



Deloitte Center *for*
the Edge

Southeast Asia
Sustainability Ambitions 2022

Introduction

This report focuses on five key aspects of sustainability selected by US-ASEAN Business Council members. These are areas that are fundamental in supporting the growth potential of the region. These are also where the private sector, particularly multi-nationals with a presence in Southeast Asia, can make a significant impact. We provide country-by-country reports for ASEAN, excluding Myanmar.

With the governments of ASEAN signaling their ambitions, Southeast Asia presents a fertile ground to take advantage of its rich natural capital to develop a strong model of sustainable development. There are many exciting opportunities for international companies to come to the region, partner local governments and non-profits, and tap on not just the economic potential, but also the green potential, of the region.



Energy & Climate

Southeast Asia's energy demand will likely increase by 2.3 times by 2040, when compared to 2017 levels.¹ In meeting the region's energy needs sustainably, ASEAN targets 25 percent of its energy generation mix to come from renewable sources by 2025.² While coal dependent nations such as Indonesia, Philippines and Malaysia have announced that they will no longer build new coal-powered plants, the region is still likely to be dependent on fossil fuels to meet the rapidly growing energy demand. Nevertheless, this presents many opportunities for solar energy, which has been predicted to be a significant growth sector. The region is also rich in other renewable energy resources such as offshore wind, geothermal and hydropower. There is abundant potential for the region to accelerate large-scale adoption of renewable energy and invest in grid infrastructure upgrades to support renewable energy generation.



Biodiversity

As countries and organizations begin to embark on their net-zero journeys, the demand for high-quality carbon credits will increase in order to offset hard-to-abate emissions. This presents a significant opportunity for Southeast Asia as a region rich in natural capital including forests, peatlands, and mangroves. The establishment and deepening of carbon markets could be a win for Southeast Asian countries, particularly if they collaborate to establish policies and mechanisms to ensure that the region supplies high-quality carbon credits with a high level of transparency. This will be an even greater win for biodiversity, as 42 percent of all species in the region are at risk of being extinct by the end of the century.³



Water

Water security is a major concern of countries around the world. Southeast Asia is no different. Seasonal scarcity will be exacerbated by changing weather patterns due to climate change. There is also increasing pressure on freshwater resources due to increasing industrial activities, population growth and agricultural use. And yet, Singapore, a small island with limited land to collect and store rainwater, was able to overcome its constraints with innovative solutions that are now a model for the world. While different solutions may be needed for the other member states, Singapore shows that this is a challenge that can be surmounted with enough ingenuity and commitment.



Waste

From 2005 to 2015, the amount of solid waste generated in ASEAN has notably doubled, especially for countries such as Thailand, Singapore and the Philippines.⁴ Further, plastic is estimated to account for 90 percent of marine debris in the oceans, where six of the ten ASEAN member states generate over 31 million tons of plastic waste in a year alone.⁵ Rising income levels and urbanization rates of its member states will continue to place increasing pressure on waste generation volumes. While ASEAN has launched regional plans to address waste management issues and combat marine debris, the region will require significant research, investment and community mobilization to implement waste management and reduction strategies.



Gender Equality

Climate change affects the most vulnerable segments of society, particularly women, hardest. Unequal access to land, water, and other resources affects not only women's health and advancement, but also that of their children. Of concern, poverty rates have notably increased in several member states such as Cambodia and Indonesia over the past year, where women are found more likely than men to live below the poverty line. On the flip side, increasing labor force participation and reducing unpaid domestic work through better social provisions, such as childcare and aged care, represents yet another demographic dividend that has yet to be fully tapped. Hence, gender equality and women empowerment could have an outsized impact on climate action and the economy because of the role women play in their communities, in their homes and their families.

1 ASEAN Secretariat, "ASEAN Energy Cooperation: Overview," accessed July 20, 2022.

2 ASEAN Secretariat, "ASEAN Energy Cooperation: Priority Areas," accessed July 20, 2022.

3 Temese, World Economic Forum, and AlphaBeta, New Nature Economy: Asia's Next Wave - Risks, Opportunities, and Financing for a Nature-Positive Economy, 2021, p. 5.

4 Team Revolution, "Solving the Waste Management Problem in ASEAN," presented at Nanyang Technological University Singapore.

5 The World Bank, "ASEAN Member States Adopt Regional Action Plan to Tackle Plastic Pollution," accessed July 22, 2022.

Methodology

Effectively assessing ASEAN’s progress towards sustainability-centered goals is a formidable endeavor that calls for a systematic and holistic scoring approach. The following report aims to concurrently evaluate a country’s national level plans and the current progress towards these established goals. In line with the stated objectives for this report, we delineated clear criteria and standards to serve as the backbone for our analysis.

