway, including expansion of tourism and logistics services.

Laos' energy sector, dominated by hydropower, has been a driver of economic development, but also a major contributor to Laos' debt. A stronger energy sector will support Laos' economic recovery and resilience.

Transnational organised crime poses a significant challenge to Laos' development, governance and security. Illicit drug trafficking, human trafficking, child sexual exploitation, and cyber and financial crimes are affecting Laos, its neighbours and Australia. Controlling illicit drugs is a national priority of the Lao Government.

With its longstanding programs in basic education, human resource development and economic reform, Australia is well positioned to provide support across these key sectors. Similarly, enhanced regional programs in trade and investment, as well as combating transnational crime, will further promote strong development gains for Laos.

Climate change

Laos is among the most vulnerable countries to climate change. Its communities face significant climate-related hazards and livelihood vulnerability. Around 80 per cent of Laos' land area is mountainous and 20 per cent consists of low-lying plains along the Mekong River. This topography makes Laos vulnerable to increasingly heavy rainfall, flooding and landslides, which are projected to significantly increase by 2030. With 70 per cent of the Lao population engaged in agriculture, climate change and extreme events are expected to exacerbate food and economic insecurity.¹²

Climate change will disproportionately affect poorer communities, with these households more likely to fall into extreme poverty. Climate change is likely to affect men and women differently, especially if gender and cultural norms dictate fewer opportunities, less access to resources and less engagement in decision-making for women from diverse backgrounds. Laos' reliance on hydropower is also affected by climate change and potentially longer dry seasons.

Laos has developed several strategies, policies and plans to address climate change and its impacts, and has introduced objectives to achieve its commitment to net zero emissions by 2050. Key policies include the *National Strategy on Climate Change Towards 2030* (published in January 2023)¹³ and the *Nationally Determined Contribution* (March 2021).¹⁴ The 2021 Nationally Determined Contribution (NDC) raised the country's ambition to an unconditional emissions reduction target of 60 per cent by 2030, relative to 2020. It strengthened mitigation measures in the forestry and energy sectors, included gender equality perspectives, and added an adaptation component, including development of a national adaptation plan.

We will support improved policy and regulatory frameworks for the energy sector and the uptake of renewable energy technologies. This will support Laos' energy targets and the resilience of the energy sector. We will work with Laos to increase its ability to attract and access climate financing, which is essential for Laos to meet its climate mitigation and adaptation targets. We will support enhanced climate resilience in agriculture and water management, as both sectors face significant adaptation challenges. We will also work with Laos on improved access to climate resilient water, sanitation and hygiene facilities. We will integrate climate into our human resource development, trade and private sector development cooperation activities, consistent with the International Development Policy's commitment that climate change will be an objective of 80 per cent of programs valued at over \$3 million by 2028–29.

Australia is well positioned to assist in these areas, given our longstanding engagement with the Ministry of Natural Resources and Environment on sustainable water management and the Ministry of Agriculture and Forestry on agricultural and forestry cooperation. We also have a growing partnership with the Ministry of Energy and Mines. Australia's energy transition, water management and financing experience is well-regarded and sought after in Laos.

Gender equality, disability and social inclusion (GEDSI)

The Lao Government has made positive progress in establishing national mechanisms and regulatory frameworks to work towards gender equality. Laos' 10th report on its implementation of its obligations under the Convention

on the Elimination of All Forms of Discrimination against Women (CEDAW)¹⁵ notes the positive impact and progress Laos is making to ensure laws and policies are advancing the rights of women from diverse backgrounds, including by mainstreaming the convention's principles across targeted laws and policies. Despite these achievements, there are several areas that need further progress. These include enforcement and implementation of regulatory frameworks, policies and strategies; strengthened national disaggregated data and analysis that reflect Laos' diverse population; improved access to education, health and other social services in rural areas; improved access to justice; improved access to financial resources and productive assets and improved financial literacy; and increased number of women in decision-making positions and women's employment. Non-discrimination protections for non-binary groups are not explicitly mentioned in national policy.

Laos has made efforts to develop disability-inclusive legislation and policy reforms to support its implementation of the Convention on the Rights of Persons with Disabilities. Despite the progress made, implementation remains challenging. Stigma continues to impede the meaningful engagement of people with disability in national and community level policy and decision-making processes. Some ethnic minority groups experience higher levels of poverty, lower educational attainment, higher levels of violence against women and girls, and poorer health outcomes.

Australia is committed to supporting key Lao Government GEDSI priorities. We will mainstream our GEDSI approach and deliver targeted actions across all sectors. In 2023, we achieved the Australian Government Department of Foreign Affairs and Trade's gender equality performance target of over 80 per cent of our programs effectively addressing gender equality in implementation. To maintain our strong record, we will ensure appropriate allocation of resources for gender and disability inclusion expertise in our major programs and at the Australian Embassy in Laos. Consistent with Australia's International Disability Equity and Rights Strategy, we will seek to achieve the target of 60 per cent of development and humanitarian investments performing effectively on disability equity.

Australia is known for its strong engagement and advocacy on GEDSI issues in Laos. We will continue to address inequality by promoting social inclusion, promoting women's leadership and empowerment, and enhancing the voices and rights of vulnerable and disadvantaged groups in all our programs. Our policy dialogue will continue to promote the participation and rights of women, people with disability and disadvantaged groups.

Section 3: Joint objectives of the Australia – Laos development partnership

The overarching goal for the Australia – Laos development partnership is a prosperous, resilient and stable Laos, with strong links between our two countries. Our three development partnership objectives, and how we will work together to address each objective, are set out below and summarised in Table 1. These objectives reflect the principles and priorities agreed by Australia and Laos as set out in the Australia–Laos Comprehensive Partnership.

The DPP brings together bilateral, regional, global, thematic and Australian Government programs. We will deploy our ODA and non-ODA support flexibly and creatively to achieve the highest-quality outcome in each circumstance. We will harness regional programs, including the Mekong–Australia Partnership and Partnerships for Infrastructure, to address transboundary or regional issues, such as transnational crime, climate change and connectivity, and support regional institutions that deliver benefits to Laos, including ASEAN and the Mekong River Commission. Australia’s support will be tailored to complement donor partners’ investments and use Australia’s comparative advantages to deliver the greatest impact for Laos’ development and economic growth.

