

SUN CSA Laos

Study on Impacts of Inflation on Food Security in Lao PDR



February 2023



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List of acronyms

APL+	Association of People Living with HIV/AIDS
ARMI	Association for Rural Mobilisation and Improvement
CRS	Catholic Relief Services
FAO	Food and Agriculture Organisation
FIES	Food Insecurity Experience Scale
FPIC	Free, Prior and Informed Consent
LSB	Lao Statistics Bureau
mVAM	mobile Vulnerability Analysis and Mapping (WFP Project)
PFHA	Promotion of Family Health Association
RDA	Rural Development Agency
SNV	Stichting Nederlandse Vrijwilligers (Dutch development agency)
SUN CSA Laos	Scaling Up Nutrition Civil Society Alliance in Laos
SUN Laos	Scaling Up Nutrition Laos
WB	World Bank
WFP	World Food Programme

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Thanks to the communities and families across the provinces who participated in the surveys and provided their concerns and future plans as part of this study. We commit to making our future efforts support your needs and aspirations.

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SUN CSA Laos is a voluntary alliance, with the financial and in-kind contributions of member organisations providing the inputs that result in a strong, vibrant alliance that has a measurable impact on improving nutrition in all its forms.

More information about the work of civil society in Laos can be found on the [SUN CSA Laos website](#), [Facebook page](#) and via email at info@suncsalaos.org.

Study on the Impacts of Inflation on Food Security in Lao PDR

February 2023

1. Executive Summary

Families in Lao PDR have faced multiple challenges in recent years. For the past 3 years the COVID pandemic has reduced many people's livelihoods and incomes. Since 2022, global inflation and currency devaluation have both negatively impacted the Lao economy, with inflation reaching 41 percent in February 2023. Climate challenges including drought and floods have damaged crops and reduced agricultural incomes. These economic, health and climate challenges have made it increasingly harder for Lao families to provide for themselves and it has increased food insecurity nationally.

Scaling Up Nutrition Civil Society Alliance (SUN CSA) Laos member organisations are aware of the challenges and are working to improve food security. In partnership with the Government of Lao PDR, as well as other stakeholders in the Scaling Up Nutrition (SUN) Laos network, including international donors and the UN, civil society organisations are looking for solutions and working to mitigate these challenges.

In the February 2023 SUN CSA Laos Food Security survey, 91 percent of the 1316 surveyed households said they had faced challenges to meet the cost of living during the past 12 months and approximately 11 percent were moderately or severely food insecure, meaning they have gone without eating for a whole day at least once in the past 12 months due to lack of food or money. Almost half the respondents surveyed said they had run out of food at least once in the past 12 months (47 percent), 31 percent of respondents had skipped a meal and 56 percent of households had been unable to eat healthy or nutritious diets. They attribute their food security challenges to the increase in food costs (67 percent), insufficient income (66 percent) and the increase in fuel costs (63 percent). Respondents said their households have had to use negative coping actions, including buying less food (71 percent), foraging more (65 percent), eating less (52 percent), borrow money (41 percent) and selling assets (34 percent). Respondent households also reported planting less food (29 percent), reducing education spending (15 percent), having children miss or leave school (13 percent), and reduce spending on required health care (12 percent).

Similar results have been found over the past 7 months in the Monthly Food Security Monitoring Surveys by the World Food Programme (WFP), which identified that 12-14 percent of households in Lao PDR are food insecure and households that have decreased income in the past 12 months are 3.5 times more likely to be food insecure than households with a stable income (28 percent vs. 8 percent).

While the macro-economic influences on inflation and currency fluctuation need to be addressed by the government and international financial institutions, the real-world impacts on Lao families also need to be reduced to avoid severe short-term consequences for families and long-term damage to Lao's national development and poverty reduction efforts. This food security response will require a multi-sector, multi-stakeholder approach, as has been successfully developed by the Government of Lao PDR over the past 12 years through the Scaling Up Nutrition (SUN) initiative. By investing in

coordination of targeted agriculture, health, education and livelihoods initiatives, the Lao Government and its civil society and other development partners, will be able to make a significant difference to vulnerable households across the country.

This food security study recommends a number of actions by civil society, government and other development partners to consider in the collective response to these challenges. These recommendations include:

1. Monitor evolving needs in communities and highlight specific food insecurity needs to the SUN Laos network and in coordination meetings.
2. Take the time to work collectively with other development partners in food security responses and commit to active coordination through the SUN Laos mechanism.
3. Review and adjust current projects to increase their focus on increasing food security.
4. Share ideas and efforts in responding within the SUN Laos network (ie. at SUN CSA Hangouts and coordination meetings).
5. Design new project proposals to address key food security issues. Consider including emergency response activities within these longer-term projects to allow flexibility.
6. Consider developing emergency projects that support direct and immediate food security interventions – including cash transfer, food distribution, increased seed distributions, increased health services, school feeding etc.
7. Communicate with donors, government and implementing organisations to find ways of increasing support for the target communities.

Civil Society Organisations working together through SUN CSA commit to continuing to share resources, promote action and collaborate with all stakeholders from the community, government, and wider development partners to reduce the negative impacts of inflation and to increase food security for families across Lao PDR. Resources to respond to this food security challenge can be found on the [SUN CSA Laos website](#), including on the [Household Food Security project page](#).



2. Introduction

2.1 Background to the Study – Increasing Food Security Challenges in Laos

Families in Lao PDR have been facing multiple challenges in recent years. Since 2020, the COVID pandemic negatively impacted many people's livelihoods and incomes. From 2022, global inflation and currency devaluation have both negatively impacted the Lao economy, with the Lao Bureau of Statistics reporting year-on-year inflation in Lao PDR reaching 41 percent in February 2023, up 7 percent in 5 months from 34 percent inflation in September 2022 (LSB, CPI Report March 2023). These economic challenges have made it increasingly harder for Lao families to provide for themselves and has contributed to increased food insecurity nationally.

The WFP Lao PDR Food Security Monitoring - Remote Household Food Security Survey Brief published in October 2022 reported that one in seven households in Lao PDR are food insecure (14 percent), with only a small reduction to 13 percent in their February-March 2023 Report. The February-March 2023 report identified that more than half of the population is relying on coping strategies to put food on the table and meet other essential needs. Compared to September 2022, Lao households resorting to livelihood-based coping strategies increased to 63 percent from 57 percent, while the number of households employing emergency coping strategies also increased. This indicates an increase in vulnerability among households. The WFP report identified that the most common coping strategies are spending savings (43 percent), cutting down on health expenditure (19 percent), and borrowing to buy food (19 percent). The heavy reliance on coping strategies by households in Lao PDR is alarming, indicating households' diminishing capacity to respond to additional shocks in the future.

The Lao PDR Economic Monitor report of October 2022 from the World Bank states high inflation has eroded the purchasing power of households, many of whom experienced income losses from COVID-19. In 2022 consumer price inflation rose to 37 percent by October 2022, while food price inflation reached 39 percent. Key interventions introduced by the government to mitigate the impact of inflation were price support (i.e., price controls and fuel excise tax reductions) rather than income support measures. With limited support, Lao families had to reduce food consumption (34 percent of respondents), switch to cheaper food options or foraging (39 percent) and resort to self-production (47 percent) in response to food price inflation, while 65 percent of households cut their spending on education and health to cope with additional burdens from rising prices. These coping strategies are deemed detrimental to long-term human capital development.