For each of the nine discussed countries, five main categories were rated – Energy & Climate, Biodiversity, Water, Waste and Gender Equality. Each of these categories was in turn divided into subcomponents to facilitate a comprehensive scoring approach. Our scoring consists of two numeric score values, *Current Progress* and *Targets and Commitments*, and one qualitative checklist, *Implementation Factors*.

First, the rating for the Current Progress of a nation was scored on a scale of one to five using a relevant indicator or proxy indicator that reflected the county’s performance in a given category. Two different methods were used to generate the score values from the indicator values.

As many of the indicators were found in the UN Sustainable Development Goals Report 2022, we adopted the report’s rating system for our scoring system. The UN rates each indicator in four bounds according to optimum values: Major challenges, Significant challenges, Remaining challenges, and SDG achieved. Accordingly, we awarded two, three, four, and five points respectively for the corresponding bound. One point was awarded to countries where no data was available.

Other indicators, which were not adopted from the SDG Report, were developed using public databases from organizations like the World Bank and the UN Statistics Division. For these indicators, the scoring value was developed according to the percentile value that a country is placed at on a global level. Countries falling within the bottom 25 percent in the world were awarded two points, the 25th to 50th percentile awarded three points, 50th to 75th percentile awarded four points, and the 75th to 100th percentile awarded five. Countries lacking data availability were awarded one point.

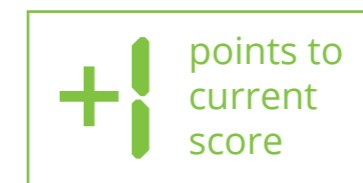
	1 point	2 points	3 points	4 points	5 points
Subcomponents using UN SDG Indicators	No data found	Major challenges	Significant challenges	Challenges remain	SDG achieved
Subcomponents using other databases	No data found	Country falls within 0-25 percentile globally	Country falls within 26-50 percentile globally	Country falls within 51-75 percentile globally	Country falls within 76-100 percentile globally

Secondly, the *Targets and Commitments* of countries were measured against globally recognized targets and/or region-specific ASEAN targets, including the UN SDG targets and the 2021 United Nations Climate Change Conference (COP 26) pledges. With minimal exceptions, these targets consist of both a numerical target figure and a target year to reach this figure. While many such targets exist, we selected the targets that corresponded with or related strongly to the indicators used for the *Current Progress* score.

Countries were awarded either zero, one, or two points based on whether their commitments met the appropriate global targets. This figure would be added on to the Current Progress score to determine the *Targets and Commitments* score, with a maximum of five points scored.



Absence of target or commitment








Target has a clearly stated numerical figure AND a target year to reach the target, but achieving either will not meet the globally



Target has a clearly stated numerical figure AND a target year to reach the target, both of which meet the globally recognized target

Thirdly, the presence of *Implementation Factors* was described for each subcomponent of every category. These factors indicate whether there are gaps in implementation of the targets and commitments. The following five factors were used in our checklist, with the results displayed visually on a Yes/No basis within each category's score charts.

 Monitoring and Enforcing Mechanisms	The plans describe how implemented initiatives will be monitored/enforced. They detail the development of systems/incentives to ensure its effective implementation.
 Vulnerable Groups (Women, Children, Minorities, Low-Income)	The plans recognize the need to cater for vulnerable groups in the nation, and in response, develop initiatives specifically targeting these individuals.
 Evidence- Based Plan Development	The plans have been developed/modified based on a data-driven analysis of the nation's situation OR the government has intent to perform data collection to further inform its policy-making.
 Investment	The plans showcase intent to invest in scientific and technological capacity, OR targeted financial investment or budget allocation towards a given target.
 Awareness	The plans include strategies to increase awareness, to ensure individuals across the nation have the relevant information and awareness about a given sustainable goal.

Data cited in this report are the latest available as of June 2022. As sustainability is a constantly evolving field, we may not have captured all of the most recent developments in each country.

Indicator List

Category	Indicator	Source
 Energy & Climate	Greenhouse gas intensity growth rate	Environmental Performance Index ¹
	Population with access to electricity, %.	UN SDG Report 2022 ²
	Share of renewable energy in total primary energy supply (%)	SDG Report
	Energy intensity level of primary energy (megajoules per constant 2017 purchasing power parity GDP)	UN Statistics Division ³
 Biodiversity	Red List Index of species survival (worst 0-1 best)	SDG Report
	Permanent deforestation (% of forest area, 5-year average)	SDG Report
	Mean area that is protected in marine sites important to biodiversity (%)	SDG Report
	Fish caught from overexploited or collapsed stocks (% of total catch)	SDG Report
	Fish caught by trawling or dredging (%)	SDG Report
	Fish caught that are then discarded (%)	SDG Report
 Water	Population using at least basic drinking water services (%)	SDG Report
	Population using at least basic sanitation services (%)	SDG Report
	Anthropogenic wastewater that receives treatment (%)	SDG Report
	Water-use efficiency (US\$/m ³)	SDG Report ⁷
	Freshwater withdrawal (% of available freshwater resources)	SDG Report
 Waste	Total annual Municipal Solid Waste Generated per capita/kg	World Bank What A Waste Global Database ⁴
	Household food waste estimate (kg/capita/year)	UNEP Food Waste Index ⁵
	Hazardous waste generated per capita (kg)	World Bank What A Waste Global Database
 Gender Equality	Health and Survival index	Global Gender Gap Index ⁶
	Educational Attainment index	Global Gender Gap Index
	Economic Participation and Opportunity index	Global Gender Gap Index
	Political Empowerment index	Global Gender Gap Index