Australian Government engagement in Laos includes the Defence Cooperation Program and activities implemented by the Australian Federal Police, Australian Border Force and Australian Centre for International Agricultural Research (ACIAR). Organisations such as the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the Australian Energy Regulator work with Laos through the government-to-government component of the Partnerships for Infrastructure program. We intend to increase engagement across the Australian Government over time, including potentially through the Southeast Asia and Australia Government-to-Government Partnerships program, as we seek to build institutional and people-to-people linkages.

Australia and Laos have a long history of working together on shared development priorities, including through the longest-running scholarship program in Laos (which has run since 1954). We work in true partnership, through locally led development with government, civil society and private sector partners. Our partnership has evolved to keep pace with Laos’ development and policy ambitions. This evolution recognises Laos’ leadership, policy ambitions and capacity, and provides an opportunity for us to work together on mutual priorities and continue to strengthen our relationship. For this reason, Australia will maintain support in our current priority sectors, namely basic education, human resource development and economic reform.

Under this DPP, we will also adopt new areas of work or focus.

- We will increase our focus on climate change mitigation and adaptation, acknowledging the increased human, health and economic risks it brings. We will increase our focus on energy transition, as well as preparation and adaptation, through our programs in agriculture, health, water management, and water supply and sanitation. We will explore blended finance and look to build the pipeline of climate-ready infrastructure projects, seek to use innovative finance mechanisms to increase investment in climate-positive businesses, and ensure that climate change risks and adaptation are considered in new and existing programs.
- We will support efforts to crowd in additional finance from international financial institutions, the private sector and other multilateral institutions, with a particular focus on climate, energy transition and infrastructure. We will use our development assistance as a catalyst or multiplier, targeting current partners such as the World Bank, the Asian Development Bank and the Global Partnership for Education, as well as the Green Climate Fund and Australian sources such as Australian Development Investments and the Southeast Asia Investment Financing Facility.
- We will reorientate our infrastructure support to focus on strengthened planning and capacity building, particularly for transport connectivity, with the goal of attracting new forms of finance. This targeted support will complement efforts by other donors involved in delivering large-scale infrastructure and will

be implemented through a new phase of the Laos–Australia Connectivity Partnership, co-funded bilaterally and through Partnerships for Infrastructure.

- We will bring support through the Australian Volunteers Program closer to pre-COVID-19-pandemic levels to support capacity building, people-to-people linkages and cross-cultural understanding.
- We will consolidate our portfolio to be more strategically focused on fewer and larger programs and prioritise engagement with regional programs that align with Laos’ priorities. Achieving efficiencies in our economic portfolio of work will be a priority.

Table 1: Australia – Laos development partnership

Goal: A prosperous, resilient and stable Laos

Objective	Objective 1 Building human capital	Objective 2 Resilient, inclusive economic growth	Objective 3 Climate change resilience, adaptation and mitigation
Outcomes	<p>Outcome 1.1 Improved teaching practices are responsive to students’ needs – including the needs of ethnic minority children and children with disability – and support gender equality</p> <p>Outcome 1.2 Targeted Lao organisations improve capacity to build inclusive human resource development in line with the National Human Resource Development Strategy</p> <p>Outcome 1.3 Health systems to prevent, detect and respond to emerging infectious and non-communicable disease threats are supported</p>	<p>Outcome 2.1 Economic resilience is supported, including economic reforms, public financial management and infrastructure connectivity policy</p> <p>Outcome 2.2 Women, people with disability and disadvantaged groups benefit from economic reforms and improved economic opportunities</p>	<p>Outcome 3.1 Policy and regulatory framework for the energy sector is improved, facilitating greater uptake of renewable energy technologies and access to climate financing</p> <p>Outcome 3.2 Climate resilient agriculture and water management is enhanced</p> <p>Outcome 3.3 Access to climate resilient water and sanitation facilities and practice of safe hygiene behaviours is improved</p>
Focus areas	<p>Objective 1 focus areas</p> <ul style="list-style-type: none"> • Basic education • Human resource development • Security and transnational crime • Scholarships • Health security 	<p>Objective 2 focus areas</p> <ul style="list-style-type: none"> • Trade and inclusive private sector development • Investment conditions • Public financial management • Infrastructure and connectivity • Regional economic integration 	<p>Objective 3 focus areas</p> <ul style="list-style-type: none"> • Clean energy • Climate financing • Climate resilient agriculture and water resource management • Climate and disaster resilience • Water, sanitation and hygiene

Ways of working

We will work together to progress the objectives set out in Table 1 through:

- a consultative, responsive, flexible and innovative approach
- the promotion of locally led development
- a twin-track (mainstreaming and targeted) approach to climate change and GEDSI
- a commitment to placing climate change mitigation, adaptation and resilience at the heart of our partnership
- programs that are informed by evidence, with strong monitoring, evaluation and learning
- an approach guided by the *Vientiane Declaration on Partnership for Effective Development Cooperation (2016–2025)*.¹⁶

Objective 1: Building human capital

Australia is delivering human capital investments that assist Laos' socioeconomic development; build leadership capacity, people-to-people and institutional linkages; and strengthen Laos' capacity to effectively engage in the Mekong subregion, in ASEAN and beyond.

Objective 1 contributes to the following focus areas of Australia's International Development Policy:

- enhance state and community resilience to external pressures and shocks
- connect with Australia and regional architecture.

The objective is also closely aligned with the direction and the second outcome of the Lao Government's 9th NSEDP and the National Human Resource Development Strategy (NHRDS), which recognises quality human resources as being critical to Laos' development ambitions.

Objective 1 will be delivered primarily through Australia's education and human resource development programs, including the Australia Awards Scholarships. Basic education programs, including long-term investments in literacy and numeracy, are the critical foundation on which secondary and tertiary education, skilled employment and economic development are built. For many years, basic education has been an Australian flagship program in Laos. Building on Australia's longstanding investments and leadership in the sector, including as co-chair of the Education Sector Working Group and coordinator for the Global Partnership for Education, Australia is well positioned to advocate for reforms in the education sector. We will work closely with the Ministry of Education and Sports and the European Union (as co-chairs of the Education Sector Working Group) and other development partners to support the implementation of basic education priorities and education sector strategies.

The Basic Education Quality and Access in Lao PDR Phase 2 program aims to improve primary students' learning outcomes by improving teaching quality. Under the program, and for the first time in Laos' education history, curriculum materials feature stories and images of people with disability that highlight their strengths and contributions at home, at work and in the classroom. Similar activities have promoted gender equality. The program is strengthening its focus on inequality, going beyond gender mainstreaming by promoting inclusive education and supporting long-term change by improving spoken Lao skills for Grade 1 students who do not speak Lao. We will also support teachers in mainstreaming climate change-related content into the primary curriculum and support the Ministry of Education and Sports to develop relevant climate change adaptation and mitigation policies.

