



GIEWS Country Brief The Lao People's Democratic Republic

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FOOD SECURITY SNAPSHOT

- Poor rains affect planting and establishment of 2023 main crops in parts of country
- Maize exports in 2022/23 forecast well below average
- Record high prices of most basic food products in June 2023
- Acute food insecurity underpinned by record food prices and macroeconomic difficulties

Poor rains affect planting and establishment of 2023 main crops in parts of country

In key producing central and southern provinces, planting operations of the main (wet) season paddy crop, representing almost 90 percent of the annual output, started in late May with a delay of almost one month due to severe soil moisture deficits. Average to above-average precipitation amounts in June and July have allowed sowings to pick up and improved vegetation conditions, while water deficits persist in some southeastern areas. In Vientiane and northern provinces, well below-average rainfall amounts since late April hindered planting operations and reduced sowings are expected. Yields are likely to be negatively affected, particularly in Vientiane and southern Xayaboury provinces, due to severe drought conditions (ASI map, red and orange areas). The mostly irrigated 2023 secondary (dry) season crops will be planted at the end of the year.

Planting of the 2023 main maize crop, for harvest at the end of the year, is ongoing at a very slow pace due to soil moisture deficits in northern parts of the country, where maize cultivation is concentrated. If rains do not improve in the next few weeks, both area planted and yields are likely to be at a below-average level.

Maize exports in 2022/23 forecast well below average

Exports of maize, the country's main exported cereal, are forecast at 150 000 tonnes in the 2022/23 marketing year (September/August), well below the five-year average, mainly due to the sharply reduced harvest obtained in 2022.

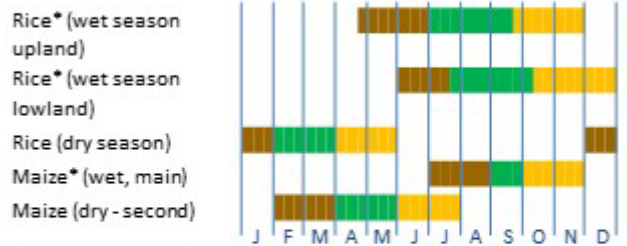
Record high prices of most basic food products in June 2023

Prices of the glutinous Type 2 rice variety, widely consumed in the country, soared in most markets throughout 2022, mainly reflecting high production and transport costs. Prices stabilized at

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Crop Calendar

(*major foodcrop)



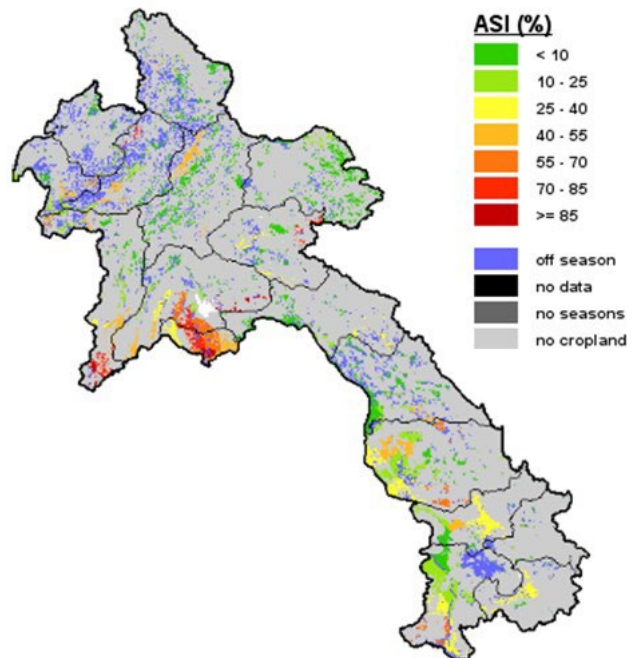
Lean period (mostly north)

Lean period (mostly centre and south)

Sowing
Growing
Harvesting

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

from start of season 1 to dekad 3, July 2023



the beginning of 2023, but resumed their upward trend last April over concerns about the impact of water deficits on the 2023 main crops. Prices of several imported and locally produced basic food commodities, including wheat flour, eggs, meat and cooking oils, have increased since early 2022 and reached, in many cases, record levels in June 2023, mainly reflecting the sharp depreciation of the national currency (Lao kip). In June, prices of chicken and pork meat, important source of proteins in the local diet, were about 40 and 30 percent, respectively, higher than their already elevated levels of a year earlier.

The Lao kip depreciated steadily since late 2021 and, last May, it reached a record low level at LAK 17 553 per USD 1, largely due to concerns about the government's ability to meet its debt repayment obligations and sizeable current account deficits.

Acute food insecurity underpinned by record food prices and macroeconomic difficulties

According to the 2022 FAO/WFP Crop and Food Security Assessment Mission [report](#), as of November 2022, approximately 1.04 million people (14 percent of the total country's population) were estimated to be moderately acute food insecure and 71 000 people to be severely acute food insecure. The main drivers of acute food insecurity were the high food prices and the reduced incomes due to the slowdown of the national economy in 2022. In 2023, concerns on the access to food persist as prices stand at record levels and purchasing power of the most vulnerable households remain low, amid persistent macroeconomic difficulties, including rampant inflation. According to the Lao Statistics Bureau, the food inflation rate was estimated at 37.8 percent in July 2023. Currency depreciation and low foreign exchange reserves are contributory factors to the inflationary pressure and resulted in increased costs of imports of essential products. In northern rural areas, the below-average cereal production in 2022 resulted in the early depletion of food stocks and it severely affected the financial capacity of farmers to adequately carry out agricultural activities during the current season.

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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/>.

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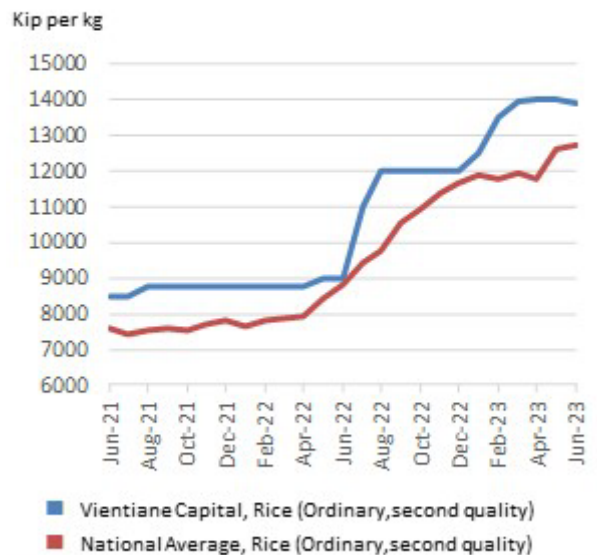
Cereal Production

	2017-2021	2021	2022	change
	average		estimate	2022/2021
000 tonnes				
Rice (paddy)	3 590	3 673	3 568	-2.8
Maize	871	703	635	-9.7
Total	4 461	4 376	4 203	-3.9

Note: Percentage change calculated from unrounded data.

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Retail prices of Rice



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Retail prices of Chicken meat and Pork meat