1 Yale Center for Environmental Law & Policy, "Environmental Performance Index: Greenhouse gas intensity growth rate," July 2022.

2 UN, Sustainable Development Goals Report 2022, June 2022.

3 UNDESA Statistics Division, "SDG Indicators Database".

4 World Bank, "WHAT A WASTE 2.0: A Global Snapshot of Solid Waste Management to 2050," September 2018.

5 UNEP, Food Waste Index Report 2021, March 2021.

6 World Economic Forum, Global Gender Gap Report 2021, March 2021.

7 United Nations, "UN Water: Progress on Water-Use Efficiency (SDG target 6.4)," 2019.

Laos



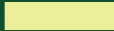

Laos

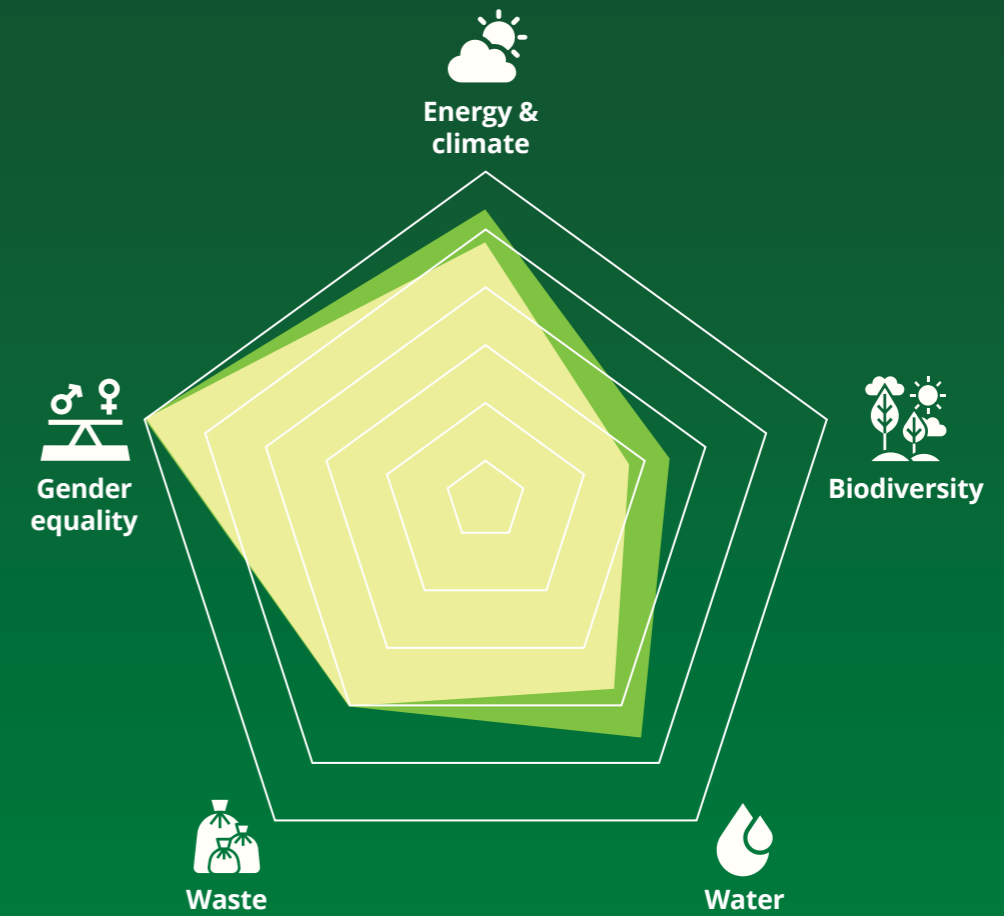
Over the past decade, Lao PDR (Laos) has achieved considerable improvement in providing access to critical resources and infrastructure such as electricity and clean water, while also becoming a significant energy exporter. Due to its advancements in the energy sector, Laos has managed to decouple its emissions from economic growth, ranking 24th out of 180 nations for the GHG Intensity Trend.¹ Notably, Laos also topped the Natural Capital Index 2021, which measures a country's ability to sustain the livelihood and health of its population and economy presently and in the future. It also holds the second position in gender parity within ASEAN, which reflects Laos' successful efforts in promoting social equality.