Australia will continue to strengthen human resource development in support of sustainable and inclusive growth. Through the Laos Australia Institute (LAI), we will leverage the continuation of the previous 10-year investment,

focusing on both development of individuals and institutional strengthening for targeted Lao organisations to meet human capacity gaps and strengthen human resource development systems.

At a policy level, through embedded technical assistance, the LAI will continue to work with the Ministry of Education and Sports to deliver the existing NHRDS (which covers 2016 to 2025) and support the development and implementation of Laos' new 10-year NHRDS.

The LAI will continue to implement the Australia Awards Scholarships, short course training, targeted leadership capacity building and alumni engagement, ensuring future leaders, including women and marginalised groups, are equipped to address the existing and emerging development challenges Laos faces. The LAI's capacity building and technical advisory support will enable our programs to remain relevant and effective, especially by mainstreaming GEDSI, which is a core principle of Australia's development assistance and critical for Laos' inclusive human resource development. We will consider how best to mainstream climate change resilience, adaptation and mitigation into LAI programming to support stakeholders to understand how to address climate change challenges.

Outside of the LAI, preventing and countering transnational crime will also be a focus for Australia's capacity building activities with Laos. Australia has experience and expertise to share and strong relationships to build on.

Our health sector support will primarily be delivered through regional and global programs. However, the bilateral program will expand health investments that use Australian technology and align with the Lao Government's key priority of infectious disease control. The Driving Down Dengue in the Lao PDR program will address the growing climate-linked problem of dengue fever in urban areas. The program will be expanded beyond Vientiane Capital to provincial capitals that have a high burden of disease from dengue and demand from provincial authorities. The Defence Cooperation Program will also continue its program with the Lao People's Armed Forces to combat malaria and dengue.

Regional programs include Partnerships for a Healthy Region, which will support resilient and equitable health systems in Southeast Asia, including in Laos. Australia will also continue to support Laos to advance universal health coverage through the World Bank-led Health and Nutrition Services Access Project Phase 2. The initiative is contributing to effective health sector planning, budgeting and management, and will continue to support Laos' national priority of reducing high rates of stunting in rural regions. Australia will partner with the United Nations and relevant Lao Government ministries to strengthen sexual and reproductive health and rights and to end child, early and forced marriage. We will ensure that GEDSI is mainstreamed throughout program implementation and work closely with institutions responsible for promoting gender equality and disability inclusion to ensure the program supports inclusive human development policies.

A new regional program (from 2024–25), Towards Universal Sexual and Reproductive Health and Rights in the Indo-Pacific, will work in Laos to reduce stigma, strengthen service delivery, improve knowledge for women from diverse backgrounds, and provide protection from sexual exploitation, abuse and harassment. The new program consolidates efforts previously supported under the *Laos COVID-19 Development Response Plan*.

Laos draws significant benefits from the Australian NGO Cooperation Program (ANCP), which invests approximately \$4–7 million per year in collaborative projects between Australian and Lao non-government organisations and government partners. These projects include training and capacity building programs, such as those delivered with the Fred Hollows Foundation and Sight for All that improve critical eye health services. They also include village development programs delivered with agencies such as World Vision Australia and the United Nations Children's Fund (UNICEF) Australia that address the root causes of child malnutrition and stunting in poorer villages. Such programs directly target vulnerable populations and support achievement of the Sustainable Development Goals. They are an important and longstanding component of Australia's development cooperation support in Laos.

Objective 2: Resilient, inclusive economic growth

Objective 2 contributes to the following focus areas of Australia’s International Development Policy:

- build effective, accountable states that drive their own development
- connect with Australia and regional architecture.

The objective is also closely aligned with the Lao Government’s priorities, including the 9th NSEDP, the National Agenda on Addressing Economic and Financial Difficulties and Laos’ connectivity agenda.

Australia will carefully target its investments to support economic growth and resilience in Laos. Low foreign currency reserves and currency depreciation have created difficulties servicing Laos’ debts. Inflation and low wage growth are causing Lao workers to emigrate in search of other opportunities, creating labour shortages. Investment incentives – while stimulating foreign direct investment – are not providing sufficient government revenue opportunities or large-scale employment. Acknowledging that a systemic response is required, Australia’s economic programs will work across all key Lao economic ministries to support reforms in monetary and fiscal policy, increase trade, improve high-quality investment and ensure its society’s most vulnerable are not left behind.

Public financial management reform and improved capacity of policymakers will be essential for achieving macro-economic stability and inclusive development. Effective public financial management supports fiscal and macro-economic stability by directing the allocation of public resources in line with national priorities, supporting the efficient delivery of social and economic development services enhanced by gender-responsive budgeting, and ensuring transparency and accountability for public funds. Our contribution to the World Bank-led Public Financial Management in Lao PDR program is complemented by efforts to improve the capacity of economic decision-makers and researchers (through the Better Economic Decision-making program) and generating high-quality inclusive data (through the Asian Development Bank and Lao Statistics Bureau’s Strengthening Gender and Social Inclusion Data and Analysis in Lao PDR program).

Australia assists Laos with developing its private sector and reducing barriers to border and regional trade so it can be an engine of national development. Despite making progress in reducing red tape and increasing incentives to attract investment, Laos still ranks poorly in global business development indexes.¹⁷ Since 2019, Australia has supported the Lao Government to simplify business regulations, facilitate trade and improve firm-level competitiveness, especially for women-led and women-managed businesses, through the Lao PDR Competitiveness and Trade (LCT) Project. Under the LCT Project, the Business Assistance Facility has provided over 550 matching grants to small and medium-sized enterprises to improve their competitiveness, 65 per cent of which have supported women-led businesses. The LCT Project concluded at the end of 2024, but we will support a second phase to build on these successes and sustain momentum in trade reform. We will continue to assist Laos’ private sector to connect with the region by working closely with local chambers of commerce and industry and local business associations. Australia’s bilateral and regional programs will continue to help Laos to increase its capacity to participate effectively in rules-based trade and economic architecture, including through the World Trade Organization, the Regional Comprehensive Economic Partnership Agreement and the ASEAN – Australia – New Zealand Free Trade Agreement. We will pilot activities to incorporate innovation in gender equality into trade through the Trade and Gender Equality Incubator. Together with our government-focused public financial management work, Australia is supporting the whole ecosystem of economic contributors.