2.2 Description of the Study

Families in Lao PDR were adversely impacted by the COVID pandemic and inflation. In response, 13 organisations from the Scaling Up Nutrition Civil Society Alliance Laos (SUN CSA) conducted a survey across their project locations in 14 provinces to investigate the effects of inflation on the nutrition and food security of Lao families. The survey aimed to identify families' needs, coping strategies, and future plans, as well as to provide an overview of significant nutrition and food security challenges affecting families throughout the country.

2.3 Objectives

The research study aimed to:

- Identify the impacts of inflation on nutrition and food security for Lao families, particularly as it relates to their coping strategies and future plans;
- Identify key nutrition and food security issues that are affecting families across the country; Develop recommendations for potential interventions by SUN CSA members, as well as other stakeholders, including the government and development actors in Lao PDR.

3. Methodology

3.1 Study Design

The SUN CSA Laos Research Working Group and Civitas team worked together to develop survey questions for the SUN CSA Study on the *Impacts of Inflation and Food Insecurity in Lao PDR*. The collaborative effort ensured that well-targeted topics were identified, and high-quality, collaborative research was conducted and disseminated widely. The survey included the 8 questions from the Food and Agriculture Organisation's (FAO) Food Insecurity Experience Scale (FIES). Refer to Annexe 1 to see the complete questionnaire. Topics in the survey include household challenges to access food and earn income in the past 12 months. It asks about coping strategies used and about access to support from external sources. The survey also asks about the respondents' future plans and expected needs. Refer to Annexe 1 to see the complete questionnaire. The study design aims to understand the current food security-related challenges and coping mechanisms for households across Lao PDR and to better understand their future plans and potential needs.

3.2 Study Location

The research survey data was collected by the SUN CSA member organisations in their project locations, using digital surveys (Kobo Toolbox). In total, 10 organisations collected 1316 surveys in 14 provinces. The provinces included: Bokeo (19), Luang Namtha (6), Oudomxay (500), Phongsaly (33), Luang Prabang (38), Houaphanh (459), Xiangkhouang (5), Vientiane (17), Vientiane Prefecture (17), Khammouane (88), Salavanh (52), Savannakhet (25), Sekong (55) and Champasak (2). The number in brackets is the number of surveys done in each province.

3.3 Sampling Method

The organizations involved in the data collection used their own staff to conduct surveys in the villages where their projects were already being implemented. However, respondents were not always participants in the organisation's projects. This sampling allowed the surveys to be conducted without additional costs to the organisations or permission required from the local government. Random sampling was used to identify respondents in each village.

of the households. The app allowed them to skip questions that were not relevant to a particular household, as well as to set limits on valid responses.

To ensure quality, the survey data was regularly monitored and supervised by the Data Manager, and logistical support was provided by the Field Supervisor to the surveyors.

3.6 Analysis

The data collected through the surveys was cleaned and checked for inconsistencies and missing values. Then, basic descriptive statistics such as frequencies, percentages and means were used to summarize the data and describe the characteristics of the sample.

The SUN CSA survey results were compared to other survey reports to consider the implications of similar findings in relation to food security challenges in Lao PDR.

3.7 Ethics

The research team used the Free, Prior and Informed Consent (FPIC) method, which involves obtaining the informed consent of participants before conducting any research activities. This means that the research team explained the purpose of the study, the data collection process, and the potential risks and benefits to the participants before obtaining their consent to participate.

The survey also included a consent question to ensure that participants were aware of their rights and could choose to withdraw from the study at any time.

In addition, the enumerators who conducted the surveys were trained on Health and Safety good practices for fieldwork, such as maintaining physical distance, wearing personal protective equipment, and following proper hygiene practices. They were also trained on the ethical considerations for conducting research in communities, such as respecting cultural norms, maintaining confidentiality, and ensuring the well-being of participants.

3.8 Limitations and Biases

Despite the training provided to the surveyors, there were some limitations and biases encountered during the data collection process.

The main limitation is that surveys samples were not large enough to be representative except for the provinces of Oudomxay and Houaphanh. This was by design, as one goal of the survey was to include as many organisations as possible, including smaller organisations that didn't have funding to conduct larger surveys. This precluded being able to require a representative sample size from each province. Despite this, the survey and analysis is still useful to give qualitative depth to the discussion on responses to food security issues in Lao PDR.

Additionally, as different surveyors were used for data collection, the quality of data collected may have varied, despite the training provided. Some surveyors may have had more experience and better understanding of the survey questions, while others may have struggled with certain aspects of the survey.

4. Analysis

Section 4.1 presents the demographics of the interviewed population and the overall key findings using the data collected in all 14 provinces. Section 4.2 and 4.3 will present findings from the North and South regions, using only the data collected in the provinces where more than 50 surveys were done, as provinces with less than 50 surveys are not representative. In the North, survey data from two provinces will be used: Houaphan (459 surveys) and Oudomxay (500 surveys), both of which are representative samples at the district level. In the South, data from three provinces will be used: Khammouane (88 surveys), Salavan (52 surveys) and Sekong (55 surveys). These 5 provinces represent 88 percent of the data collected in the southern region, with Houaphan and Oudomxay together representing almost two thirds of the total surveys in this study (73 percent).

4.1 Overall Key Findings

Demographics of surveyed households

1316 survey interviews were conducted in February 2023 by 11 SUN CSA member organisations in 14 provinces. Below are the survey target provinces with their districts (number of surveys completed in brackets).

Bokeo: Houayxay (3) Pha Oudom (19)

Champasak: Pakse (2)

Houaphanh: Viengxay (216), Xamneua (27), Xiengkho (216)

Khammouane: Sebangphay (28), Thakhek (5), Xaibouathong (5), Yommalath (50)

Luang Namtha: Luang Namtha (6)

Luang Prabang: Luang Prabang (11), Nam Bak (1), Pak Seng (24), Phoukhoun (1), Xiengngeun (1)

Oudomxay: Beng (240), Nga (247), Pakbeng (13)

Phongsaly: Khoua (12), May (6), Samphanh (15)

Prefecture of Vientiane: Naxaithong (1), Sikhottabong (1), Xaysetha (3), Xaythany (12)

Province of Vientiane: Thoulakhom (17)

Salavan: Sa Mouay (15), Salavan (37)

Savannakhet: Assaphone (4), Nong (5), Thapangthong (16)

Sekong: Dak Cheung (31), Kaleum (24)

Xiangkhouang: Pek (5)

43 percent (570) of the people surveyed were women, and half of the respondents (659) don't speak Lao as first language at home. 84 percent (1110) of the households surveyed have between 3 and 8 people living in the house. The total population related to the survey is 7770 people, averaging 5.9 people by household.

Economic Situation: Source of Food and Income

Almost all the households interviewed (96 percent) own one or several types of land for productive purposes. A garden is owned by 79 percent of the respondents, household land owned by 75 percent,

paddy land by 66 percent, upland rice by 60 percent, grazing land by 39 percent and cash crops land by 35 percent.

91 percent of respondents grow food and raise animals for themselves as regular source of food, 83 percent of respondents forage food in the forest and 75 percent buy food at the market. 93 percent of respondents buy meat at the market.