Laos has set an ambitious 60 percent greenhouse gas emissions reduction target by 2030, and net-zero emissions by 2050. This goal was identified to be consistent with the targets set in the Paris Agreement. The government also

prioritized renewable energy in the country's energy strategy and has plans to diversify its renewable energy mix. Over the next decade, the share of hydropower, solar and wind will increase. Primarily led by hydropower, this whole-of-society green transition has been estimated to potentially generate 1.6 million new green jobs and add US\$16 billion per year to the country's GDP.² The sale of the country's first carbon credit in 2022 also signals an emerging green economy.³

Nevertheless, these successes did not come without several environmental and social challenges. Firstly, the expansion of agricultural land, deforestation, wildfires, and infrastructure construction has threatened the country's diverse wildlife. Providing universal water and sanitation services, particularly to rural areas, represents another significant gap.

Current progress: 
 Targets and commitments: 



Highlights



Laos performed well in measurements of natural capital preservation and gender parity



Ambitious 60% greenhouse gas emissions reduction by 2030, and net-zero by 2050



Potential US\$16 billion per year increase in country's GDP from Laos' green transition



Energy & Climate

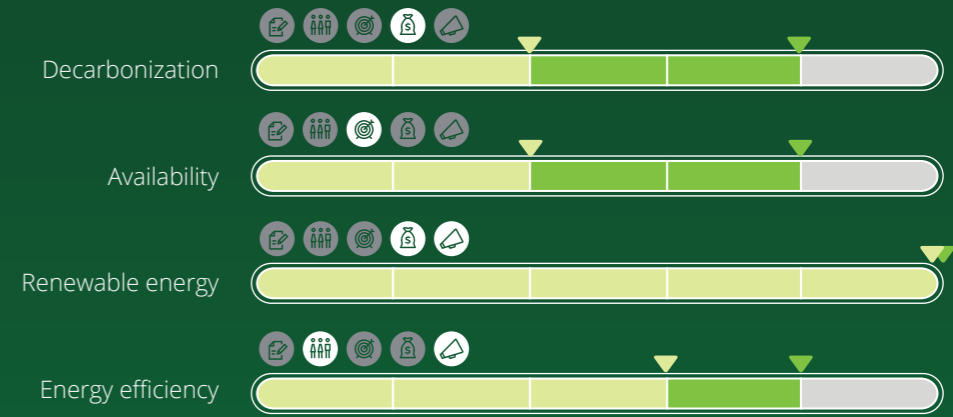
The Laotian government is committed to tackling climate change. As a country vulnerable to climate change,⁴ it has recently raised its net-zero ambitions in its revised Nationally Determined Contributions. This includes an unconditional greenhouse gas emissions reduction target of 60 percent by 2030 compared to a business-as-usual scenario, and a transition towards a circular economy to pursue a low-carbon development pathway.⁵ The country also aims to reach net-zero greenhouse gas emissions by 2050, aligning its target with the Paris Agreement.

The country is implementing plans to transition to a low-carbon and circular economy. As a resource-rich country, a report by the United Nations Development Program has outlined 17 leading possibilities for improving resource efficiency in the country — including the support for agroforestry and the electrification of transport.⁶ By 2030, the government aims to increase forest cover to 70 percent of land area (from 41.5 percent in 2020).⁴⁷ There are also plans to increase the use of electric vehicles to make up 30 percent of its national vehicle mix.⁸ Not only is this green transition in line with its net-zero ambitions, but it is also estimated to generate 1.6 million green jobs and add US\$16 billion per year to Laos' GDP by 2050.⁹

To aid in this transition, the Ministry of Energy and Mines has prioritized renewable energy in its Power Development Plan (2016-2030). It plans to leverage on its natural resources to increase the share of renewable energy (13GW total hydropower capacity, 1GW for solar and wind, and 300MW for biomass).¹⁰ However, paradoxically, the government also plans to expand the capacity of its single coal-fired plant from 1.9GW to 2.5GW.¹¹ Such coal ventures are counterproductive to the country's ongoing efforts at increasing its renewable energy capacities. With that, some attribute this to a lack of information on renewable energy investment opportunities, and a subsequent lack in international financial support towards Laos' renewable energy projects.¹²

While there are currently no green bonds issued by Laos, the country can leverage on international initiatives like the ASEAN Catalytic Green Finance Facility to finance its climate projects.¹³ The initiative is supported by the Asian Development Bank and is intended to complement existing climate finance and infrastructure initiatives in the ASEAN region. The Green Climate Fund is another example that also endeavors to incentivize private sector climate investments into Laos.¹⁴

“ The green transition is estimated to generate 1.6 million green jobs and add US\$16 billion per year to Laos' GDP by 2050. ”



