



# NTA IN LAO PDR

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# OUTLINE

- **NTA background in Laos**
- **Data uses**
- **Population age-structure in Laos**
- **NTA results/Key highlights for Lao PDR**
- **Limitations and Next steps**

# NTA BACKGROUND IN LAOS

- Laos first introduced to NTA in 2009 through NUPRI support to integrate population factors into the national socio-economic plan.
- In conjunction with National Economic Research Institute (NERI) and Planning Department, Lao Statistic Bureau (LSB) is assigned to take lead in constructing NTA in Laos.
- Joined two NTA trainings in Thailand, 2010 and 2015
- In-country training by NUPRI (2011) and East-West Centre (2015)
- The progress is very slow and so far the official report on Lao NTA is yet available.

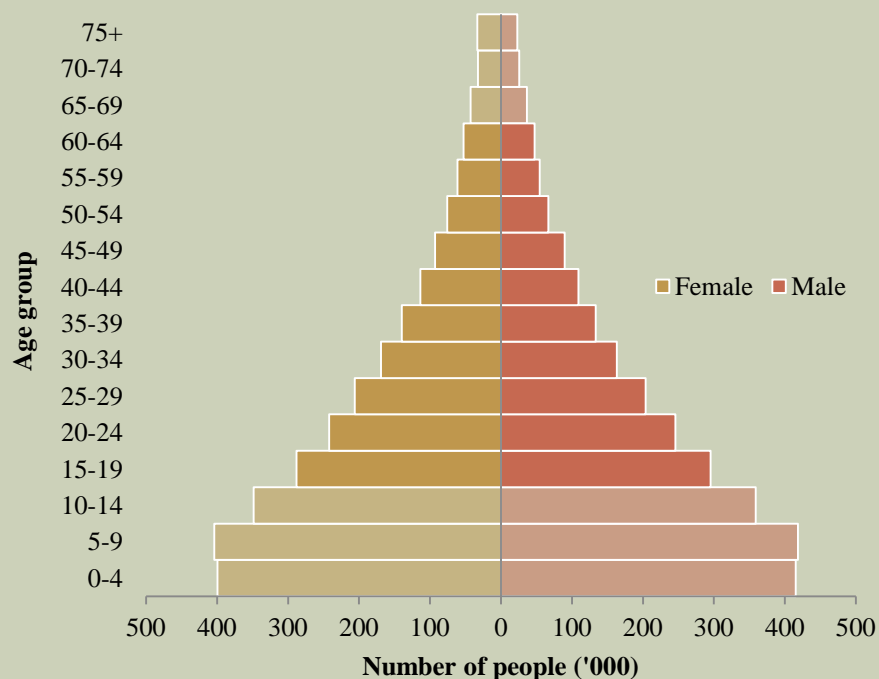
# DATA USES

- Construct NTA requires substantial data, however, reliable and consistent data remain challenges.
- This NTA result is based on the inconsistency of timeframe data: macro data (National Income Account) in 2008 and micro data (Lao Expenditure and Consumption Survey) in 2012-13, therefore the result may be under estimated.