The most important regular source of income/money of the interviewed households is the sale of farming products (78 percent), mostly livestock (74 percent) and vegetables or fruits (59 percent), followed by the sale of non-timber forest products (51 percent). 34 percent of respondents work as casual labours, while 8 percent receive a salary from the government and 4 percent from a company. 7 percent of respondents own a business.

Economic Challenges during the previous year

During the previous year, 91 percent of the surveyed households experienced economic challenges related to cost of living / household costs.

The largest challenge identified was fuel and transport price increases (73 percent). The second largest are challenges related directly to farming or business costs (61 percent), followed closely by the lack of money for food (57 percent). Other significant challenges included the lack of money for health expenses (43.5 percent), the lack of food (39 percent) or the lack of money for school fees (25 percent).

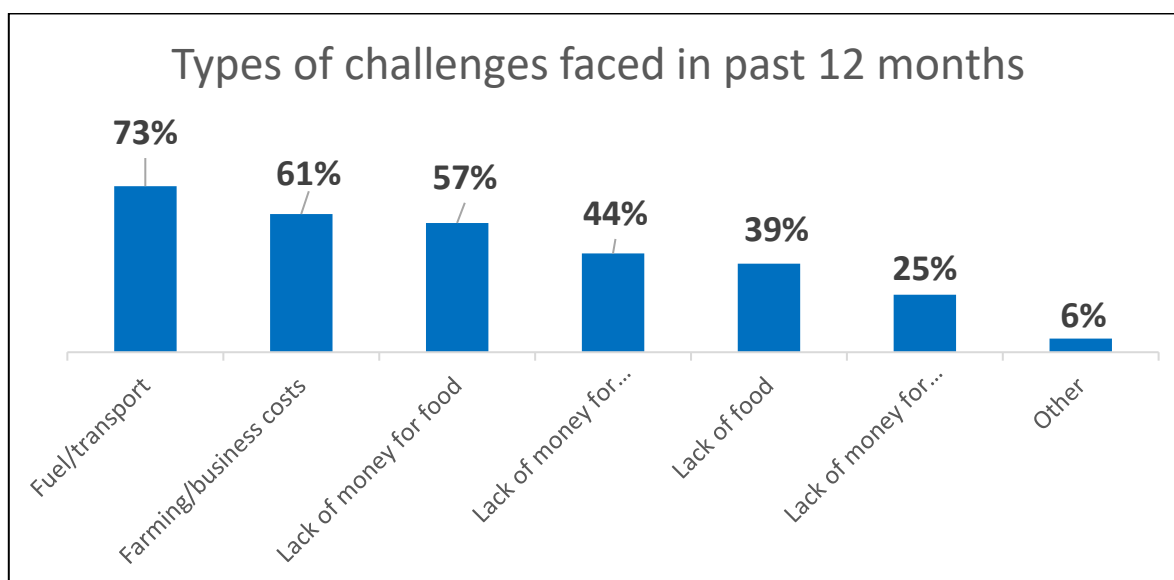
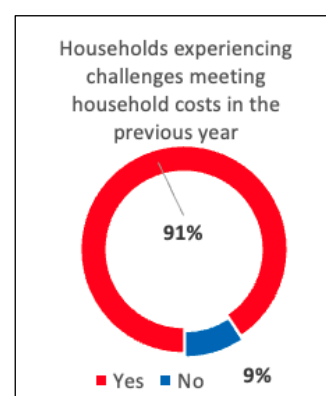


Figure 2: Types of challenges faced in past 12 months (Overall)

Using the FAO FIES questions, the survey identified that over the past year, 82 percent of the households surveyed worried about not having enough food to eat. In the past year, 56 percent of households were unable to eat healthy or nutritious food all the time, while 55 percent of households sometimes had to eat only a few kinds of food. 52 percent of households stated that, at times in the past year, they ate less than they thought they should. 11 percent of respondents in the past year

went without eating for a whole day, with a significant variance from one province to another, ranging from 0 percent in Vientiane Capital to 47 percent in Khammouane. This is a significant percentage of respondents, as not eating for a whole day signifies severe food insecurity.



Figure 3: Food Insecurity Scale (Overall)

When asked about the cause of the economic and food security challenges in the past year, three main reasons were given: the increase of food costs (67 percent), low income (66 percent), and the increase in fuel cost (63 percent).

Coping Strategies

The survey asked 19 questions about the coping strategies used by the 91 percent of households (1,075 respondents) who suffered from economic struggles in the previous year.

At the national level, the strategies used by the struggling families are outlined, by order of usage, in the table below. The first percentage in the table represents the proportion of the population who suffered from economic struggles (1075) in the previous year using those coping strategies. The percentages in brackets represent the percentage of every household surveyed (1316).

Buy less food	87% (71%)	Borrow food	41% (33%)
Change diet (for less expensive food)	86% (71%)	Someone from HH moves for work	37% (30%)
Grow more food	79% (65%)	Receive money from relatives (remittances – not loan)	36% (30%)
Forage more than usual from the forest	79% (65%)	Plant less food	36% (29%)
Earn more with new income/job	73% (59%)	Reduce costs for education	19% (15%)
Eat less	63% (52%)	Children miss or leave school	16% (13%)
Beg	50% (41%)	Reduce costs for health expenses	14% (12%)
Borrow money (loan)	50% (41%)	Mortgage the land	5% (4%)
Harvest crops earlier	47% (38%)	Entire HH move to new location	4% (3%)
Sell assets	41% (34%)		

Table 1: Coping strategies (past year - Overall)

Coping strategies used by households vary significantly from one province to another. “Beg” for example can range from 0 percent in Khammouane or Luang Namtha to 67 percent in Houaphanh. In the report below (4.2 and 4.3) the results from northern and southern provinces are analysed separately.

Support – Help

More than two thirds (68 percent) of the households interviewed reported having received support in the previous year.

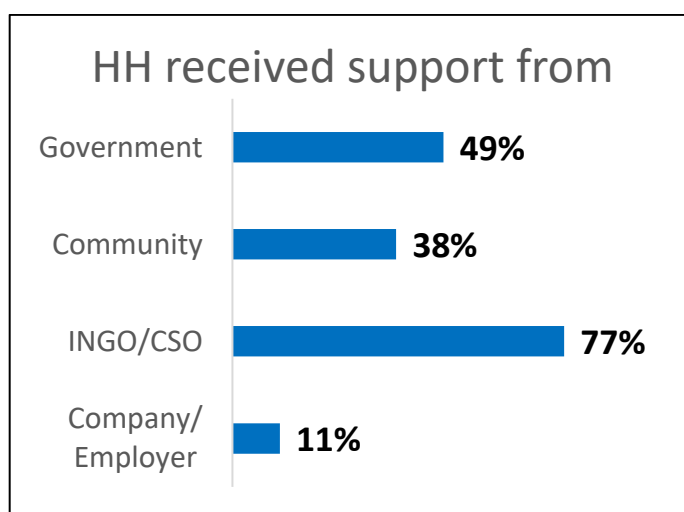
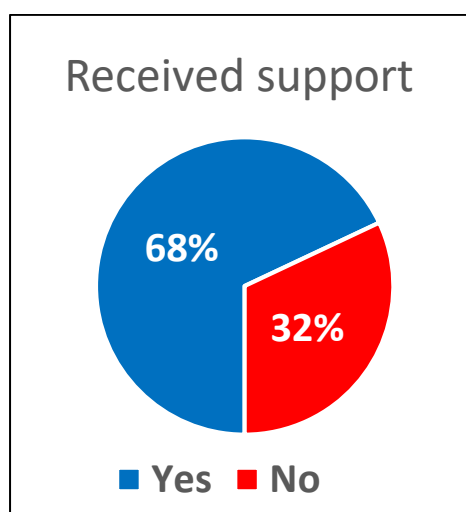


