



## EDUCATION Policy Brief\*

September 2020

### ● Introduction

Lao PDR is in the midst of rapid demographic transition. A sharp decline in mortality has been accompanied by a decline in fertility – the major driver of population growth – leading to a restructuring of the age pyramid (Figure 1). With the right policies in place, Laos could benefit from a “demographic dividend”. This is the accelerated economic growth potential a country has when the working-age population is growing faster than the dependent age population, if the working age population is educated, empowered and employed. With education’s close link to demographic dynamics, it is critical to improve both enrolment rates and the quality of education services for the country to optimally benefit from the shifting population structure.

*The population data used in this education policy brief is based on the low variant of the Lao PDR population projection 2015 -2045.*

### ● Education Services 2015–2030

#### Student population and enrolment ratios

From 2015 to 2030, it is projected that the total school-age population will increase from 2.86 million to 2.89 million (Figure 2). Within the overall increase, given the decreasing fertility rate, the percentage of the school-age population by education level will change. A decrease will be seen in the pre-primary and primary levels, while the secondary and tertiary levels population will increase.

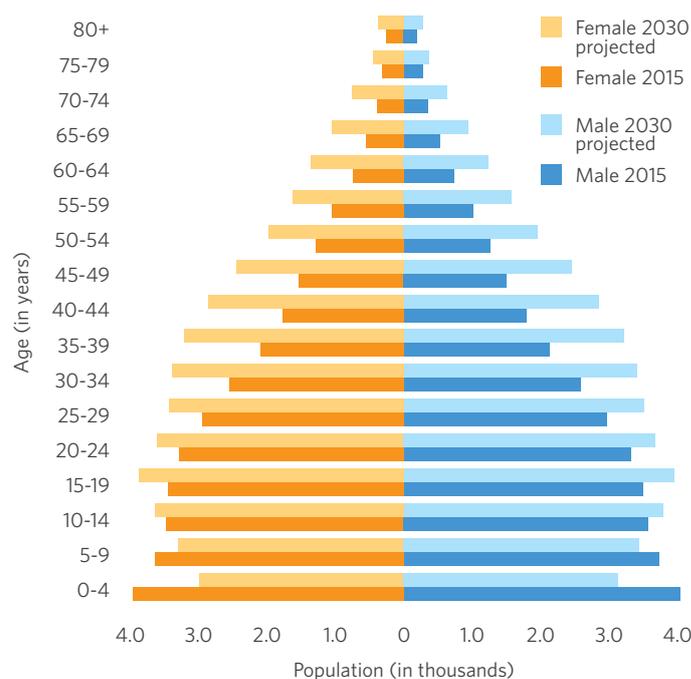
In terms of enrolment ratios, each education level starts at a different level in 2015 and is moving towards the goal of universal enrolment for pre-primary, primary and secondary education by 2030 (Figure 3).

Pre-primary education is projected to have an increase in the enrolment ratio, with a decrease in age-group population, due to the decrease in the fertility ratio, during 2015–2030. The number of students enrolled could rise from 162,000 in 2015 to 397,000 in 2025, and then decrease to 380,000 in 2030 (Figure 4).

Primary education, with an already high enrolment ratio thanks to mandatory schooling policy upto lower secondary was at 91.5 per cent in 2018, is projected to increase to 100 per cent by 2030. While the enrolment ratio increases, the number of students of primary-school age is projected to undergo a decline, from 708,500 in 2019 to 687,600 in 2030 (Figure 5). The reduction in the student numbers enrolling for primary education could provide an opportunity for quality improvements if budgets are maintained and invested in teacher competencies amongst other areas.

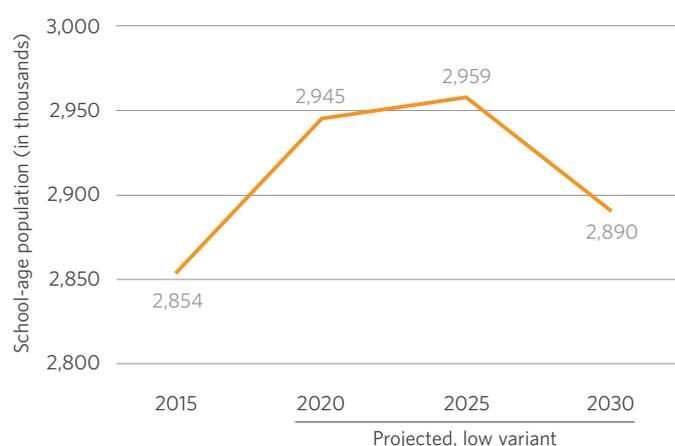
\* Global strategy on human resources for health: Workforce 2030; WHO

Figure 1: Age pyramid by gender, 2015 and 2030



Source: Lao Statistics Bureau, Lao Population Projections 2015–2045.

