



GIEWS Country Brief The Lao People's Democratic Republic

Reference Date: 22-July-2024

FOOD SECURITY SNAPSHOT

- Planting of 2024 main cereal crops ongoing with some delay in southern and northern parts of the country
- Maize exports in 2023/24 forecast well below average
- Record high prices of most basic food products in May 2024

Planting of 2024 main cereal crops ongoing with some delay in southern and northern parts of the country

Planting of the 2024 main *wet* paddy crop, accounting for almost 90 percent of the annual output, started in mid-May with a two-to-three week delay due to soil moisture deficits in most cropping areas. In late May and June, rainfall amounts were average to above average in the main producing central provinces, which account for about 55 percent of total paddy sowings, allowing plantings and supporting crop establishment and development. By contrast, water deficits persisted in southern and parts of northern provinces, hindering plantings and affecting the early stages of crops. In these provinces, FAO's Agricultural Stress Index (ASI), as of early July 2024, indicated that between 25 to 70 percent of cropland was affected by drought conditions (red, orange and yellow areas on ASI map). However, the final output depends on the performance of the rainy season until October as adequate rains are needed to support plantings and proper crop development. Rains are also needed to replenish main reservoirs, which will provide water for irrigating the 2024 secondary *dry* paddy crop that will be planted at the end of the year.

Planting of the 2024 main *wet* maize crop, for harvest at the end of the year, started in early July. The area planted is forecast well below the average, continuing the steady decline of the last eight consecutive years, as many farmers prefer to grow more remunerative crops such as coffee, bananas, sugarcane and cassava. The 2024 secondary *dry* maize crop will be planted early next year.

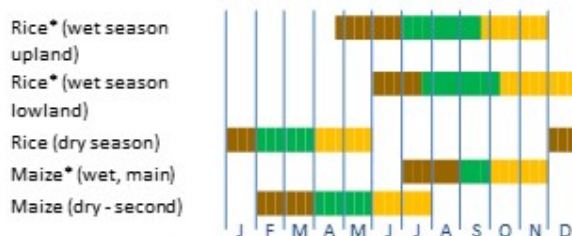
Maize exports in 2023/24 forecast well below average

In the 2023/24 marketing year (September/August), exports of maize, the country's main exported cereal, are forecast at a well

Lao People's Democratic Republic

Crop Calendar

(*major foodcrop)



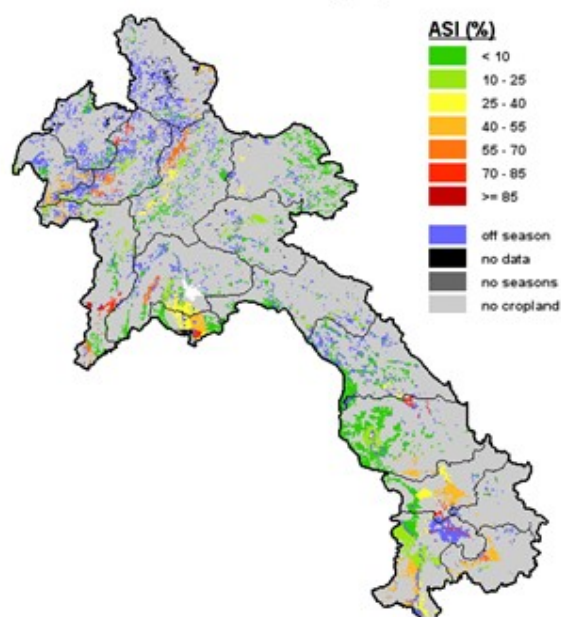
Lean period (mostly north)

Lean period (mostly centre and south)

Sowing (brown)
Growing (green)
Harvesting (yellow)

Lao People's Democratic Republic - Agricultural Stress Index (ASI)

from start of season 1 to dekad 1, July 2024



below average level of 130 000 tonnes due to limited exportable availability following the low outputs harvested in 2022 and 2023.