Australia is also committed to assisting Laos to attract and retain high-quality investment. Over the past few decades, Laos has experienced a boom in foreign direct investment, which has driven economic growth. Investment brings new ideas and technology and can drive employment and infrastructure development. Australia will work with Laos to implement effective investment policy and develop tools and capacity for investment screening. Southeast Asian Investment Deal Teams established under *Invested: Australia’s Southeast Asia Economic Strategy to 2040* and ongoing work by the Australian Trade and Investment Commission (Austrade) will

complement our development programming through non-ODA efforts. With stronger economic reforms, Australian businesses and investors will be encouraged to enter the Lao market.

Australia works closely with Laos to develop plans, policy and capacity to achieve the national connectivity agenda and the country's infrastructure priorities. Improved transport connectivity is central to the Lao Government's vision for greater economic integration, increased cross-border trade and increased infrastructure investment. It also means better market access for Lao small and medium enterprises and agricultural exporters, higher productivity and reduced transport costs. Through the Laos–Australia Connectivity Partnership, co-funded bilaterally and through the regional Partnerships for Infrastructure program, Australia is supporting upgrades and developments of cross-border and logistics facilities. This is paired with capacity building and technical assistance to build an integrated multimodal transport strategy. Australia's assistance will collectively help to transform the Lao Government's approach to transport policy and planning, including building in climate and disaster risk considerations for a resilient transport system.

A priority for the first two years of the DPP is to design an approach to consolidate and enhance the efficiency and effectiveness of our economic growth and investment programs across both our bilateral and regional portfolios.

Objective 3: Climate change resilience, adaptation and mitigation

Objective 3 contributes to the following focus areas of Australia's International Development Policy:

- build effective, accountable states that drive their own development
- enhance state and community resilience to external pressures and shocks
- connect with Australia and regional architecture
- generate collective action on global challenges that impact us and our region.

It also gives effect to the Australian Government's commitment to mainstream climate change across the breadth of our development cooperation.

Australia will support the Lao Government to strengthen climate resilience and improve energy, food and water security in line with the 9th NSEDP,¹⁸ the *National Green Growth Strategy of the Lao PDR till 2030*,¹⁹ the *National Strategy on Climate Change Towards 2030*²⁰ and Laos' *Nationally Determined Contribution*,²¹ as well as our shared goal of net zero emissions by 2050.

Australia will extend and expand its bilateral engagement with Laos on addressing climate change impacts in our programs. We will build on the Laos–Australia Sustainable Energy Partnership (LASEP), currently delivered through Partnerships for Infrastructure, establish new bilateral investments in climate resilient agriculture and continue to harness regional investments for climate resilience and water management.

The extension of the first phase of LASEP (until the end of 2025) and a future phase of LASEP will enhance Laos' understanding and adoption of new renewable energy technologies. LASEP will continue to support the policy and regulatory framework needed to strengthen planning and integrate variable renewable energy. The program will support integration between energy, climate change and disaster risk reduction. LASEP will integrate social considerations to support the Lao Government to build an inclusive, just and sustainable energy sector. Through LASEP, we will continue to engage the private sector, civil society and the public on the challenges and opportunities in transitioning towards a more reliable, sustainable and inclusive energy sector. LASEP will remain flexible to respond to the emerging priorities of the Ministry of Energy and Mines and Électricité du Laos.

Australia will support Laos' ability to attract and access climate financing. Through LASEP, we will look for opportunities to engage the private sector and to involve the Australian Government Southeast Asian Investment Deal Teams and Australia's blended finance mechanisms. The carbon market program, implemented through the

Ministry of Natural Resources and Environment and the Global Green Growth Institute, is supporting Laos to develop the policies and regulations needed to participate in international carbon markets and provide new economic opportunities for Laos. The program will support the development of a high-quality pipeline of carbon credit projects through tailored support to selected carbon sequestration or avoided emissions projects.

We will support climate resilient agriculture and water management. To assist Laos' efforts to reduce current and future vulnerability and exposure to the impacts of climate change, Australia is exploring options to invest in climate resilient agriculture. Agriculture remains Laos' priority economic sector and largest source of productive employment, especially for women and people with disability. A program, or cluster of programs, will be designed in 2025 to support Laos to respond to the climate challenges and opportunities facing Lao agriculture and to consider inclusive climate change measures. The investment will build upon, and complement, ACIAR's long-term agriculture-related collaborative research work with Laos.

Australia will maintain its enduring engagement on water resource management and governance with Laos and the wider Mekong subregion. We will do this through regional resources under the Mekong–Australia Partnership. Key activities will be delivered by a range of regional investments, including the Australian Water Partnership, the Food and Agriculture Organization of the United Nations (FAO) Asia–Pacific Water Scarcity Program, and ACIAR. We will support improvement in groundwater management, water accounting, fish-friendly sustainable irrigation systems, integrated water-energy planning and nature-based solutions. Our work will continue to connect to and complement the work of the Mekong River Commission, Australia's key partner on transboundary water resource management. We will work with the Mekong–Australia Partnership to focus on program efficiency and reduce fragmentation when practicable.

To assist Laos' progress towards achieving Sustainable Development Goal 6 (clean water and sanitation), we will continue to support climate resilient water and sanitation programming in partnership with UNICEF, the Lao Government Ministry of Health, and provincial and district governments. This programming will also help Laos to achieve its goal of universal open defecation-free status.

Australia's bilateral and regional investments will promote the inclusion of women and people with disability in its energy-, agriculture-, climate- and environment-related interventions and program decision-making, thereby promoting gender equality and inclusivity as part of climate action and increasing women's capacity to respond to climate change. The program will also promote a just energy transition, ensuring local and ethnic communities benefit from the transition to renewable energy sources and are not exploited by it. It will address the needs of vulnerable members of the community and promote economic opportunities in regional areas.

Section 4: Delivering our partnership

Locally led development

Australia's development cooperation closely aligns with Laos' national and sectoral priorities. Under Australia's International Development Policy, we are renewing and elevating our commitment to locally led development. We will work to strengthen Laos' local capacity to lead its own development. We will advance locally led development through the promotion of dialogue and consultation with our Lao Government counterparts, local authorities and actors, civil society and the private sector to ensure our development cooperation responds to and addresses Laos' development needs and priorities. This will include regular meetings between our Ambassador to Laos and Lao Government ministers, and between staff at the Australian Embassy in Laos and the Department of International Cooperation in the Ministry of Planning and Investment to discuss Laos' emerging priorities and strategies.