Figure 2: School-age population, all levels, 2015–2030



Source: Author’s calculations from Lao Statistics Bureau, Lao Population Projections 2014–2045.

#### Education levels and age groups

Four groups of students are categorized according to their age for analysis (although there can be age variations within the levels):

**Pre-primary** from ages 3 to 5 years,

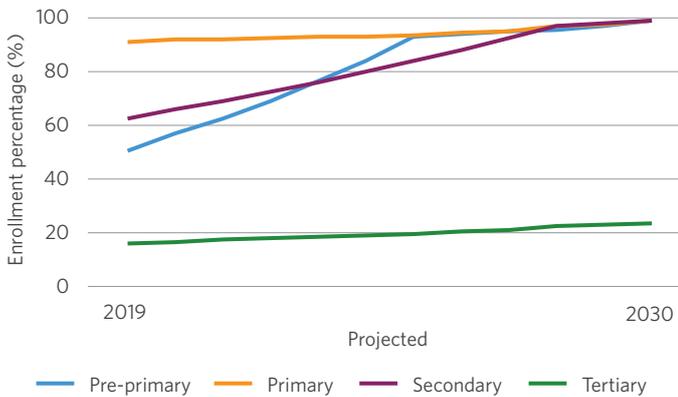
**Primary** from ages 6 to 10 years,

**Secondary** from ages 11 to 17 years, and

**Tertiary** from ages 18 to 22 years.

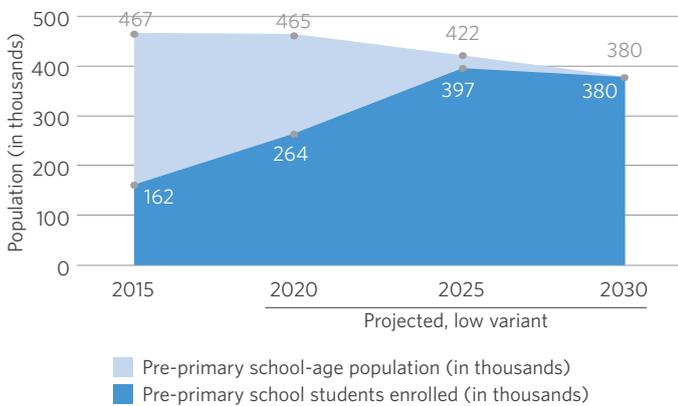
In comparison, the enrolment rate in secondary education is currently low but is projected to increase from 63 per cent in 2019 to about 85 per cent in 2025 with the goal of 100 per cent in 2030. The number of students is projected to increase from about 629,600 in 2019 to 1,069,500 in 2030 (Figure 6). Addressing this increase will require heavy investments in human resources, creative use of school infrastructure and improvements in the quality of secondary education.

**Figure 3: Enrolment ratio by education level, 2019-2030**



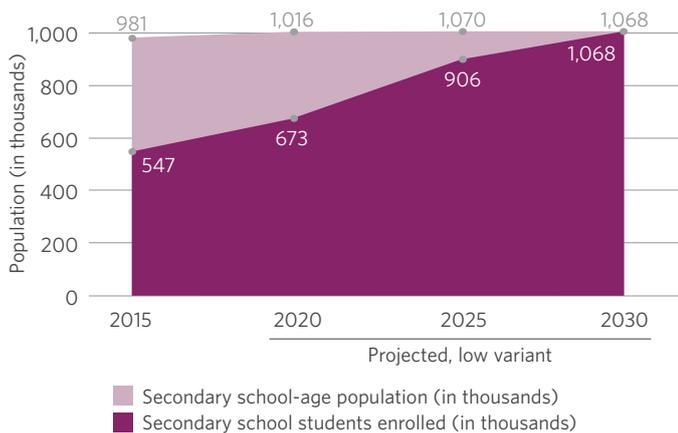
Source: Author's calculation according to past trends.

**Figure 4: Pre-primary education population and student enrolment, 2015-2030**



Source: For 2015: UNESCO UIS, Lao People's Democratic Republic, <http://uis.unesco.org/country/LA>. For 2020-2030: Author's calculations according to past trends.