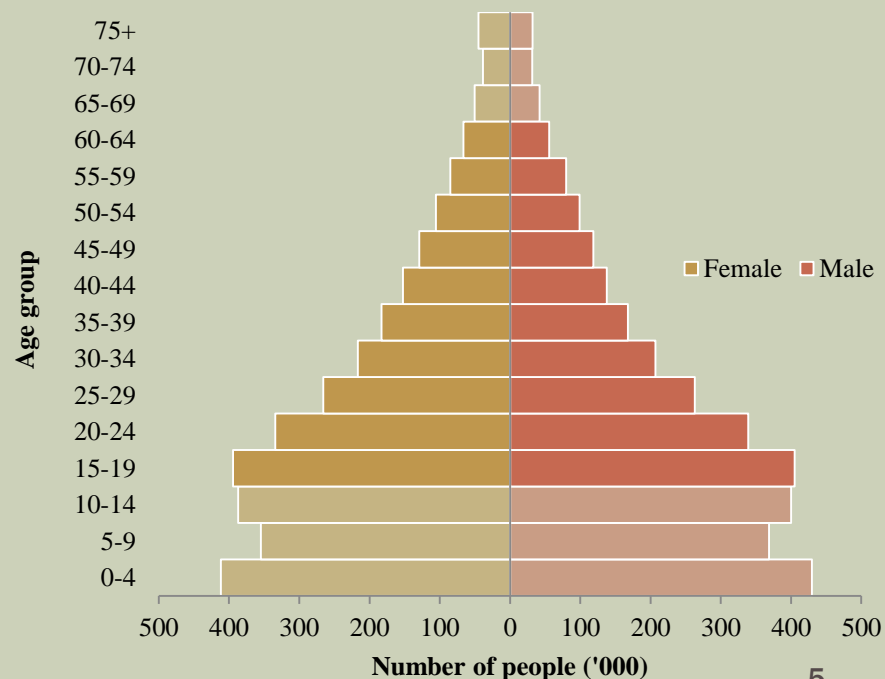
# POPULATION AGE STRUCTURE IN LAOS

- In last decades, proportion of population in working age group increase significantly, pop. growth stays nearly 1.7% in average and GDP grows approximately at 7.4% per year.
- Consequently, Laos begin to gain benefit from labor force increasing.

2000

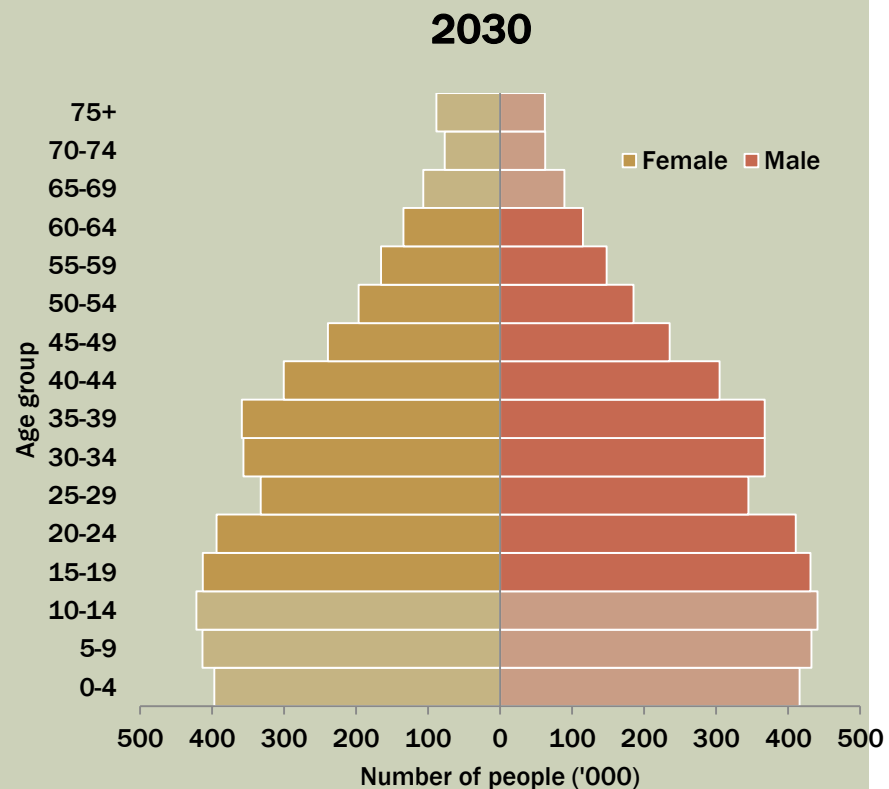
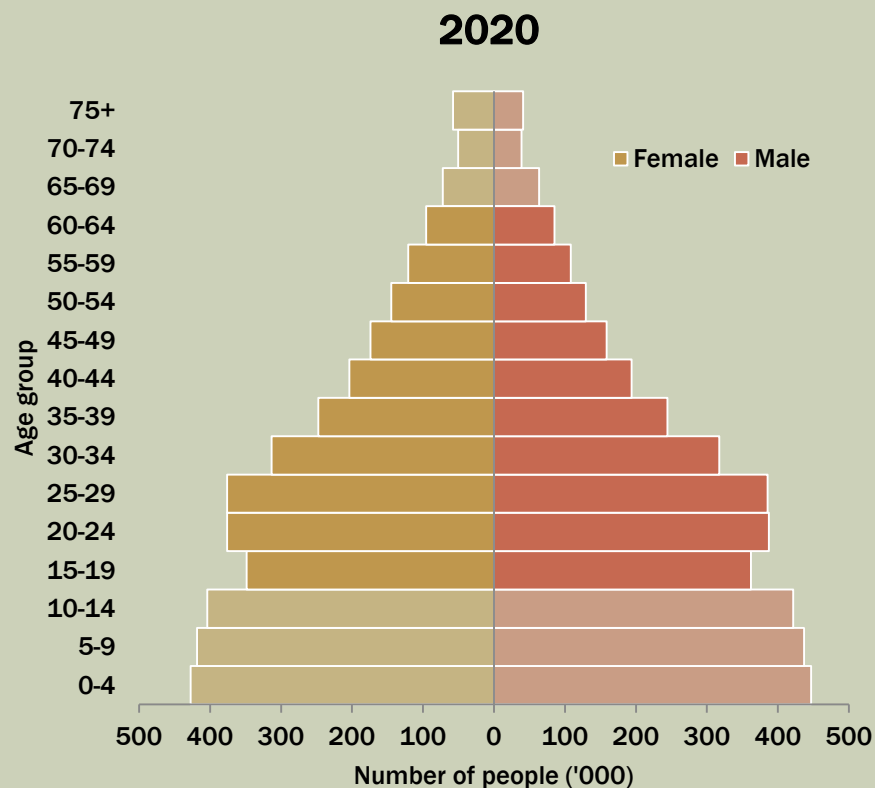