- Current progress
- Targets and commitments
- Plans require improvement to achieve commitments
- Plans contain measures to achieve commitments
- Monitoring and Enforcement Mechanisms
- Vulnerable Groups
- Evidence-Based Development Plan
- Investment
- Awareness

Highlights

- 

Laos plans to reduce GHG emissions unconditionally by 60% by 2030, and net-zero emissions by 2050
- 

Laos is gearing up for a green transition towards increased resource efficiencies (e.g., agroforestry, EV)
- 

Hydropower is a key component of Laos' renewable energy mix, with plans to increase hydropower capacity to 13GW by 2030

Opportunities

- 

International financial support directed towards Laos' renewable energy potential, and away from coal energy projects
- 

Green transition could generate 1.6 million green jobs
- 

Emerging green economy present with initial support from the ADB



Biodiversity

The landlocked country in mainland Southeast Asia boasts environmentally diverse landscapes and species. The country is in one of the 10 most important global biodiversity ecoregions, and benefits from this biodiversity.¹⁵ It is estimated that demand for its natural attractions and wildlife (which drives its tourism sector) could account for 10 percent of its GDP by 2030, up from 4.3 percent in 2019.¹⁶ It is also estimated that 67 percent of the Lao population are rural and therefore depend on Laos' forests for their livelihoods.¹⁷ Hence, biodiversity conservation is relevant not only to the country's economic development, but to its people as well.

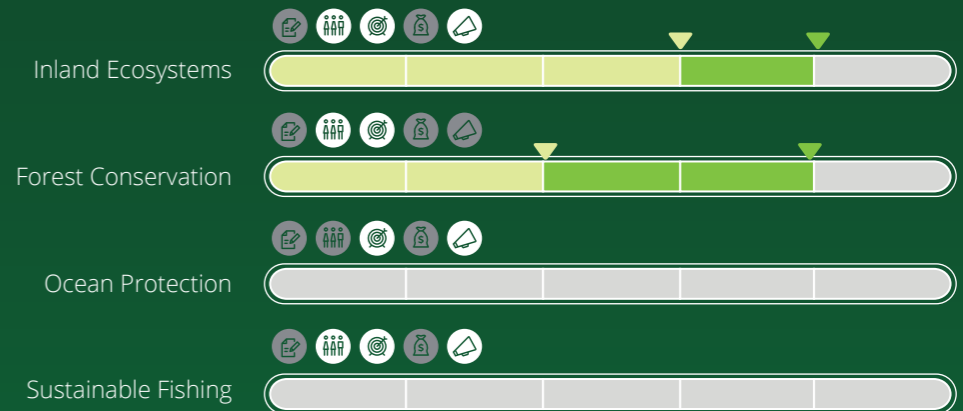
Laos incorporates biodiversity values into its national strategies, demonstrating its commitment to biodiversity conservation. Their first National Biodiversity Strategy and Action Plan (NBSAP) was crucial in kickstarting biodiversity research and the participation of Laos to multilateral environment agreements.¹⁸ Laos' second NBSAP (2016-2025) builds on the success of the first by enhancing the role of biodiversity as a contributor to poverty alleviation and resilient economic growth. Biodiversity is also a central feature in its National Green Growth Strategy (2019-2030). These political commitments to biodiversity translated to immediate nationwide impacts, such as the halting of illegal timber across Laos' international borders, and the strict management of wild fauna and flora.¹⁹

There are significant existing markets for ecotourism in Laos. Inter-Asian tourism grew by 10 percent in 2018.²⁰ While landlocked, the completion of the China-Laos Railway in 2021 opens Laos to a major driver of growth in

the region. Increasing flight and rail connectivity will likely increase the number of Thai and Malaysian tourists as well. To fully optimize the potential for tourism to benefit the Lao economy, the World Bank has recommended several priorities. This includes the need for private sector investments into conservation efforts, and well-managed ecotourism businesses to ensure that tourist sites are not degraded over time.²¹

A recent report by the Convention on Biological Diversity (CBD) has found that Laos' current actions for its protected areas do not meet the Aichi biodiversity targets.²² Laos' national protected areas account for 18.7 percent of the country's area, and the country has established a comprehensive set of laws, directives, and regulations on protected area management. However, none of its protected areas have management effectiveness evaluations reported in the global database (managed by the CBD). The country's current performance thus falls short of the 60 percent target for completed management effectiveness evaluations. As protected areas have been found to mitigate forest cover loss,²³ there is an added incentive for Laos to improve the quality of management for its protected areas.