Figure 4: Households having received support (Overall)

Figure 5: Households received support from... (Overall)

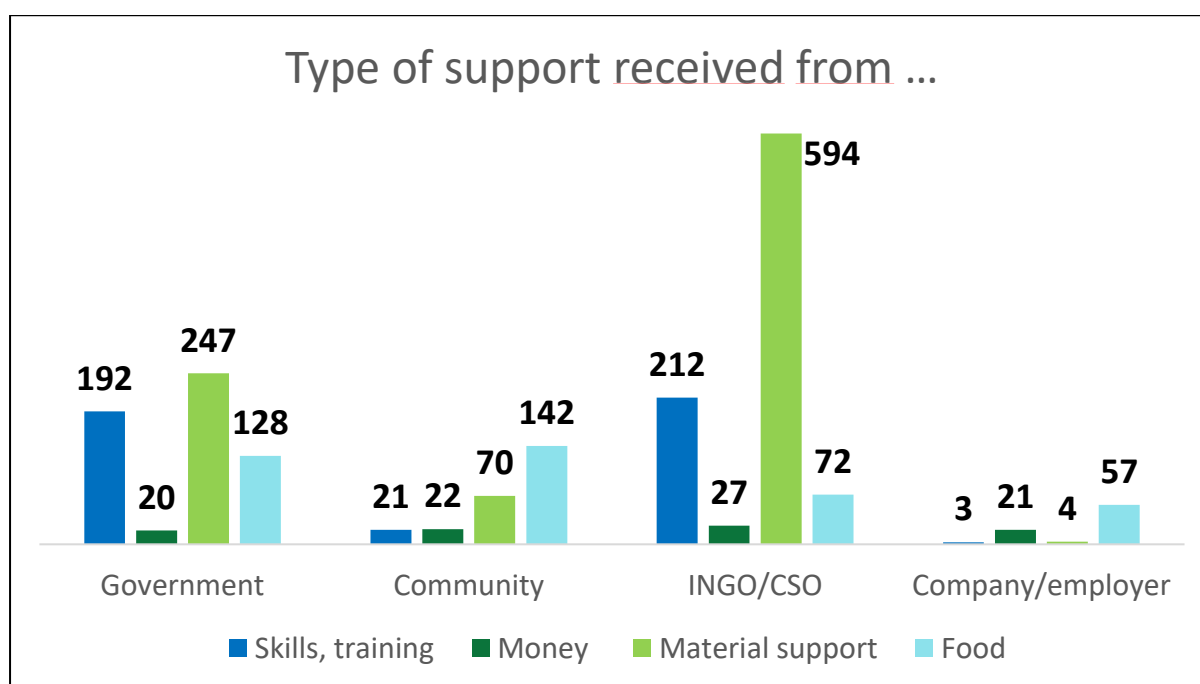


Figure 6: Type of support received by supporters (Overall)

Most of the support received came from INGO/CSO (77 percent), not a surprise considering the villages visited were mostly locations where SUN CSA organisations are implementing a project. The support proposed from INGO/CSO was mostly material support, like seeds and tools (86 percent), and skills/training (31 percent).

The support came also from different levels of the Government (49 percent) (from provincial or national levels, district, Lao Women’s Union, Youth Union) in the form of material support (56 percent) and skills (43 percent).

The support offered by the community (38 percent) was for most part (50 percent) a helping hand when needed.

Only 11 percent of respondents who receive a salary (38 percent of total respondents) reported having received support for their company/employer. From these 11 percent, almost half of them (48 percent) received bags of salt or condiments.

Future Plans – Expectations and coping strategies

When asked if respondents think things will get better, worse or will stay the same, 68 percent stated they were confident about the future, 7 percent think it will get worse, 12 percent think it will be the same, and the remaining 13 percent don’t know.

Respondents were asked what they would prioritize if things improved, and they had more money in the coming year. Improving housing was the highest priority (18 percent), followed by improving their livelihood (17 percent), while 14 percent would cultivate more food crops / cash crops. 10 percent would prioritize both their children’s education expenses and health expenses.

Finally, all respondents (not just those who had faced challenges in the past 12 months) were asked what coping mechanisms they would use if things were worse for their household livelihood in the next 12 months. Below is the detailed list of coping strategies they would use, which is similar to the previous 12 months although with some variation. Highlighted in light green are the strategies people are ready to do more often than during the past 12 months; in light pink, less often; and in light blue, the percentage stayed the same.

Grow more food	88% (1157)	Beg	44% (579)
Change diet (for less expensive food)	85% (1113)	Borrow food	39% (507)
Forage more than usual from the forest	84% (1105)	Receive money from relatives (remittances – not loan)	37% (490)
Buy less food	83% (1089)		
Earn more with new income/job	80% (1049)	Plant less food	31% (411)
Eat less	63% (827)	Reduce costs for education	19% (246)
Harvest crops earlier	58% (757)	Children miss or leave school	15% (196)
Borrow money (loan)	52% (688)	Reduce costs for health expenses	15% (191)
Sell assets	47% (612)	Mortgage the land	7% (97)
Someone from HH moves for work	45% (586)	Household move to another location	4% (52)

Table 2: Coping strategies (negative future - Overall)

4.2 Key Findings for the North provinces (Houaphanh and Oudomxay)

Demographics

959 interviews were conducted in Houaphanh and Oudomxay provinces. 39 percent of the respondents were women and almost half of them (49 percent) don't speak Lao as first language at home. 85 percent of the households surveyed have between 3 and 8 people living in the house. The total population related to the survey is 5514 people, giving an average of 5.7 people by household.

Regarding respondents' first language, there was a significant difference between the two provinces: in Houaphanh, only 26 percent don't speak Lao at home as first language, when in Oudomxay, this number rises to 70 percent.

As these two provinces alone count together for almost the three quarters (73 percent) of the total of all the surveys conducted during the study, it's relevant that some results, when put in percentage, are very close to the overall results.

Economic Situation: Source of Income and Food

Almost all respondents in these provinces (98 percent) own one or several types of land for productive purposes. 84 percent of respondents have a garden, 76 percent have household land, 70 percent have paddy land, 66 percent have upland rice, 49 percent have grazing land and 34 percent have land for cash crops.

Again, it's no surprise that 98 percent of respondents grow food and raise animals for themselves as regular sources of food, with 89 percent of respondents foraging food in the forest and 78 percent of respondents buying food at the market. 93 percent of respondents also buy meat at the market.

The most important regular source of income/money of the interviewed households is the sale of farming products (83 percent) - mostly livestock (78 percent) and vegetables or fruit (61 percent), followed by the sale of non-timber forest products (58 percent). 30 percent of respondents work as casual labour and 1 percent receives salary from the government, both of which are lower than the overall study average (34 percent and 4 percent respectively), indicating that forms of salaried employment is scarce in these areas.

Economic Challenges

During the previous year, 91 percent of the population of Houaphanh and Oudomxay faced economic challenges related to cost of living / household costs, equal to the survey's overall average.