We will empower local actors by providing skills, knowledge and support to promote local solutions and steer implementation progress. To the extent possible, we will encourage the use of local expertise in delivery of our development programs, including in design and evaluation, as well as the use of local suppliers and supply chains. GEDSI-targeted programs in particular will support local organisations to achieve their objectives.

Consultation

The Australia–Laos Comprehensive Partnership stipulates the holding of annual Australia–Laos Senior Officials' Talks, which provide a platform for high-level dialogue on bilateral relations, including development cooperation. The biennial Human Rights Dialogue between Laos and Australia provides an opportunity to discuss Laos' implementation of human rights commitments and the challenges it faces. This dialogue is complemented by the Human Rights Technical Cooperation Program.

Several working groups provide key stakeholder platforms for sector policy dialogue and development sector coordination between the Lao Government and development partners. The dialogue aims to ensure development interventions align with Lao Government priorities, ensure complementarity between programs and minimise duplication and risks. The sector working groups' consultation outcomes contribute to the annual Round Table Implementation Meeting, which represents the high-level dialogue between the Lao Government and its development partners. Australia co-chairs the Education Sector Working Group, the Teacher Education Focal Group, the Water Resource Sub-Sector Working Group and the Illicit Drug Sector Working Group (for which it is rotating co-chair with Japan). Australia is an active member of the Macroeconomic Working Group and the Trade and Private Sector Working Group and will join the new Energy Sector Sub-Working Group.

Quarterly meetings between the Australian Embassy in Laos and the Department of International Cooperation in the Ministry of Planning and Investment provide program portfolio updates and opportunities to discuss issues, solutions and the priorities of the Lao Government.

At the investment level, there are regular program steering committee meetings, which are annual or biannual, and regular monitoring support missions. The Australian Embassy in Laos conducts an annual briefing for, and dialogue with, civil society partners, particularly those implementing projects in Laos funded by the ANCP. The Embassy also coordinates formally and informally with other international development partners to harmonise and align our various programs.

Evaluation and learning

Evaluation and learning mechanisms will be used to promote continuous improvement and learning to inform our program planning and decisions, as well as to drive partnership and engagement. The evaluations currently planned are listed in Table 2 but will be subject to change as programs are designed over the coming years. Table 2 includes evaluations for regional and bilateral co-funded programs that are managed by Post. Evaluation results will be shared with program stakeholders. The outcomes from these reviews will provide additional inputs to the mid-cycle review of the DPP.

Table 2: Consultation, evaluation and learning plan

Objective	2024–25	2025–26	2026–27
Objective 1 Building human capital	Mid-term review of Basic Education Quality and Access in Lao PDR Phase 2 Mid-term review of Laos Australia Institute Phase 3	No formal reviews planned	No formal reviews planned
Objective 2 Resilient, inclusive economic growth	Evaluation of Lao PDR Competitiveness and Trade Project (Lao Government-led)	End-of-program evaluation of Public Financial Management in Lao PDR program End-of-program evaluation of Laos–Australia Connectivity Partnership	No formal reviews planned
Objective 3 Climate change resilience, adaptation and mitigation	Evaluation of Oxfam Inclusion Project Phase 2 (regional) Mid-term evaluation of Oxfam Strengthening Climate Resilience (regional)	Evaluation of Laos–Australia Sustainable Energy Partnership Phase I	Mid-term review of Mekong–Australia Partnership (regional) End-of-program review of Climate Resilient Water, Sanitation and Hygiene (WASH) project
Cross-program	No formal reviews planned	No formal reviews planned	Mid-term review of Development Partnership Plan

Performance and results

The Performance Assessment Framework (PAF) at Table 3 provides a selection of indicators and expected results for the first three years of the DPP. The PAF will be updated periodically, including at the mid-cycle review point, at which time indicators and results for the second half of the DPP will be identified.

Table 3: Performance Assessment Framework

Objective 1: Building human capital

Outcome	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goal (SDGs)
Outcome 1.1 Improved teaching practices are responsive to students' needs – including the needs of ethnic minority children and children with disability – and support gender equality	1.1.1 Percentage of teachers in Basic Education Quality and Access in Lao PDR (BEQUAL) target districts whose teaching practice scores (across 3 quality classroom observation indicators related to gender, ethnicity and disability inclusion) improve in semester 2 compared with semester 1	30% by June 2025 (disaggregated by sex, disability status and minority groups)	40% by June 2026 (disaggregated by sex, disability status and minority groups)	No target available, as this will be contingent on future programming	SDG4: Quality education SDG5: Gender equality SDG10: Reduced inequalities
Outcome 1.1	1.1.2 Percentage of students in BEQUAL target districts whose Lao language test scores improve	No target defined Results will be reported when data from the monitoring, evaluation and learning system are available	Endline data from Inclusive Teaching and Learning Study will be used to monitor Lao language test scores and give insights into why change has or has not occurred	No target available, as this will be contingent on future programming	SDG4, SDG5, SDG10

Outcome	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goal (SDGs)
Outcome 1.1	1.1.3 Number of educators who complete continuous professional development training	11,070 teachers (disaggregated by sex, disability status and minority groups)	4,570 teachers (disaggregated by sex, disability status and minority groups)	No target available, as this will be contingent on future programming	SDG4, SDG5, SDG10
Outcome 1.2 Targeted Lao organisations improve capacity to build inclusive human resource development in line with the National Human Resource Development Strategy	1.2.1 Percentage of human resource development and management activity participants who report the support provided enabled them to make progress towards improved inclusive human resource development practices in their workplace, and of technical support recipients who provide valid examples	50% of human resource development and management activity participants report having contributed to improved inclusive human resource development practices in their workplace 80% of recipients of technical support provide at least 1 valid example	60% of human resource development and management activity participants report having contributed to improved inclusive human resource development practices in their workplace 80% of recipients of technical support provide at least 1 valid example	70% of human resource development and management activity participants report having contributed to improved inclusive human resource development practices in their workplace 80% of recipients of technical support provide at least 1 valid example	SDG4, SDG5, SDG10
Outcome 1.2	1.2.2 List of organisational improvement examples attributable to Laos Australia Institute support	At least 2 areas of improvement recorded with valid examples	At least 2 areas of improvement recorded with valid examples	Mid-line reviews of targeted ministries show improved human resource development capacity compared with baseline reviews	SDG4, SDG5, SDG10