2010



# POPULATION AGE STRUCTURE IN LAOS

And next few decades, Laos still benefit from increasing of working age group (pop. growth is projected at 1.4% of 2020-2030)

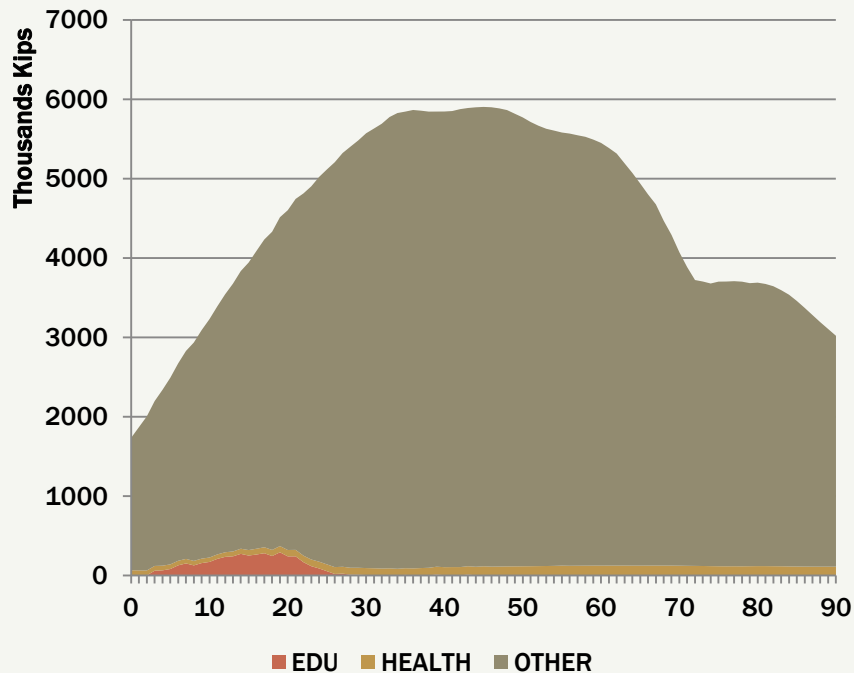


# NTA RESULTS/KEY HIGHLIGHTS FOR LAO PDR

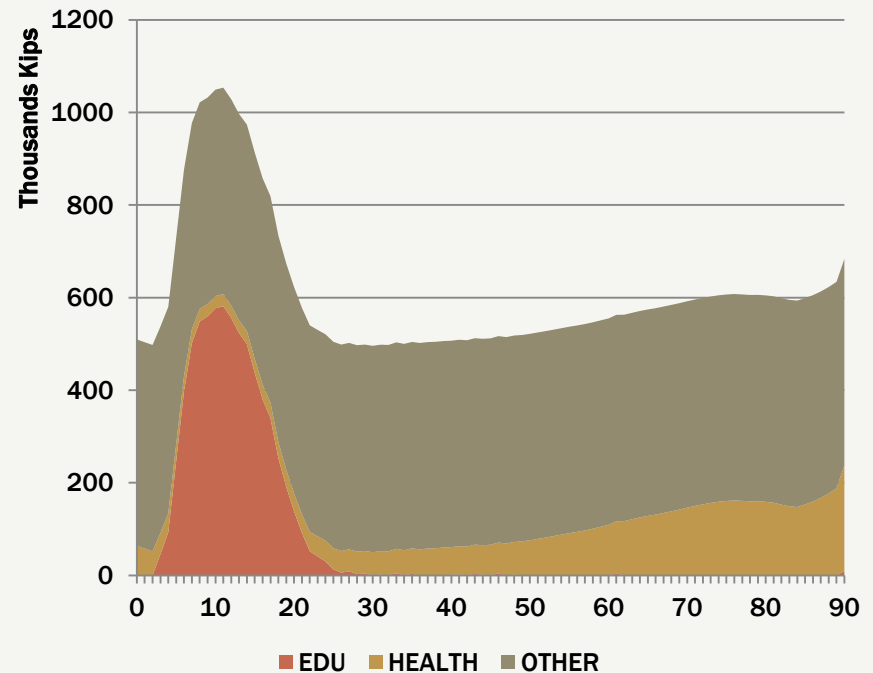
# PATTERN OF CONSUMPTION

- In term of value, private consumption contributes the most in total consumption