" It is estimated that demand for its natural attractions and wildlife (which drives its tourism sector) could account for 10 percent of its GDP by 2030. "



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Highlights

Biodiversity could contribute to poverty alleviation and resilient economic growth

Improvements in inter-Asian transport places Laos as an attractive ecotourism destination

Room for improvement in Laos' management of its protected areas

Opportunities

Need for private sector investments into biodiversity conservation efforts

Well-managed ecotourism businesses are crucial such that ecosystems in tourist sites are not disrupted

Opportunities present for Laos' protected areas to be recognized by CBD's global database on effectively managed protected areas



Water

Despite Laos' steady improvements in clean water provision and access to sanitation, its progress is limited by the many communities residing in rural areas. The country has met its Millennium Development Goal of 54 percent access to improved sanitation, but over half of the rural population are without access.²⁴

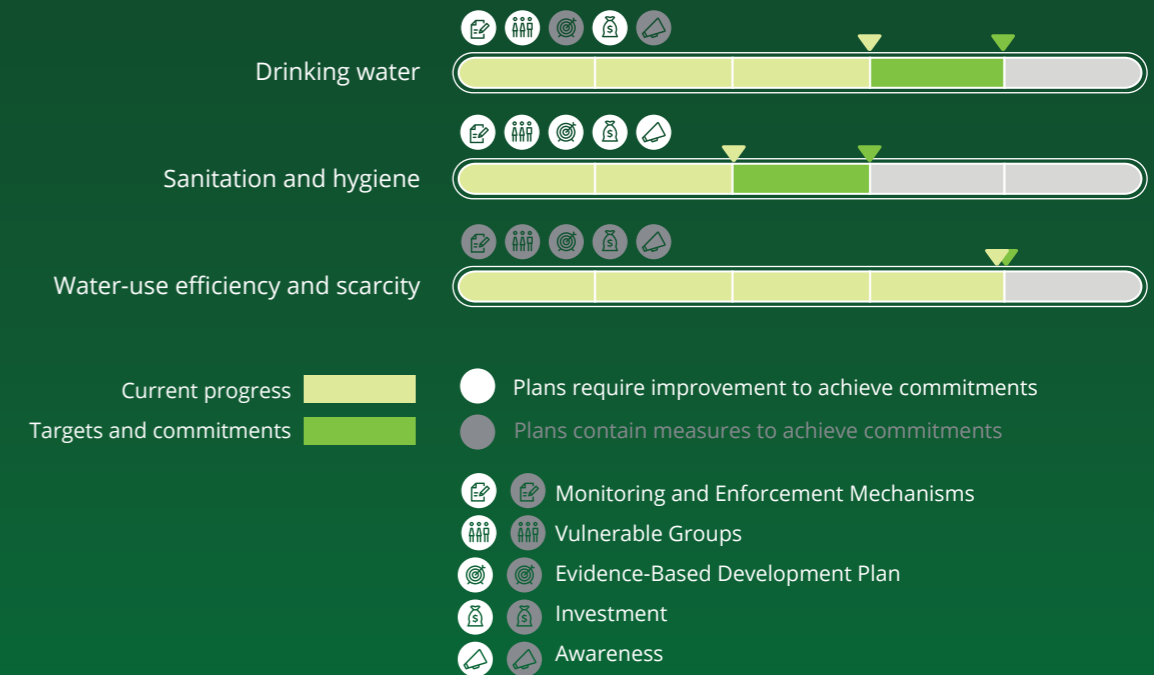
In line with SDG 6 'Clean Water and Sanitation', Laos has set the important target of reaching 100 percent access to basic water supply and sanitation by 2030. The Sustainable Development report reveals that the nation is on track to reaching their objectives, with 80 percent of the country's population having access to basic sanitation, and 85 percent to water facilities.²⁵ The government has proposed two main strategies to ensure equitable access to water: the National Policy on Water Supply, Sanitation and Hygiene (2019) and the Strategic Framework for Rural Water Supply, Sanitation and Hygiene (2019–2030).²⁶ The country's partnership with the Asian Development Bank also prioritizes productive infrastructure projects in rural areas, including that of water control systems and irrigation systems.²⁷

The government also partners with international organizations and local communities to provide better water and sanitation services. For example, Laos' Water, Sanitation and Hygiene (WASH) program is guided by UNICEF's Global WASH Strategy (2016-2030).²⁸ With the support from the Ministry of Health, UNICEF's district

level approach successfully turned Bolikhamxay into the first open defecation-free province in 2020. The communities involved also received village development funds to upgrade existing water facilities. The Lao Government will continue its cooperation with UNICEF and other organizations to make all seventeen provinces and one capital area open defecation-free by 2025.

