

10th NSEDP Financing Strategy (2026–2030): Background & Objectives

Background:

- The 10th NSEDP (2026–2030) aims to guide Laos toward long-term national development goals, including LDC graduation, green growth, and sustainable development.
- The Financing Strategy (FS) is being developed in parallel to support the implementation of the 10th NSEDP.
- Building on lessons from the 9th NSEDP FS, this new strategy aims to strengthen the links between development priorities and realistic financing pathways.

Objectives of the Financing Strategy:

1

Align financing needs with national development priorities

Ensure financing aligns with priorities under the 10th NSEDP.

2

Identify and diversify financing sources

Across public, private, domestic and external flows.

3

Propose actionable reforms

To strengthen domestic resource mobilization, expenditure efficiency, and access to sustainable financing.

4

Provide a structured framework

For dialogue with development partners and the private sector.

Process, Progress & Next Steps

Development Process:

- Team of international and national consultants onboard.
- Guided by the Integrated National Financing Framework (INFF) approach.
- Includes sector consultations, costing exercises, macro-fiscal analysis, and policy prioritization.

Next Steps:

- Incorporate workshop feedback into draft FS including Costing Plan.
- Circulate draft FS including Costing Plan prior to Macroeconomics SWG by late Q3/ 2025.
- Integrate the FS into the NSEDP and embed financing indicators in its M&E framework.
- Update roadmap for robust M&E, and conduct consultation workshops, training, and implementation planning.
- Finalize the FS by end-2025 in parallel with the 10th NSEDP and prepare for possible endorsement by the Prime Minister to secure high-level commitment by Q1/2026

Progress to Date:

- **Costing Plan & Financing Gap Analysis** ongoing.
- **2-Day consultation workshop (15–16 July, Vang Vieng)** → 11 ministries, LNCC, Lao SME Association, 8 technical sessions, co-chaired by DOP & UNDP & ADB.
Key topics covered: → Public finance, ODA, debt, domestic/international private finance, MSMEs, green/climate finance, social sectors, M&E tools.
- **Stakeholder feedback to be incorporated** → Refining assumptions, identifying priority financing pathways, including blended/innovative finance instruments.