- Public consumption: subsidized education for children and health services for elderly.

## Private



## Public

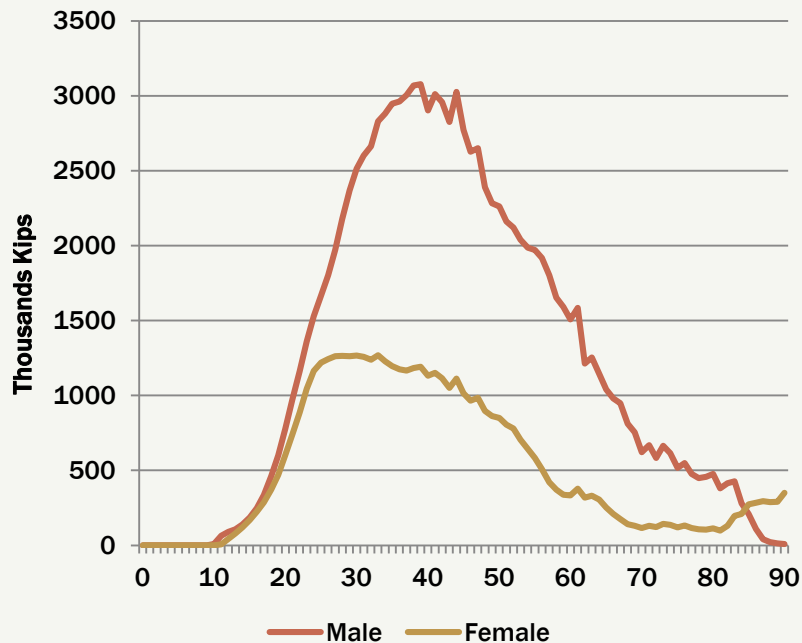




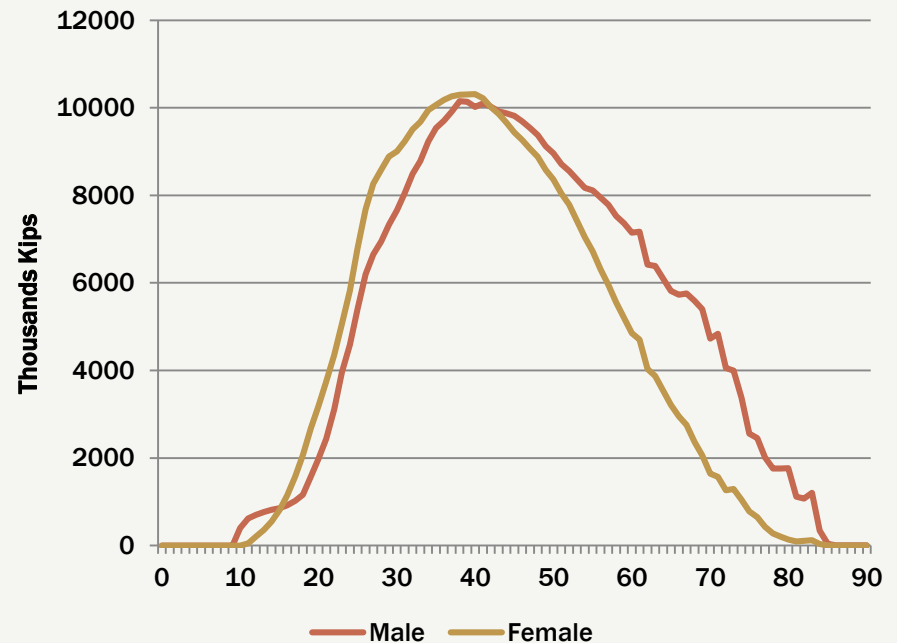
# PATTERN OF INCOME

- Population start to earn income at early age
- Male could earn income much higher and last longer than female