Nonetheless, significant challenges hamper the nation's progressive strides. On the Environmental Performance Index, Laos ranks 131st out of 180 nations globally in Sanitation & Drinking Water. Its score makes it the lowest performing country in ASEAN.²⁹ The latest Lao Social Indicator Survey reveals critical disparities in the effects of implemented water and sanitation initiatives. For instance, on quality of water, 86.3 percent of water samples collected tested positive for E-Coli. To that end, a report by UN-Water estimated that US\$185 million is required from the government, household, and external support agencies for Laos to achieve its sector targets.³⁰


“ In line with SDG 6 'Clean Water and Sanitation', Laos has set the important target of reaching 100 percent access to basic water supply and sanitation by 2030. ”



Highlights


Laos sets target of reaching 100% access to basic water supply and sanitation by 2030



Collaborative approach to make all 17 provinces and 1 capital area open defecation-free by 2025


Significant disparities between water and sanitation initiatives and its effects

Opportunities


Government is open to collaborations with international agencies to aid in its efforts at improving its water and sanitation services


Estimated US\$185 million needed to finance water and sanitation projects


Demand for infrastructure likely to increase, as water networks expand into rural areas



Waste

Laos' sustainable development is hindered by prominent issues relating to solid waste management, which are exacerbated by population increase and rapid urbanization. Today, waste management remains an immediate priority in the government's national plans, with several cross-agency collaborations in the works to implement improved waste management strategies.

Waste management statistics vary, but approximately 40 to 60 percent of waste is collected in urban areas.³¹ The country does not have any formal waste-to-energy or recycling infrastructure, relying instead on landfill dumping and open burning to dispose of its solid waste. Of the 141 district towns in the country, 14 have controlled landfills.³² However, these landfills are usually only semi-managed, and the effectiveness of its treatment processes remains unknown.³³ The pollution stemming from the country's inadequate waste management is unsustainable. A recent World Bank study found that Laos' inefficient waste management has health effects on its citizens, presenting an urgent imperative for the government.³⁴

To address these concerns, the government has published a Sustainable Waste Management Strategy and Action Plan (2021-2030).³⁵ Central to the plan is a framework for a paradigm shift from waste management towards resource management. The plan was developed by the Vientiane City Office for Management and Services, with technical support from the Global Green Growth Institute and financial support from both the Korea International Cooperation Agency and the Environment Protection Fund. In 2021, the government

also introduced its first national standard pertaining to the management, monitoring and disposal of hazardous waste.³⁶ It includes collaborations between provincial governments and relevant ministries.

The 2021-2030 action plan will hopefully maximize waste-to-energy opportunities in Laos. By 2030, the government intends to reach 100 percent waste collection and 40 percent recycling rates.³⁷ Together with these medium-term targets, one of the strategic outcomes of the plan is to maximize waste-to-resource opportunities by prioritizing source separation efforts. This strategic outcome will be complemented by introducing Extended Producer Responsibility schemes, decentralizing compost/bio-gas plants at commercial and residential buildings, and improving waste transport mechanisms. Business entities will also be provided guidance on adequate waste storage and separation.

Another strategic outcome presented in the plan is to foster green job opportunities for the informal sector in waste management.³⁸ This outcome recognizes the contributions by informal workers, like waste pickers. Hence, there are plans to explore how income generating opportunities can be fostered in tandem with the country's aim to increase recycling rates.

“ Central to the plan is a framework for a paradigm shift from waste management towards resource management. ”

Solid Waste Management



Food waste



Hazardous waste



Current progress







Targets and commitments



● Plans require improvement to achieve commitments

● Plans contain measures to achieve commitments

  Monitoring and Enforcement Mechanisms

  Vulnerable Groups

  Evidence-Based Development Plan

  Investment

  Awareness

Highlights



Sustainable Waste Management Strategy and Action Plan (2021-2030) focuses on resource management



National targets of 100% waste collection and 40% recycling rates by 2030



Extended Producer Responsibility schemes, among other efforts, to be implemented

Opportunities



National focus on sustainable waste management signals preference towards sustainably managed business entities



Opportunities in developing waste treatment facilities and recycling infrastructure to accelerate nation's waste management plan



Waste sector presents opportunities for green jobs (e.g., strengthening source separation and resource recovery efforts)



Gender Equality

In general, Laos has made significant strides towards gender parity, as demonstrated by the Global Gender Gap Report.³⁹ Its performance places it as the second-most gender equal country in ASEAN. It has the smallest Economic Participation and Opportunity gap globally (0.915, with 1.000 = parity). Whereas most nations struggle with achieving gender parity in senior positions, Laos has successfully closed this gap: nearly 60 percent of the managerial roles are occupied by women. Laos also performs well in Educational Attainment and Health & Survival. Affecting these results is Political Empowerment, which remains at a low score of 0.146 — only 27.5 percent of parliamentarians and 10 percent of ministers are women.