The biggest challenge faced by households was related to the inflation in the price of fuel and transport (77 percent). The second largest challenge was related directly to farming or business costs (69 percent), followed by the lack of money for food (50 percent). The lack of money for health expenses (48 percent), the lack of food (34 percent) and the lack of money for school fees (29 percent) were also challenges for interviewed households. The ranking of challenges faced in these two provinces is the same as the overall survey order.

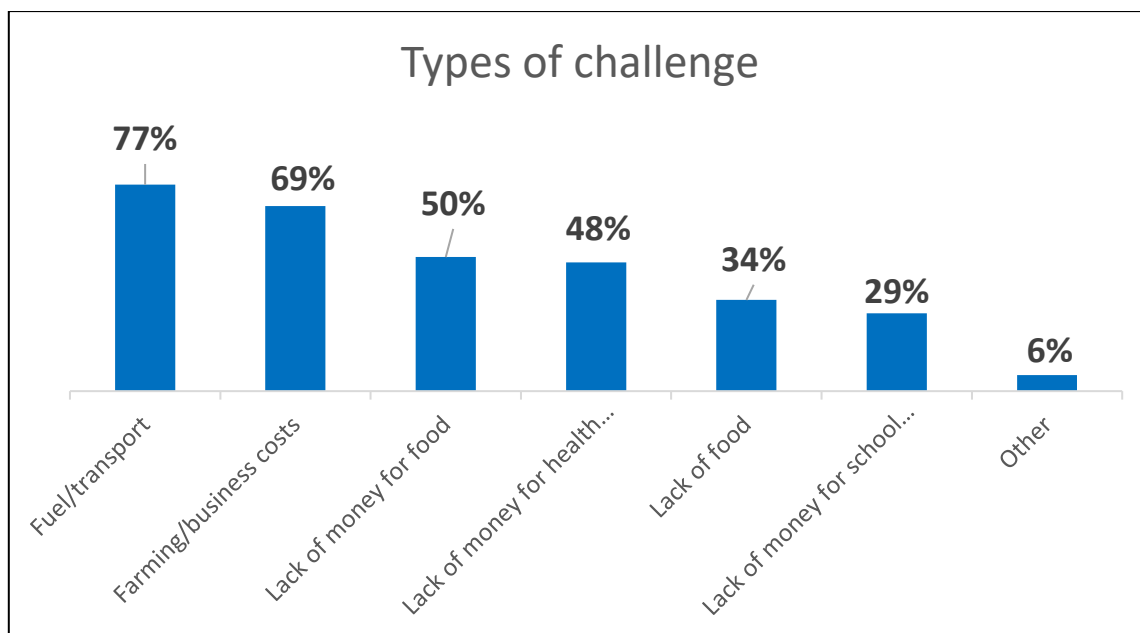


Figure 7: Types of challenges faced in past 12 months (North)

In the past 12 months: 80 percent of respondents surveyed worried about not having enough food to eat; 52 percent of respondents were unable to eat healthy or nutritious food and had at times only eaten a few kinds of food; 50 percent of respondents considered they ate less than they thought they should; The percentage of people who went without eating for a whole day was 6 percent, lower than the total survey average (11 percent).



Figure 8: Food Insecurity Scale (South)

When asked the reasons for their economic challenges, the three major responses were the increase of food costs (69 percent), the increase in fuel cost (69 percent) and, their low income (67 percent).

Coping Strategies

19 questions were asked about the coping strategies used by the 91 percent of the households who suffered from economic struggles in the previous year. They were 769 to answer to those questions.

In the North provinces, the strategies used by the struggling families are described in the table below (in order of importance). The first percentage represents the proportion of the population who suffered from economic struggles (769) in the previous year using those coping strategies. The percentages in brackets represent the percentage of every household of the two provinces (959).

Buy less food	88% (70%)	Borrow food	45% (36%)
Forage more than usual from the forest	87% (69%)	Receive money from relatives (remittances – not loan)	41% (33%)
Change diet (for less expensive food)	85% (68%)	Someone from HH moves for work	39% (31%)
Grow more food	83% (67%)	Plant less food	30% (24%)
Earn more with new income/job	74% (59%)	Reduce costs for education	21% (17%)
Eat less	61% (49%)	Children miss or leave school	18% (14%)
Beg	60% (48%)	Reduce costs for health expenses	11% (8%)
Harvest crops earlier	52% (42%)	Mortgage the land	4% (3%)
Borrow money (loan)	51% (41%)	Full house move to another location	3% (2%)
Sell assets	46% (37%)		

Table 3: Coping strategies (past year - North)

Support – Help

More than three quarters (78 percent) of the households interviewed reported having received support in the previous year. It’s 10 percent more than the national average.

Figure 9: People having received support (North)

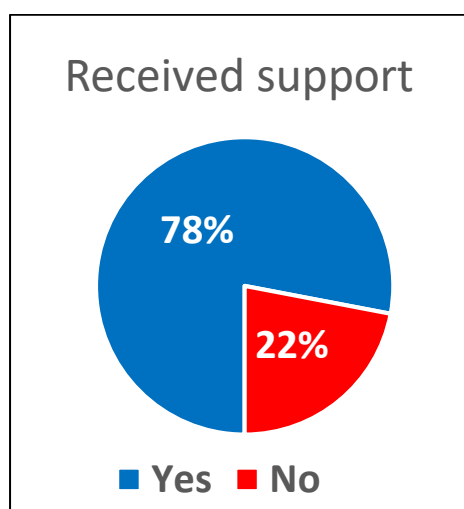
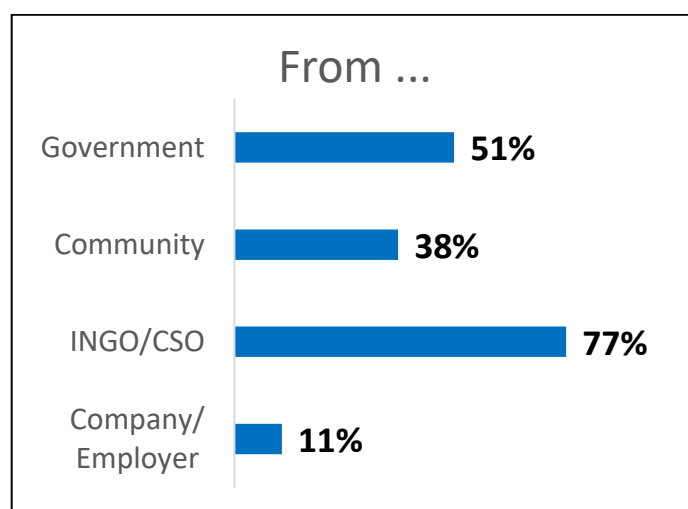


Figure 10: Support received from... (North)