**Compensation of Employees, per cap.**

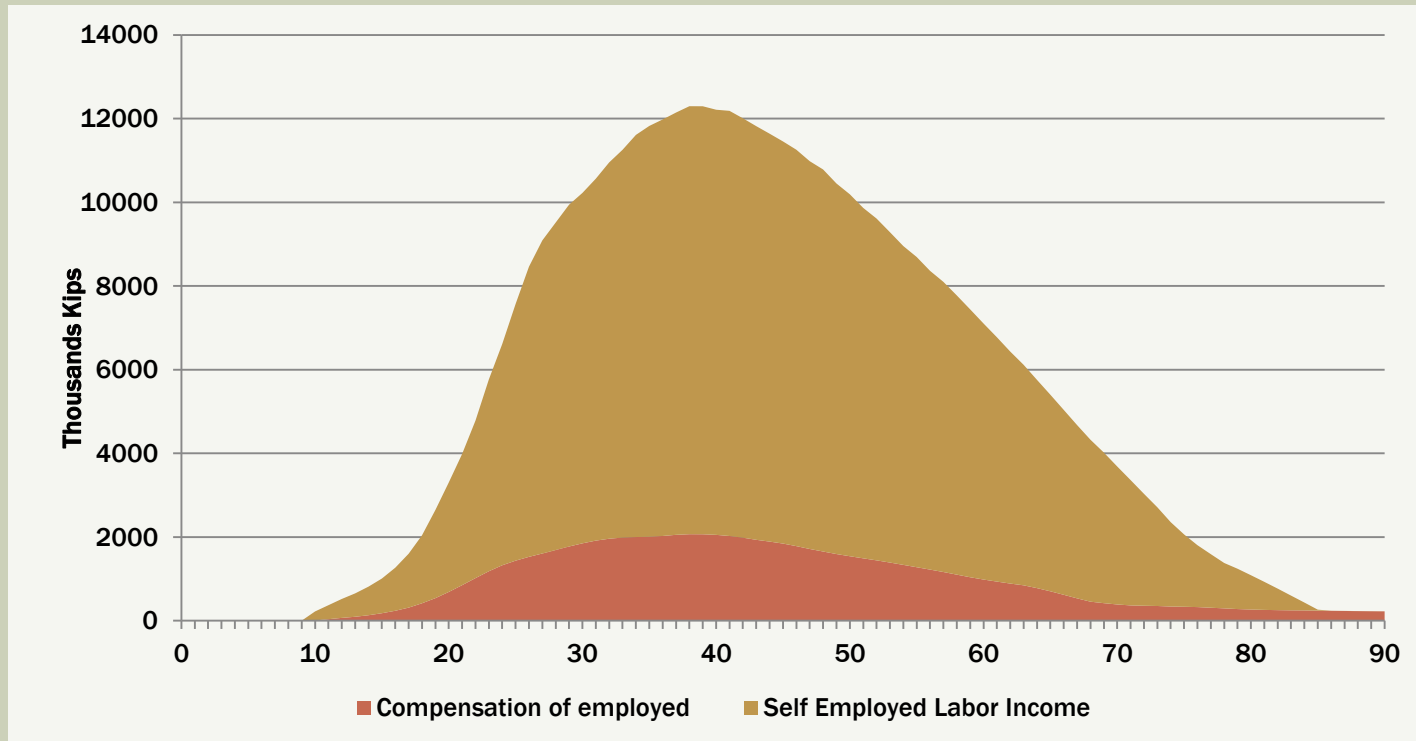


**Self-employed income, per cap.**



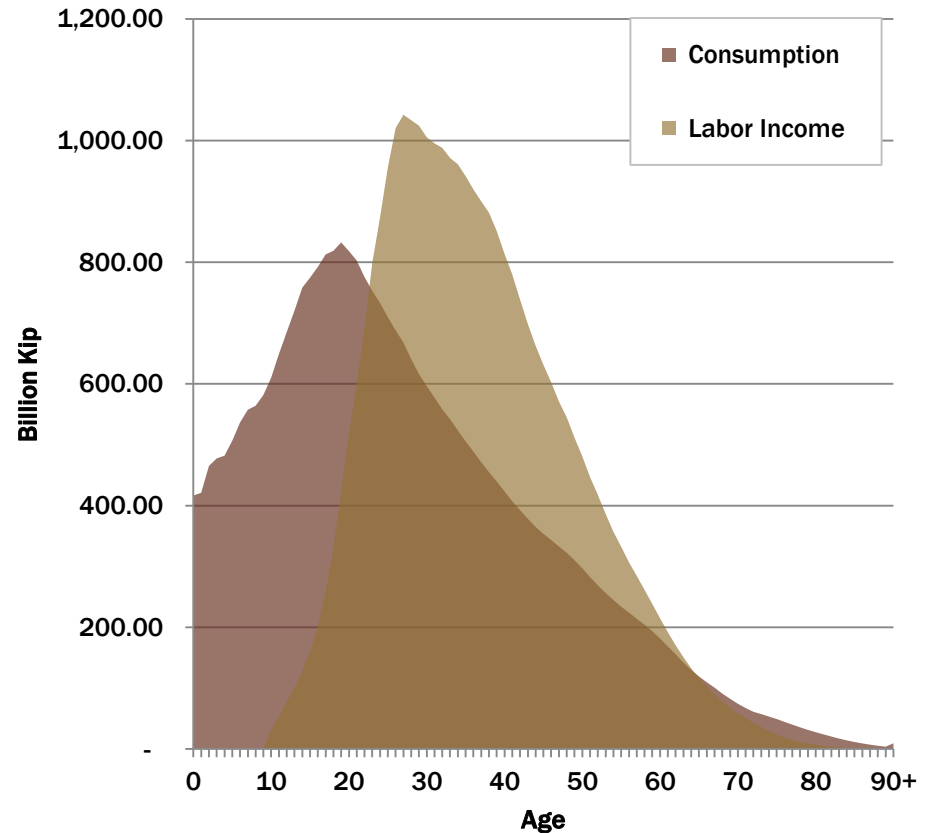