Record high prices of most basic food products in May 2024

Domestic prices of rice, the country's main food staple, have steadily increased since April 2022, reaching record levels in May 2024 mainly due to soaring costs of production and transportation. Concerns about the negative effects of water deficits on production prospects of the 2024 main crops contributed to further increase prices. Domestic prices of several imported and locally produced basic food commodities, including eggs, meat and cooking oils, were also at high levels in May 2024, mostly due to high production and transport costs. The sharp depreciation of the national currency (LAK) made imports more expensive exerting upward pressure on imported foods. In May 2024, prices of chicken and pork meat, important source of proteins in local diet, were respectively about 70 percent and 10 percent higher than their already elevated levels of a year earlier. The record-high food prices and the low purchasing power of households, amid persistent macroeconomic difficulties, including rampant inflation, severely constrain access to food for the most vulnerable people.

According to the Lao Statistics Bureau, food inflation has been declining since May 2023, but it remains at very high levels, estimated at 27.7 percent in May 2024.

The LAK has depreciated steadily since late 2021 and, in June 2024, it reached a low level of LAK 21 773 per USD 1, largely due to concerns about the government's ability to meet its debt repayment obligations and sizeable current account deficits.

Disclaimer: The designations employed and the presentation of material in this information product do not imply the expression of any opinion whatsoever on the part of FAO concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Lao People's Democratic Republic

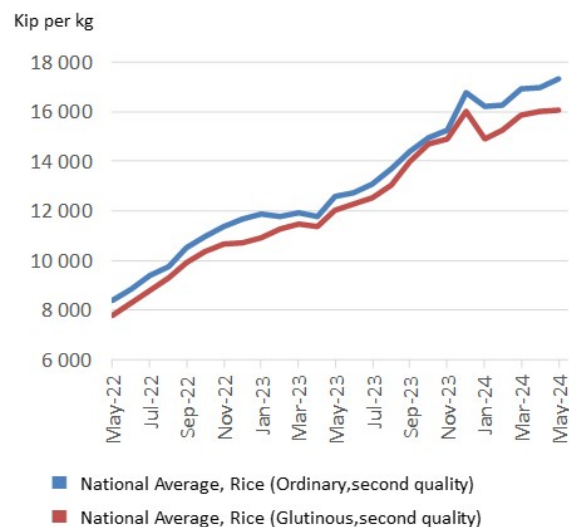
Cereal Production

	2018-2022 average	2022	2023 estimate	change 2023/2022
	000 tonnes			percent
Rice (paddy)	3 566	3 774	3 835	1.6
Maize	759	635	600	-5.5
Total	4 325	4 409	4 435	0.6

Note: Percentage change calculated from unrounded data.

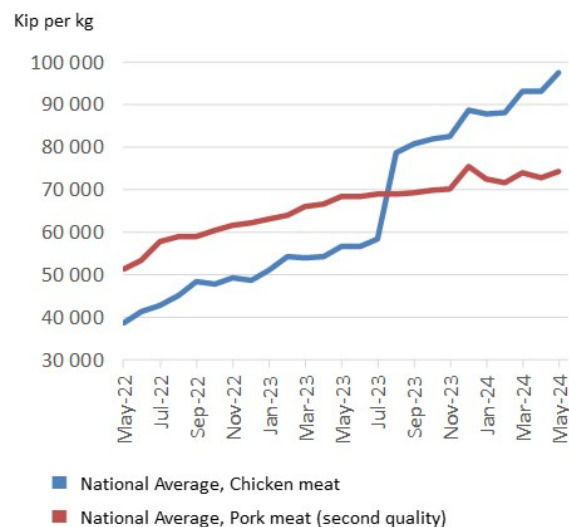
Lao

Retail prices of rice



Lao

Retail prices of chicken meat and pork meat



This brief was prepared using the following data/tools:

FAO/GIEWS Country Cereal Balance Sheet (CCBS) <https://www.fao.org/giews/data-tools/en/>.

FAO/GIEWS Food Price Monitoring and Analysis (FPMA) Tool <https://fpma.fao.org/>.

FAO/GIEWS Earth Observation for Crop Monitoring <https://www.fao.org/giews/earthobservation/>.

Integrated Food Security Phase Classification (IPC) <https://www.ipcinfo.org/>.