**Figure 6: Secondary education population and student enrolment, 2015-2030**

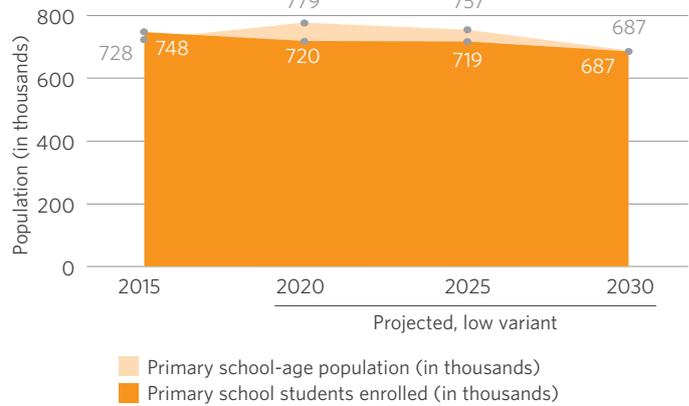


Source: For 2015: UNESCO UIS, Lao People's Democratic Republic, <http://uis.unesco.org/country/LA>. For 2020-2030: Author's calculations according to past trends.

Tertiary enrolment is expected to grow from 16 per cent in 2015 to 23 per cent by 2030. This projected rise in enrolment of students in tertiary education corresponds to 107,600 in 2019 to 174,500 in 2030 (Figure 7). This is a significant increase in number, despite the rather low resulting enrolment rate, and should give a sense of the challenge in terms of needed investments in the long run beyond the 9th NSEDP. A much higher rate of tertiary enrolment is required to allow Lao PDR to be competitive with other countries in the region, such as the Republic of Korea, which has over 90 per cent tertiary enrolment. An additional challenge is that at the tertiary level, a large share of students in Lao PDR select general studies rather than technical or scientific studies, the latter could add to the country's competitiveness.

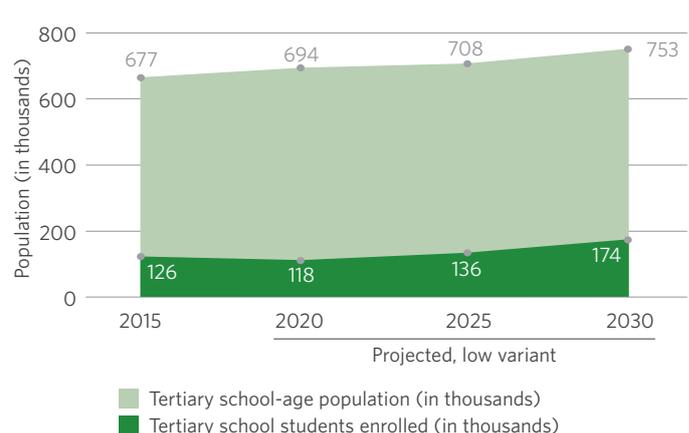
While planning for changes in demographics and enrolment, attention must be given to out-of-school children (aged 5-14 years) and within the 9th NSEDP, adolescents (aged 15-18 years), whose numbers have been increasing since 2014. The number of out-of-school children was 25,400 in 2014, and 65,400 in 2018, and the number of out-of-school adolescents was 111,200 in 2014 and 145,500 in 2018. The reasons for drop outs need to be fully understood and reintegration of those dropping out from school back into school or into vocational training requires dedicated efforts.

**Figure 5: Primary education population and student enrolment, 2015-2030**



Source: For 2015: UNESCO UIS, Lao People's Democratic Republic, <http://uis.unesco.org/country/LA>. For 2020-2030: Author's calculations according to past trends.

**Figure 7: Tertiary education population and student enrolment, 2015-2030**



Source: For 2015: UNESCO UIS, Lao People's Democratic Republic, <http://uis.unesco.org/country/LA>. For 2020-2030: Author's calculations according to past trends.

## Gender and school enrolment

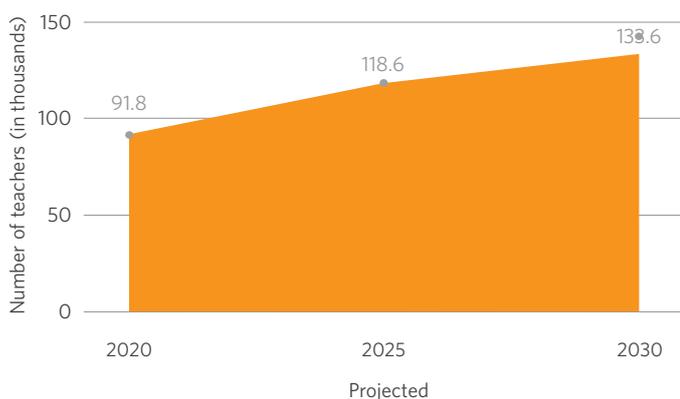
The enrolment ratios for males and females remained within 2 percentage points for all levels from 2015 through 2018, with some variations between years and levels. These ratios are projected to remain close through 2030, when the aim is for pre-primary, primary and secondary levels to reach universal enrolment for both males and females. Lao PDR has an adult and youth literacy rate of 84.7% and 92.5% respectively, according to UNESCO 2015 data. The current gap in the literacy rate between females and males over the age of 15 years (90 per cent for males and 79.4 per cent for females) reflects the difference in enrolment ratios prior to 2015.