Outcome	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goal (SDGs)
Outcome 1.2	1.2.3 Percentage of alumni who report that their award, with other human resource development activities supported by Australia, enabled them to contribute to Laos' sustainable development and provide valid examples	50%, 1 example (disaggregated by sex, disability status and minority groups)	60%, 1 example (disaggregated by sex, disability status and minority groups)	70%, 1 example (disaggregated by sex, disability status and minority groups)	SDG4, SDG5, SDG10
Outcome 1.3 Health systems to prevent, detect and respond to emerging infectious and non-communicable disease threats are supported	1.3.1 Well-executed community engagement to develop support for distributing <i>Wolbachia</i> -carrying mosquitoes in urban areas	Community engagement to increase acceptance of, and implement, the distribution of <i>Wolbachia</i> -carrying mosquitoes in urban communities	Reduction in the number of dengue cases in Vientiane Capital Community engagement to increase acceptance of, and implement, the distribution of <i>Wolbachia</i> -carrying mosquitoes in provincial capitals	Reduction in the number of dengue cases in Vientiane Capital and provincial capitals	SDG3: Good health and wellbeing

Objective 2: Resilient, inclusive economic growth

Outcome	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goals (SDGs)
Outcome 2.1 Economic resilience is supported, including economic reforms, public financial management and infrastructure connectivity policy and planning	2.1.1 Budget preparation, public expenditure management and revenue management policy settings improved	Improved budget preparation policy settings	Improved tax administration policy settings	Improved state-owned enterprise policy settings	SDG8: Decent work and economic growth SDG16: Peace, justice and strong institutions
Outcome 2.1	2.1.2 Number of officials who complete public financial management-related training (Tier 2)	At least 100 Ministry of Finance and line ministry officials are trained on public financial management-related topics and demonstrate improved practices and understanding	At least 100 Ministry of Finance and line ministry officials are trained on public financial management-related topics	At least 100 Ministry of Finance and line ministry officials are trained on public financial management-related topics	SDG8, SDG16
Outcome 2.1	2.1.3 Regulatory changes that improve business and investment settings	Reforms reduce time needed to start a business to 70 days (compared with a baseline of 173 days in 2018)	No target available, as this will be contingent on future programming	No target available, as this will be contingent on future programming	SDG8

Outcome	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goals (SDGs)
Outcome 2.1	2.1.4 Barriers to border and regional trade economic integration reduced	Mean time to clear import, export and transit through customs is reduced to 4.85 hours (compared with a baseline of 5.12 hours) Commitments under the Trade Facilitation Agreement implemented by Laos reach 80% (compared with a baseline of 21%)	No target available, as this will be contingent on future programming	No target available, as this will be contingent on future programming	SDG8
Outcome 2.1	2.1.5 Examples of improved policies and regulations in the infrastructure sector (Tier 2)	Strategies at national and provincial levels are approved Strategies inform the Lao Government’s 5-year transport action plan and prioritisation of capital investment projects	Evidence of strategies being implemented	No target available, as this will be contingent on future programming	SDG9: Industry, innovation and infrastructure
Outcome 2.2 Women, people with disability and disadvantaged groups benefit from economic reforms and improved economic opportunities	2.2.1 Number of women entrepreneurs provided with financial and/or business development services (Tier 2)	At least 65% of matching grants are awarded to women-led enterprises	No target available, as this will be contingent on future programming	No target available, as this will be contingent on future programming	SDG5: Gender equality SDG8 SDG10: Reduced inequalities

Outcome	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goals (SDGs)
Outcome 2.2	2.2.2 Gender equality-related capacity development (training and workshops)	Capacity building on gender in public financial management	Capacity building on gender in public financial management	Partners show increased understanding and integrate gender equality into their work (number of examples or quality of examples)	SDG5, SDG10
Outcome 2.2	2.2.3 Economic and social reforms and planning informed by high-quality socioeconomic and demographic data disaggregated by sex and disability status	Lao Social Indicator Survey analytical report released Capacity building, planning and financing completed in preparation for 2025 census	Data collection for census	Census data is analysed, published and used in policy formulation	SDG5, SDG10

Objective 3: Climate change resilience, adaptation and mitigation

Outcome	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goals (SDGs)
Outcome 3.1 Policy and regulatory framework for the energy sector is improved, facilitating greater uptake of renewable energy technologies and access to climate financing	3.1.1 Energy policies or regulations that support renewable energy development enhanced or adopted	1 policy or regulation change in support of energy sector sustainability, profitability or reliability (for example, energy system plan or regulatory arrangement)	1 policy or regulation change that incentivises renewable energy (for example, Electricity Law revised to enable greater adoption of renewable energy)	No target available, as this will be contingent on future programming	SDG7: Affordable and clean energy SDG12: Responsible consumption and production
Outcome 3.1	3.1.2 Policy, institutions and systems for sustainable carbon markets strengthened	National carbon markets decree finalised International carbon markets strategy finalised Carbon project approval and management guidelines finalised	National carbon registry in place National carbon markets forum held National Article 6 project pipeline	No target available, as this will be contingent on future programming	SDG7 SDG13: Climate action
Outcome 3.1	3.1.3 National pipeline of Article 6 projects enhanced	National knowledge sharing platform established	3 carbon credit projects supported to develop required documentation	No target available, as this will be contingent on future programming	SDG7, SDG13
Outcome 3.2 Climate resilient agriculture and water management is enhanced	3.2.1 Number and nature of climate resilient agriculture and food security-related policies, practices and tools enhanced or adopted (pending design)	No target available, as this will be contingent on future programming	No target available, as this will be contingent on future programming	No target available, as this will be contingent on future programming	SDG2: Zero hunger SDG6: Clean water and sanitation SDG12

Outcome	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goals (SDGs)
Outcome 3.2	3.2.2 Number of smallholder farmers supported to improve food security or climate resilient practices, including women and people from disadvantaged groups	No target available, as this will be contingent on future programming	No target available, as this will be contingent on future programming	No target available, as this will be contingent on future programming	SDG2, SDG6, SDG12
Outcome 3.2	3.2.3 Number and nature of climate resilient water-related policies, practices and tools enhanced or adopted	2 policies, practices or tools that enhance groundwater or surface water resource management (for example, groundwater resource assessments)	2 additional policies, practices or tools that enhance groundwater or surface water resource management (for example, river basin models)	2 additional policies, practices or tools that enhance groundwater or surface water resource management (for example, river basin plans)	SDG6, SDG12
Outcome 3.3 Access to climate resilient water and sanitation facilities and practice of safe hygiene behaviours is improved	3.3.1 Number of people using safely managed drinking water services (disaggregated by sex, disability status and minority groups) (Tier 2)	7,467	7,000	5,000	SDG3: Good health and wellbeing SDG6
Outcome 3.3	3.3.2 Number of people using basic or safely managed sanitation services and/or a handwashing facility (disaggregated by sex, disability status and minority groups) (Tier 2)	57,543	30,000	20,000	SDG3, SDG6