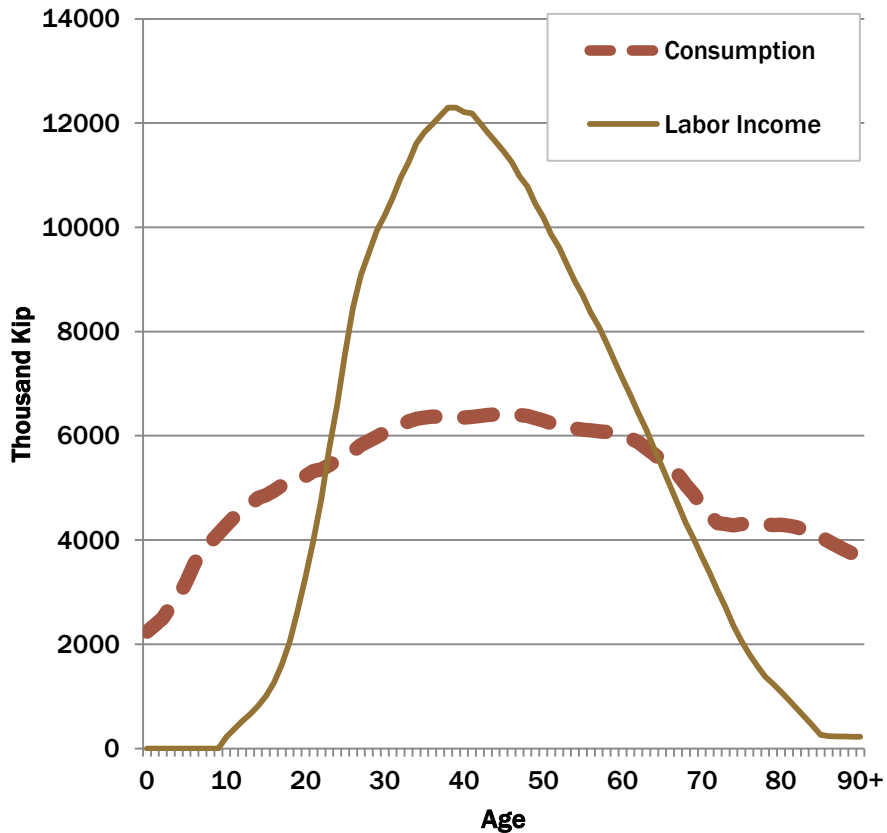
# PATTERN OF INCOME

- Main sources of income are from self-employed labour income
- At age 39-40, labor income was highest level