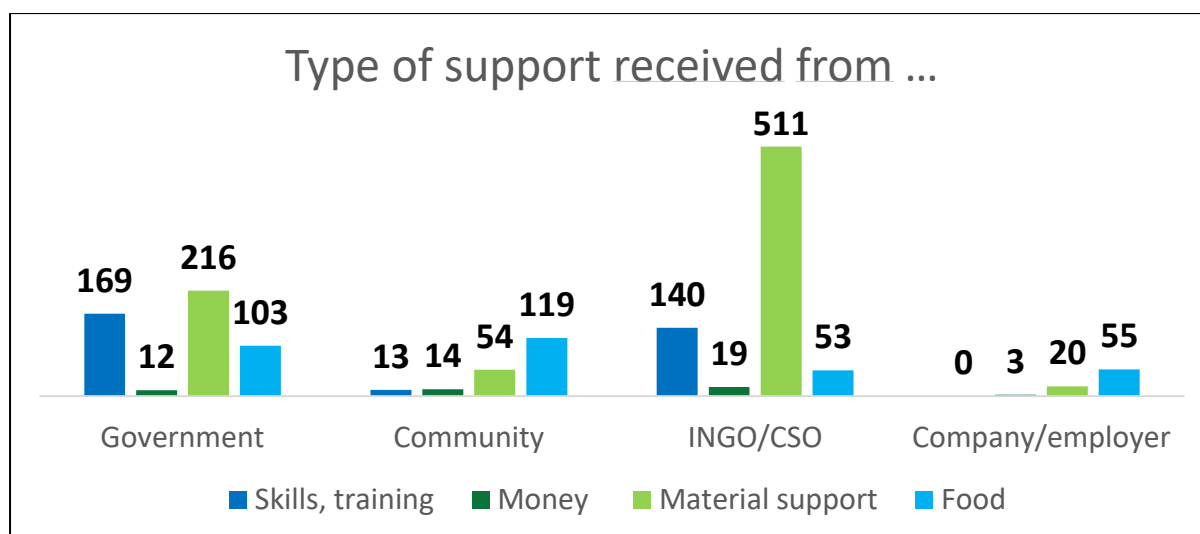


Figure 11: Type of support received by supporters (North)

Most of the support received came from INGO/CSO (77 percent). The support proposed from INGO/CSO was mostly material support, like seeds, tools, etc (89 percent) and skills, training (25 percent).

The support came also (51 percent) from different levels of the Government (from provincial or national levels, district, Lao Women's Union, Youth Union, ...) in a form of material support (57 percent) and skills (45 percent).

The support offered by the community (38 percent) was for most part (80 percent) a helping hand when needed.

Only 11 percent reported having received support for their company/employer. Let's remind that only 30 percent has a casual labour. On these 11 percent, almost half of them (61 percent) received bags of salt or condiment.

Future Plans – Expectations

When being asked if they think things will get better, worse or will stay the same, 74 percent appeared to be confident about the future (higher than the national average), 5 percent think it will get worse (lower), 10 percent think it will be the same, and the remaining 12 percent don't know.

It was asked to them what they would prioritize if things get effectively better and they had more money for the coming year. First choice was to prioritize the farming, mostly with cattle (76 percent). Improving the housing was the second option (18 percent), followed by improving the livelihood (15 percent) when. 11 percent will prioritize both children education expenses and health expenses (12 percent).

Finally, it was asked what they would do as coping mechanisms if things get worse for their household livelihood in the next 12 months. Here are the detailed list, very close to the previous one. Highlighted in light green are the strategies people are ready to do more often than during the past 12 months; in light pink, less often; and in light blue, the percentage stayed the same.

Forage more than usual from the forest	91% (877)	Someone from HH moves for work	48% (464)
Grow more food	91% (870)	Borrow food	42% (401)
Change diet (for less expensive food)	87% (834)	Receive money from relatives (remittances – not loan)	41% (391)
Buy less food	85% (815)		
Earn more with new income/job	80% (763)	Plant less food	26% (248)
Harvest crops earlier	66% (634)	Reduce costs for education	21% (195)
Eat less	63% (607)	Children miss or leave school	17% (165)
Sell assets	54% (517)	Reduce costs for health expenses	11% (106)
Borrow money (loan)	54% (516)	Mortgage the land	4% (39)
Beg	51% (487)	Full house move to another location	3% (26)

Table 4: Coping strategies (negative future - North)

4.3 Key Findings for the South provinces (Khammouane, Salavan and Sekong)

Demographics

195 interviews were done in these three provinces. 49 percent of the interviewed people are women and more than half of them (61 percent) don't speak Lao as first language at home. 79 percent of the households surveyed have between 3 and 8 people living in the house. The total population related to the survey is 1253 people, giving an average of 6.4 people by household.

Regarding the mother tongue, a big difference is found between the three provinces: in Salavan, only 38 percent don't speak Lao at home as first language, when in Khammouane and in Sekong, this number rises respectively to 51 and 98 percent.

Economic Situation: Source of Income and Food

Almost everyone in these three provinces (97 percent) own one or several types of land for productive purposes. A household land for 86 percent of the population, a garden for 75 percent, paddy land for 74 percent, cash crops land for 50 percent, upland rice for 47 percent and grazing land for 6 percent.

These households grow and raise food less than the national average, 87 percent grow food and raise animals for themselves as regular source of food, 79 percent of them forage food in the forest and 65 percent buy food at the market. 98 percent of them will buy meat at the market.

The most important regular source of income/money of the interviewed households is the sale of farming products for 77 percent of them (mostly livestock for 78 percent of them and vegetables or fruits for 61 percent), followed a casual labour (67 percent) much higher than the rest of the country. 30 percent are selling non-timber forest products, lower than the national average.

Economic Challenges

During the previous year, 94 percent of the population of Khammouane, Salavan and Sekong provinces met economic challenges related to cost of living / household costs. Higher than the national average.

The first type of challenges they met (82 percent) is the lack of money for food. The second one is related to the inflation in the price of fuel, or related to transport (79 percent). The lack of food is responsible for 57 percent of their struggles and farming or business costs for 41 percent.

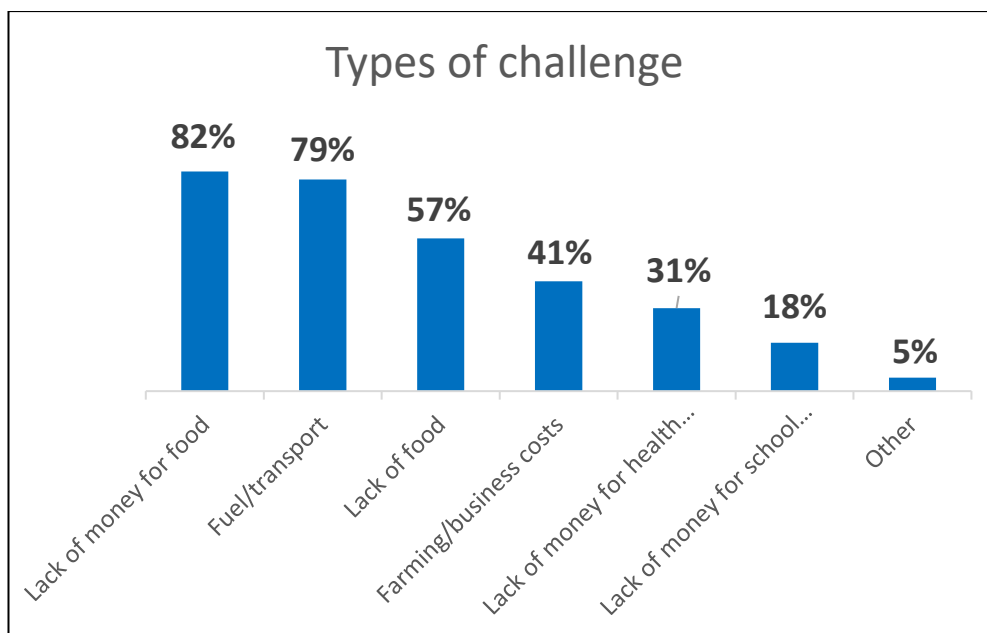


Figure 12: Types of challenges faced in past 12 months (South)

90 percent of the people surveyed worried about not having enough food to eat. 66 percent were unable to eat healthy or nutritious food and had to eat only a few kinds of food. 67 percent considered they eat less than they thought they should. The percentage of people who had to go without eating for a whole day is of 37 percent, much higher than the national average (11 percent).