Cross-program

Theme	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goals (SDGs)
Gender equality	Percentage of development investments that address gender equality effectively (Tier 3)	More than 80%	More than 80%	More than 80%	SDG5: Gender equality
Disability equity	Percentage of development investments that effectively address disability equity in implementation (Tier 3)	Results collected centrally	Results collected centrally	Results collected centrally	SDG10: Reduced inequalities
Localisation	Number of local personnel, sub-contractors and staff engaged (employment created) – Managing Contractors (Tier 3)	Results collected centrally	Results collected centrally	Results collected centrally	SDG10
Localisation	Number and dollar value of local contracts and grants (local supply chains) – Managing Contractors (Tier 3)	Results collected centrally	Results collected centrally	Results collected centrally	SDG10
Localisation	Percentage of bilateral investment designs and evaluations that include local participation (Tier 3)	60%	70%	80%	SDG10

Theme	Indicator	Expected results 2024–25	Expected results 2025–26	Expected results 2026–27	Sustainable Development Goals (SDGs)
Climate change	Percentage of all new bilateral and regional investments valued at more than \$3 million that have a climate change objective (Tier 3)	50%	60%	70%	SDG13: Climate action

Annex 1: Supporting investments/activities in Laos

Australian Government supporting investments/activities for Objective 1 – Building human capital (bilateral Official Development Assistance (ODA) as well as significant regional and global ODA, and significant non-ODA development investments/activities)

Name of investment/activity	Duration	Key partners
Basic Education Quality and Access in Lao PDR Phase 2 (bilateral)	2022–26	Ministry of Education and Sports; Tetra Tech
Global Partnership for Education (GPE) (global)	Ongoing	Ministry of Education and Sports; World Bank; United Nations Children’s Fund (UNICEF); Save the Children
Laos Australia Institute Phase 3 (bilateral)	2021–25	Ministry of Education and Sports; Lao Government agencies; Tetra Tech; Australian higher education institutions
Australia Awards Scholarships (bilateral/global)	Ongoing	Ministry of Education and Sports; Lao Government agencies; non-government organisations
Australian Volunteers Program (global)	Ongoing	Ministry of Foreign Affairs; Lao Government agencies; non-government organisations
Human Rights Technical Cooperation Program Phase 3 (bilateral/regional)	2023–27	Ministry of Foreign Affairs; Australian Human Rights Commission
Driving Down Dengue in the Lao PDR (bilateral)	2024–27	Ministry of Health; Save the Children; World Mosquito Program

Name of investment/activity	Duration	Key partners
Partnerships for a Healthy Region (regional/global)	2023–27	Center for Community Health Research and Development; Community Health and Inclusion Associations; Therapeutic Goods Administration; Australia Regional Immunisation Alliance; National Centre for Immunisation Research and Surveillance; Australian National University; Asia Pacific Leaders Malaria Alliance; Murdoch Children’s Research Institute; Kirby Institute-led consortium; The University of Melbourne; National Critical Care and Trauma Response Centre; Commonwealth Scientific and Industrial Research Organisation (CSIRO); The University of Sydney; World Organisation for Animal Health; PATH; Medicines for Malaria Venture; National University of Singapore
Health and Nutrition Services Access Project Phase 2 (HANSA2) (global)	2024–29	Ministry of Health; World Bank; Global Fund; Gavi, the Vaccine Alliance
Towards Universal Sexual and Reproductive Health and Rights in the Indo–Pacific (TUSIP) (regional)	2024–28	Lao Women’s Union; Lao Youth Union; Ministry of Health; Ministry of Education and Sports; United Nations Population Fund (UNFPA); UNICEF; International Planned Parenthood Federation; Promotion of Family Health Association of Lao PDR
Improve gender-based violence response and coordination (bilateral)	2023–25	Lao Women’s Union; UNFPA
Defence Cooperation Program (bilateral/regional)	Ongoing	Ministry of National Defence
Asian Region Law Enforcement Management Program (Australian Federal Police) (bilateral/regional)	Ongoing	Ministry of Public Security
Australian NGO Cooperation Program (ANCP) (global)	Ongoing	Civil society organisations; non-government organisations

Name of investment/activity	Duration	Key partners
ASEAN–Australia Counter Trafficking (bilateral/regional)	2018–28	Ministry of Public Security; Lao Women’s Union; People’s Supreme Court; Office of the Supreme People’s Prosecutor; Vientiane Capital People’s Court; DT Global
Tripartite Action to Enhance the Contribution of Labour Migration to Growth and Development in ASEAN (TRIANGLE in ASEAN) (regional)	2015–25	Ministry of Labour and Social Welfare; Lao Federation of Trade Unions; Lao National Chamber of Commerce and Industry; International Labour Organization (ILO)
Mekong–Australia Partnership on Transnational Crime (MAP-TNC) (regional)	2021–29	Ministry of Public Security; Ministry of Finance; Bank of the Lao PDR; Australian Federal Police; Australian Border Force; Australian Transaction Reports and Analysis Centre (AUSTRAC); Australian Centre to Counter Child Exploitation; Australian Government Attorney-General’s Department; Australian Taxation Office; Australian Government Department of Home Affairs; Mekong–Australia Partnership
Cooperation with civil society organisations and research institutions on gender equality, disability and social inclusion (to be designed) (regional)	2025–29	Mekong–Australia Partnership; civil society organisations; research institutions

Australian Government supporting investments/activities for Objective 2 – Resilient, inclusive economic growth (bilateral Official Development Assistance (ODA) as well as significant regional and global ODA, and significant non-ODA development investments/activities)