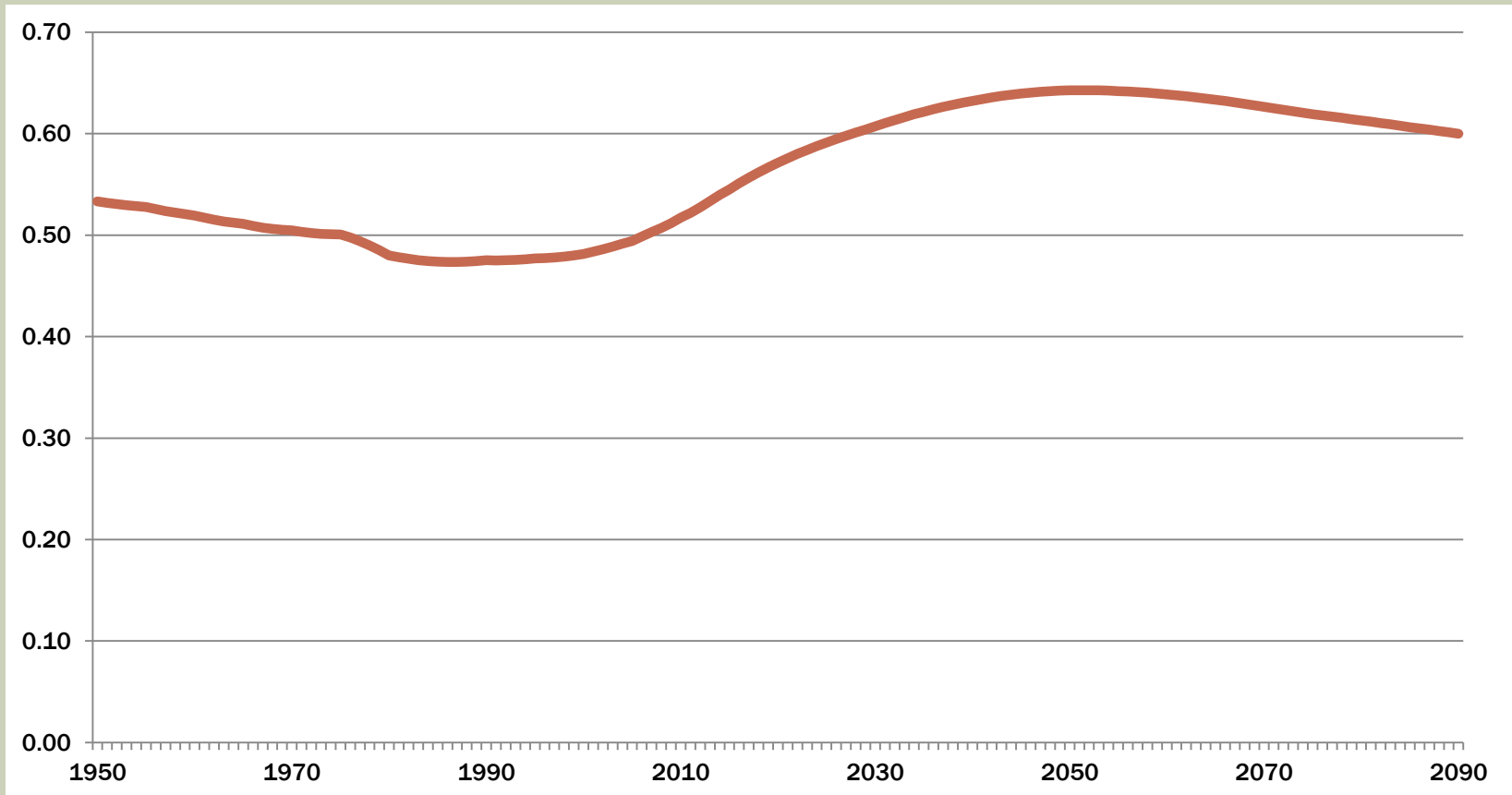
# LIFE CYCLE DEFICIT

- Lao population had an income surplus during the age 23-64
- While, the rest age group ( 0-22 and 65+) consume much higher than they earn