Figure 13: Food Insecurity Scale (North)

The three major answers given when asked the reasons for the economic struggle are the small income (71 percent), increase of food costs (68 percent) and the increase in fuel cost (54 percent).

Coping Strategies

19 questions were asked about the coping strategies used by the 94 percent of the households who suffered from economic struggles in the previous year. They were 176 to answer to those questions.

In the South provinces, the strategies used by the struggling families are described in the table below (in order of importance). The first percentage represents the proportion of the population who suffered from economic struggles (176) in the previous year using those coping strategies. The percentages in brackets represent the percentage of every households of the three provinces (195).

Change diet (for less expensive food)	94% (85%)	Harvest crops earlier	31% (28%)
Buy less food	90% (82%)	Borrow food	29% (26%)
Earn more with new income/job	73% (66%)	Beg	26% (23%)
Grow more food	72% (65%)	Receive money from relatives (remittances – not loan)	25% (23%)
Eat less	69% (63%)	Reduce costs for health expenses	20% (18%)
Forage more than usual from the forest	59% (53%)	Mortgage the land	10% (9%)
Plant less food	53% (48%)	Full house move to another location	9% (8%)
Borrow money (loan)	49% (44%)	Reduce costs for education	7% (7%)
Someone from HH moves for work	33% (30%)	Children miss or leave school	6% (5%)
Sell assets	32% (29%)		

Table 5: Coping strategies (past year - South)

Support – Help

Less than half (42 percent) of the households interviewed reported having received support in the previous year. It's more than 25 percent less than the national average.

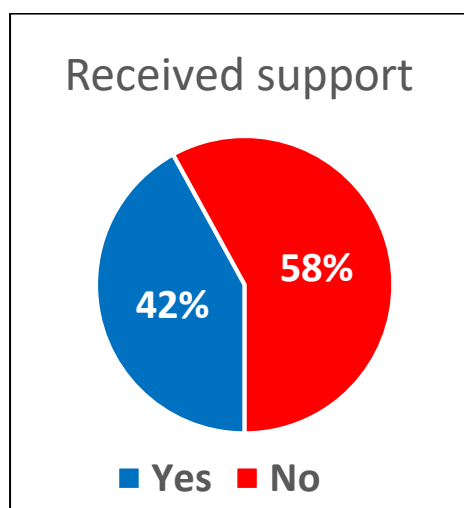


Figure 14: People having received support (South)

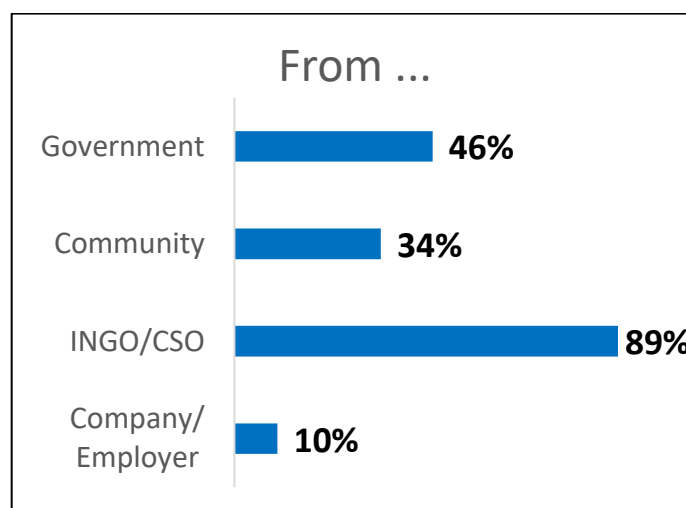


Figure 15: Support received from... (South)

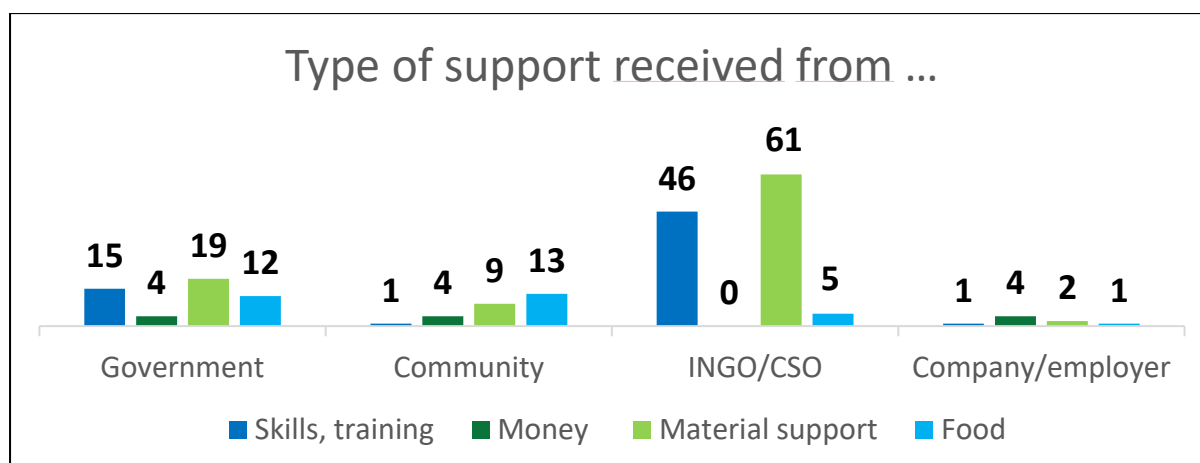


Figure 16: Type of support received by supporters (South)

Most of the support received came from INGO/CSO (89 percent). The support proposed from INGO/CSO was mostly material support, like seeds, tools, etc (84 percent) and skills, training (63 percent).

The support came also (46 percent) from different levels of the Government (from provincial or national levels, district, Lao Women's Union, Youth Union, in a form of material support (50 percent) and skills (39 percent).

The support offered by the community (33 percent) was for most part (40 percent) food or material support (33 percent).

Only 10 percent reported having received support for their company/employer. On these 10 percent, 62 percent of them received money from their employer.

Future Plans – Expectations

When being asked if they think things will get better, worse or will stay the same, 55 percent of respondents appeared to be confident about the future (lower than the national average), 17 percent of respondents think it will get worse (much higher), 17 percent think it will be the same, and the remaining 10 percent don't know.

Respondents were then asked what they would prioritize if things get effectively better and they had more money for the coming year. First choice was to prioritize the farming, mostly with cattle (22 percent). Improving the housing was the second option (19 percent), followed by improving the livelihood (17 percent) and 14 percent would prioritise to buy more and better food.

Finally, respondents were asked what they would do (as coping mechanisms) if things get worse for their household livelihood in the next 12 months. In the table below, highlighted in light green are the strategies people are ready to do more often than during the past 12 months; in light pink, less often; and in blue, the percentage stayed the same.

