

ADB to support agrifood systems transformation in Lao PDR

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The Asian Development Bank (ADB) has approved a \$65.8 million financing package for the Sustainable Agrifood Systems Sector Project. The project will improve climate resilience, food security, nutrition, and incomes of vulnerable households and communities. It will also strengthen agrifood systems geared toward domestic and export markets for high-value commodities. Investments in financial services, privatised technical services, small-scale infrastructure, and food safety will be made to support these objectives.

The project will offer financial services nationwide, while technical advisory services and infrastructure will be delivered in the southern provinces of Champasak, Salavan, and Xekong, and the northern provinces of Houaphan, Phongsali, and Xaignabouli. High-value commodities such as bamboo, coffee, durian, sustainable cassava, and tea will receive additional support to increase value addition before export.

The project will be supported by a \$50 million package from ADB, the ASEAN Infrastructure Fund, and the European Union-ASEAN Catalytic Green Finance Facility, along with \$15.8 million in grants from the Asian Development Fund, the Green Climate Fund—through the Community Resilience Partnership Program Investment Fund—and the High-Level Technology Fund.

“This initiative is reflective of ADB’s commitment to expand its support to long-term food and nutrition security in Asia and the Pacific, as announced at ADB’s 58th Annual Meeting in May this year,” said ADB Country Director for the Lao PDR Shanny Campbell. “By strengthening agrifood systems, this project will benefit rural households and enterprises through higher incomes and enhanced access to markets.”

Lao PDR’s agriculture sector holds significant growth potential, spurred by rising domestic and regional demand. However, unlocking this potential requires improving the competitiveness and resilience of agrifood systems, boosting food security and nutrition, and increasing exports of high-value commodities.

ADB is a leading multilateral development bank supporting inclusive, resilient, and sustainable growth across Asia and the Pacific. Working with its members and partners to solve complex challenges together, ADB harnesses innovative financial tools and strategic partnerships to transform lives, build quality infrastructure, and safeguard our planet. Founded in 1966, ADB is owned by 69 members—50 from the region.