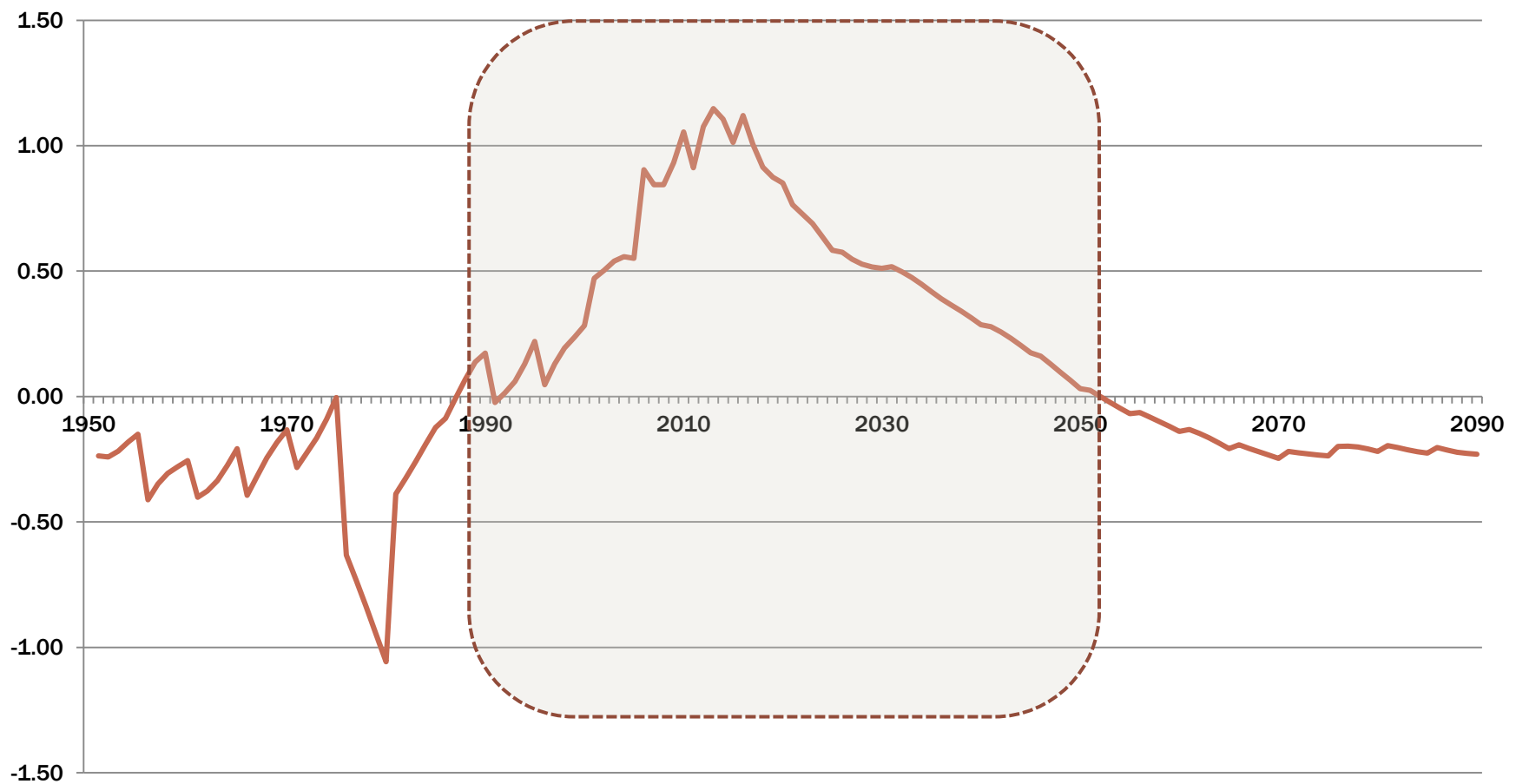


# SUPPORTED RATIO

The average of support ratio from 2015 to 2050 is **0.48%** per year



# FIRST DEMOGRAPHIC DIVIDEND



# KEY FINDING AND SUGGESTION

- Laos will be able to enjoy higher economic growth from an increasing share of working ages for the (*enjoy 1st demographic dividend till 2052*).
  - However, the first demographic dividend is not automatic. It requires prudent human capital development policy to make it possible. Therefore, need to invest in children's education and health, so that the future labor force will be productive.
- Population earn income at early age, this needs further study

# LIMITATION

- Data availability, reliability and consistency
- Capacity (human resource) challenges to construct NTA and in-depth research and analysis on NTA – including technical capacity, reshuffling of staff, etc
- The awareness of NTA is narrow particularly among policy makers and planner in line ministries.
- Financial limitation to conduct NTA research and analysis – currently supported by UNFPA Lao PDR and TA from East-West Centre

# NEXT STEPS

- Raising awareness workshop is important and necessary to integrate NTA findings to relevant policy formulation and implementation
- Concrete work plan with expected outputs for each period in order to show results for policy advocacy as well as support
- Continuous technical and financial support is necessary to improve capacity of Lao NTA team
- Extend and update NTA calculation and studies by addressing more specific issues – using updated data from the PHC 2015 and other recent surveys





**Thank You**