Earn more with new income/job	84% (164)	Sell assets	33% (64)
Buy less food	84% (163)	Borrow food	30% (58)
Change diet (for less expensive food)	83% (162)	Receive money from relatives (remittances – not loan)	28% (54)

Grow more food	83% (162)		
Forage more than usual from the forest	65% (127)	Beg	26% (50)
Eat less	63% (122)	Mortgage the land	23% (45)
Borrow money (loan)	55% (109)	Reduce costs for health expenses	23% (44)
Plant less food	43% (83)	Reduce costs for education	7% (16)
Someone from HH moves for work	35% (70)	Full house move to another location	6% (11)
Harvest crops earlier	34% (66)	Children miss or leave school	6% (11)

Table 6: Coping strategies (negative future - South)

4.4 Comparison of results with other food security related research and data

Economic and inflation challenges

According to the World Bank's Food Security Update from April 2023, year-on-year inflation was at 41.3 percent in February 2023 but prices for food and non-alcoholic beverages had increased by 51 percent and medicines increased by 41.8 percent. To manage inflation and boost domestic production, the government is decreasing imports and encouraging investment, and is keeping prices under check at local markets to support poor families. Additionally, inflation alone is not responsible of all the economic struggles facing Lao households, with farmers in several areas reporting insufficient water, affecting dry-season crops. These issues highlight the importance of addressing food security in Laos as a multi-sectoral issue, as identified in this study.

Food Insecurity levels

Similar to the monthly food security monitoring reports from the World Food Programme and recent World Bank reports, the SUN CSA found high levels of household food insecurity across Lao PDR. In total, the SUN CSA survey found that 91 percent of households report having challenges relating to cost of living in the past year. Using the FIES survey questions only, the SUN CSA survey found that 11 percent were moderately to severely food insecure with 69 percent of households were marginally food insecure. Although the SUN CSA sample sizes are not large enough to be representative, they do give a clear picture of the challenges faced by many households across 14 provinces.

In September 2022, WFP found that households with a decreasing income were more than twice as likely to be food insecure than households with incomes that stayed the same (25 percent vs 10 percent). This increased by 5 percent by March 2023 to 28 percent vs 8 percent. With inflation increasing by 7 percent from 34 percent to 41 percent during that same period, the likelihood of food insecurity increasing is high.

Coping Strategies

In September 2022, WFP's Food Security monitoring Report (mVAM, Sept 2022) found that 58 percent of households were relying on livelihoods-based coping strategies because of lack of food (62 percent) or money in September 2022. 12 percent cited using coping strategies to pay for health expenses. In the WFP March 2023 Monitoring report, the percentage remains the same at 57 percent of households using livelihoods coping strategies.

5. Conclusion & Recommendations

5.1 Conclusions

A vast majority of Lao families are currently facing economic hardship due to inflation-related increases in the cost of living, as well as other factors related to climate change and the recent COVID pandemic. In the SUN CSA Food Security survey, 91 percent of surveyed households said they had faced challenges to meet the cost of living during the past 12 months and approximately 11 percent were moderately or severely food insecure, meaning they have gone without eating for a whole day at least once in the past 12 months due to lack of food or money. Almost half the respondents surveyed said they had run out of food at least once in the past 12 months (47 percent), 31 percent of respondents had skipped a meal and 56 percent of households had been unable to eat healthy or nutritious diets. They attribute their food security challenges to the increase in food costs (67 percent), insufficient income (66 percent) and the increase in fuel costs (63 percent). Respondents said their households have had to use negative coping actions, including buying less food (71 percent), foraging more (65 percent), eating less (52 percent), borrow money (41 percent) and selling assets (34 percent).

Similar results have been found over the past 7 months in the Monthly Food Security Monitoring Surveys by WFP, which identified that 12-14 percent of households in Lao PDR are food insecure and households that have decreased income in the past 12 months are 3.5 times more likely to be food insecure than households with a stable income (28 percent vs. 8 percent).

While the macro-economic influences on inflation and currency fluctuation need to be addressed by the government and international financial institutions, the real-world impacts on Lao households also need to be reduced to avoid severe short-term consequences for families and long-term damage to Lao's national development and poverty reduction efforts. This food security response will require a multi-sector, multi-stakeholder approach, as has been successfully developed by the Government of Lao PDR over the past 12 years through the Scaling Up Nutrition (SUN) initiative. By investing in coordination of targeted agriculture, health, education and livelihoods initiatives, the Lao Government and its civil society and other development partners, will be able to make a significant difference to vulnerable households across the country.

SUN CSA Laos member organisations commit to continuing to share resources, promote action and collaborate with all stakeholders, from the community, government, and wider development partners to reduce the negative impacts of inflation and to increase food security for families across Lao PDR. Resources to respond to this food security challenge can be found on the [SUN CSA Laos website](#), including on the [Household Food Security project page](#).

5.2 Recommendations

Based on the findings from the study on the impacts of inflation and food insecurity in Lao PDR, the following recommendations have been developed by participating organisations.

Recommendations for government (national-provincial)

1. Review current strategies in each relevant ministry to identify which can be more focused on supporting increasing food security.

2. Identify policy measures to address immediate needs for food emergencies.
3. Identify food insecurity needs in different provinces and make support requests to central government and development partners.
4. Hold national and provincial food security response coordination meetings and invite relevant stakeholders including donors, SUN CSA and implementing partners (local and international). Develop a plan for emergency preparedness and response and coordinate on responses with mapping exercises.

Recommendations for donors

1. Provide additional emergency funds for urgent food security needs, including micro-nutrient supplements, additional seed/agricultural funding and social protection support (including cash transfer). (1-18 months response)
2. Channel emergency response funds through existing projects to improve response times and strengthen emergency-development transitions. (1-18 months response)
3. Increase funding in Laos for new and ongoing interventions that address increasing and urgent nutrition-specific and nutrition-sensitive needs at the community level and systems level. (1-5 years response)
4. Fund new projects in the medium to long term that specifically build resilience of food and nutrition security at the community level and systems level. Consider including flexible emergency response activities in longer-term projects. (5-20 years response)
5. Support coordination efforts of your funded projects and partners. Attend coordination meetings. Share information of planned and on-going food security actions.

Recommendations for other implementing development partners

1. Work with civil society organisations to address food insecurity issues. Take the time to meet with and understand what civil society organisations are doing in the provinces and districts you work or plan to work. Look at how you can complement and add to existing work of CSOs/INGOs in communities.
2. Support national and provincial coordination mechanisms for food insecurity that is both sectoral and multi-sectoral.

Recommendations for SUN CSA member organisations

8. Monitor needs in communities and highlight specific food insecurity needs to the network and in coordination meetings.
9. Advocate for collective responses to food security issues with government and other development partners.
10. Organisations should review and adjust current projects to increase their focus on increasing food security.
11. Share your ideas and efforts in responding within the network (at Hangouts and coordination meetings).
12. Design project proposals to address key food security issues. Consider including emergency response activities within these longer-term projects.
13. Consider developing emergency projects that support direct and immediate food security interventions – including cash transfer, food distribution, increased seed distributions, increased health services, school feeding etc.
14. Communicate with donors of the current crisis and find ways to get support for the target communities.

6. Annexes

Two annexes are joined with this document in an electronic format:

6.1 SUN CSA Food Security Survey questionnaire (Lao and English forms) – Excel format

6.2 SUN CSA Food Security Study Dashboard of results (English) - Excel format.