Name of investment/activity	Duration	Key partners
Lao PDR Competitiveness and Trade (LCT) Project (bilateral)	2019–25 (new phase to be designed)	Ministry of Industry and Commerce; Lao National Chamber of Commerce and Industry; World Bank
New economic and investment program (bilateral/regional)	To be confirmed	Ministry of Planning and Investment; Ministry of Industry and Commerce; Ministry of Finance; Mekong–Australia Partnership
Public Financial Management in Lao PDR (regional)	2021–26 (possible extension to 2029)	Ministry of Finance; World Bank; Mekong–Australia Partnership

Name of investment/activity	Duration	Key partners
Better Economic Decision-making (regional)	2021–24	National Assembly of Lao PDR; Asia Foundation; Mekong–Australia Partnership
Strengthening Gender and Social Inclusion Data and Analysis in Lao PDR (regional)	2022–24	Lao Statistics Bureau; Asian Development Bank; Mekong–Australia Partnership
Laos–Australia Connectivity Partnership (LACP) (bilateral/regional)	2022–24 (being negotiated to extend to 2025)	Ministry of Public Works and Transport; Asia Foundation; World Bank; Partnerships for Infrastructure
Regional Trade for Development (RT4D) (regional)	2023–28	Ministry of Industry and Commerce; Tetra Tech; private sector
Australian Trade and Investment Commission (Austrade) cooperation (regional)	Ongoing	Ministry of Industry and Commerce; Ministry of Planning and Investment; Lao National Chamber of Commerce and Industry; private sector
Southeast Asia Investment Deal Teams (regional/global)	2024–28 (non-ODA)	Ministry of Industry and Commerce; Ministry of Planning and Investment; private sector
Southeast Asia and Australia Government-to-Government Partnerships program (regional/global)	2024–28	Ministry of Industry and Commerce; Ministry of Planning and Investment; Bank of the Lao PDR
Border Control Agency Management Program (BCAMP) (Australian Government Department of Home Affairs) (regional)	Ongoing	Ministry of Foreign Affairs; Ministry of Public Security; Ministry of Finance
Strengthening Cargo Borders in the Mekong (Australian Border Force) (regional)	2022–25	Ministry of Finance (Customs Department); Ministry of Public Security; United Nations Office on Drugs and Crime (UNODC); World Customs Organization
Cooperation with civil society organisations and research institutions on economic resilience and subregional integration (to be designed) (regional)	2025–29	Mekong–Australia Partnership; civil society organisations; research institutions

Australian Government supporting investments/activities for Objective 3 – Climate change resilience, adaptation and mitigation (bilateral Official Development Assistance (ODA) as well as significant regional and global ODA, and significant non-ODA development investments/activities)

Name of investment/activity	Duration	Key partners
Open and Sustainable Carbon Markets in Laos (bilateral)	2023–26	Ministry of Natural Resources and Environment; Global Green Growth Institute
Laos–Australia Sustainable Energy Partnership (bilateral/regional)	2022–25	Ministry of Energy and Mines; Électricité du Laos; EnergyLab; Partnerships for Infrastructure
Climate Resilient Water, Sanitation and Hygiene Program (bilateral)	2022–27	Ministry of Health; UNICEF
Humanitarian pre-positioned supplies – delivered through Indo–Pacific Endeavour (IPE) (bilateral)	Annual	Ministry of Labour and Social Welfare; Australian Defence Force
New investment in climate resilient agriculture (to be designed) (bilateral/global)	2025–2030	Ministry of Agriculture and Forestry; Climate Resilient Communities program
Australian Centre for International Agricultural Research (ACIAR) cooperation (bilateral/regional)	Ongoing	National University of Laos; Ministry of Agriculture and Forestry; National Agriculture and Forestry Research Institute
Optimising fish passage at hydropower dams in the Mekong (regional)	2024–29	Ministry of Energy and Mines; National University of Laos; Ministry of Agriculture and Forestry; National Agriculture and Forestry Research Institute; Charles Sturt University; Mekong–Australia Partnership; ACIAR
FishTech (Laos, Cambodia, Vietnam and Thailand) (regional)	2022–25	National University of Laos; Ministry of Agriculture and Forestry; National Agriculture and Forestry Research Institute; Charles Sturt University; Mekong–Australia Partnership; ACIAR
Mekong Regional Water Governance Program: Inclusion Project Phase 2 (regional)	2020–24	Oxfam; Mekong–Australia Partnership
Strengthening Climate Resilience in the Lower Mekong (regional)	2022–25	Oxfam; Mekong–Australia Partnership

Name of investment/activity	Duration	Key partners
Support to the Mekong River Commission (regional)	2021–26	Mekong River Commission; Mekong–Australia Partnership
Climate Resilient by Nature (regional)	2021–25	Ministry of Natural Resources and Environment; World Wide Fund for Nature; Mekong–Australia Partnership
Resilient Urban Centres and Surrounds (regional)	2022–26	Ministry of Natural Resources and Environment; National University of Laos; Mekong–Australia Partnership
Asia–Pacific Water Scarcity Program (regional)	2024–25	Ministry of Natural Resources and Environment; Mekong–Australia Partnership; Food and Agriculture Organization of the United Nations (FAO)
Australian Water Partnership Phase 3 (regional)	2024–29	Ministry of Natural Resources and Environment; Mekong–Australia Partnership
Cooperation with civil society organisations and research institutions on climate resilience and water security (to be designed) (regional)	2025–29	Mekong–Australia Partnership; civil society organisations; research institutions

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Cover photo credits

Top row (from left to right):

- Ms Alounvanh Phakphoumy from the National University of Laos and Ms Somphou Phasulath from the Lao Government Department of Livestock and Fisheries measuring fish. ACIAR and the Australian Government Department of Foreign Affairs and Trade support sustainable fisheries by integrating fishways into irrigation systems.
Credit: Jim Holmes
- Engaged in learning: Students explore the new primary curriculum in action.
Credit: Basic Education Quality and Access in Lao PDR
- The Australian Embassy in Laos' Small Grants Program funded a technical training program for women weaving groups in Luang Namtha province, increasing income opportunities for them and the broader community.
Credit: Mithouna Weaving House Handicraft Promotion Center

Middle row (left):

- Chayphet Phanthakesone, Australia Awards alumna, uses an Alumni Innovation Grant to raise awareness of disability inclusion in Salavan province.
Credit: Laos Australia Institute

Bottom row (from left to right):

- The commemoration of the 30th anniversary of the First Lao–Thai Friendship Bridge in April 2024, funded and constructed by Australia.
Credit: Australian Embassy in Laos
- Australia Awards Short Courses alumni during the Human Resources Symposium 2023.
Credit: Laos Australia Institute