The Lao Women's Union (LWU), represented across all ministries, has been central for the drafting of government policies on gender equality and the advancement of women. Considering how 68 percent of the population live in rural areas, it is crucial that the LWU's national network of more than a million members extends past the country's capital into the villages.⁴⁰ The LWU has also collaborated with international agencies to scale its impact. For example, LWU collaborates with the United Nations Development Program to economically empower vulnerable rural youth through inclusive employment training.⁴¹

Another example of international collaboration is between Laos, Luxembourg, and Switzerland.⁴² The Luxembourg Development Cooperation Agency (LuxDev) has implemented skills development programs to promote gender equality, reaping considerable success. One of the programs was a vocational training program targeted at providing employment opportunities for the tourism and hospitality industries. Considering how 62 percent of workers in tourism are women,⁴³ and how nature-based tourism is expected to increase in popularity, such training programs can meaningfully empower women.

A recent report by the Asian Development Bank emphasized the need for improvements in key socioeconomic areas that impact women's resilience in Laos.⁴⁴ The report recognizes Laos' new gender-responsive policy, the National Action Plan on Gender Equality (2021-2025). This ambitious plan includes gender positive targets like introducing quotas for women in leadership roles in areas such as climate change and disaster risk reduction.⁴⁵ The report also includes recommendations on how to ensure the effective implementation of Laos' gender equality legislation.

“ The Laos Women's Union's network of more than a million members extends past the country's capital into the villages. **”**




Ending all forms of discrimination, violence and harmful practices



Equal Opportunities and Empowerment



Current progress 

-  Plans require improvement to achieve commitments
-  Plans contain measures to achieve commitments
-  Monitoring and Enforcement Mechanisms
-  Vulnerable Groups
-  Evidence-Based Development Plan
-  Investment
-  Awareness

Highlights



According to the Global Gender Gap Report 2021, Laos is the second-most gender equal country in ASEAN



The Lao Women's Union has over one million members present in all segments of the country



Collaborations with international actors (e.g., with LuxDev, ADB, UNDP) have been proven to scale existing national/local efforts

Opportunities



Increasing representation of women leaders in areas such as climate change and disaster risk reduction



Economic empowerment of women through public/private knowledge sharing (mentorships, vocational training)



Investment into women-led Micro, Small and Medium enterprises



Case study: The Hydropower “Battery of Southeast Asia”

With a hydropower potential of 26.5GW, Laos could be a significant source of renewable energy for the region. With current installed capacity of about 7.2GW, the country already exports two-thirds of the hydropower it generates.⁴⁷ In June 2022, Singapore started importing hydropower from Laos through the Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (LTMS-PIP), the first multilateral cross-border electricity trade involving four ASEAN countries.⁴⁷ Relying on existing interconnections, the project is a step towards the development of a regional market that enables ASEAN countries to tap on low-carbon and renewable energy sources while improving energy security and stability.

Laos has been leveraging on its hydropower resources as a key driver of its economic growth, aspiring to become the “Battery of Southeast Asia”.⁴⁸ The country recognizes the importance of sustainable resource management and has implemented a national policy to assess the potential environmental impacts of power generation projects. Approved in 2015, Laos’ national policy on Sustainable Hydropower Development, supported by the World Bank, provides hydropower developers with a clearer direction on how to sustainably develop the sector.⁴⁹ Laos’ partnership with the World Bank Group is one that demonstrates its commitment towards best-practice environmental and social standards in the hydropower sector.

Nevertheless, it has not been a smooth journey for Laos’ hydropower sector. In 2018, a devastating dam collapse displaced at least 7,000 people and killed at least 71.⁵⁰ Besides such dangers, there have also been concerns about the social and environmental consequences, including the effects of climate change and droughts potentially exacerbated by hydropower construction as well as displacement of indigenous communities.

The government has been working towards raising awareness and ownership among provincial-level authorities about the national policy for sustainable development. The policy emphasizes the studies that hydropower projects should implement, such as technical and engineering aspects, environmental and social assessments, and progress reporting on the performance of implementing the policy. The government is also taking active steps to reach out to local developers to educate them on the policy roll-out in the form of workshops and field visits. Over 100 large hydropower projects, all above 15MW each, have been identified for monitoring and evaluation. Given the complexity of large hydropower projects, the Laotian government continues to work towards improving inter-ministerial coordination and efficiency, and engagement with stakeholders.

Endnotes

- 1 Environmental Performance Index, '[Laos](#)', accessed July 26, 2022.
- 2 United Nations Development Programme, '[IN LAO PDR, THE FUTURE IS LOW-CARBON AND CIRCULAR](#)', accessed July 26, 2022.
- 3 Xinhua Net, '[Laos expects to earn income from sale of carbon credit in 2022](#)', January 29, 2021.
- 4 United Nations Development Programme, '[LAO PDR](#)', accessed July 26, 2022.
- 5 Ibid.
- 6 United Nations Development Programme, '[Circular GHG mitigation opportunities Lao PDR](#)', November 25, 2021, p. 38.
- 7 Ibid, p. 61.
- 8 Ibid, p. 89.
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