## Teachers/professors and school facilities

To encourage higher rates of enrolment and continue to improve the quality of education, the number of teachers and professors needs to grow, overall, at a projected rate of 3.9 per cent per annum, and the number of schools and classrooms needs to be available through increase or staggered learning hours accordingly. A reflection of the relationship between increasing enrolment and quality can be seen through the student-teacher ratio.

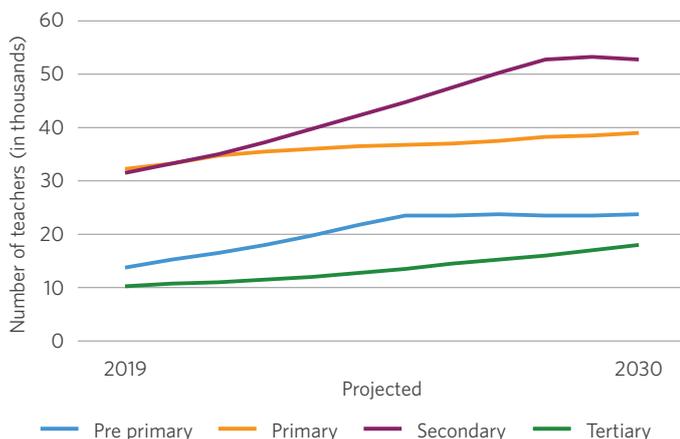
To meet demand, the number of teachers and professors at all levels will need to grow, going from 91,800 in 2019 to 133,600 in 2030, a 46 per cent increase overall (Figure 8), which varies according to level of education.

**Figure 8: Number of teachers and professors, all levels, 2020-2030**



Source: UNESCO, [http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS) and author's calculation according to orientated trends.

**Figure 9: Number of teachers and professors by level, 2019-2030**



Source: UNESCO, [http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS) and author's calculation according to orientated trends.

To meet the rapidly increasing potential demand for secondary school, it is projected that the number of teachers will greatly increase, going from 31,200 teachers in 2019 to 52,900 in 2030, a 70 per cent increase, or 22,000 more teachers. However, with the fast rise in the enrolment ratio, the student-teacher ratio will remain approximately the same at 20.2 between 2019 and 2030 (Figures 9 and 10).

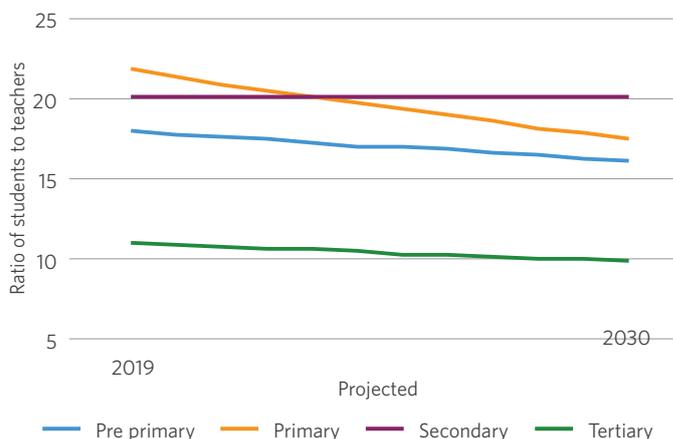
Currently, with the high primary enrolment rate and the decrease in fertility, the primary-level student-teacher ratio is projected to decrease from 21.9 students per teacher in 2019, with 32,400 teachers in total, to a ratio of 17.5 in 2030, with 39,300 teachers in total.

At the pre-primary level, where enrolment will be more rapidly increasing, the student-teacher ratio is projected to go from 18.0 in 2019 to a ratio of 16.1 in 2030, which will require a great increase in the number of pre-primary teachers, which is projected to go from 13,400 in 2019 to 23,600 in 2030, a 76 per cent increase, or 10,000 more teachers.

At the tertiary level, the student-teacher/professor ratio is projected to go from 11.0 in 2019 a ratio of 9.8 in 2030, with the number of teachers/professors increasing from 9,800 in 2019 to 17,800 in 2030, an 81 per cent increase, or 8,000 more teachers.

The need for greatly increasing expenditure on education also includes balancing budgets for improving capacities and quality while keeping infrastructure costs low. Maintenance and expansion or refurbishing of older schools, using premises for morning evening shifts could be options to consider. Projecting the number of classrooms required from 2020 to 2030 shows that there could be a decrease in the need for primary school classrooms, as enrolment is already high, and the annual growth rate in the primary school population is projected be -0.4 per cent, going from 32,300 classrooms in public schools in 2020 to 30,000 classrooms in 2030.

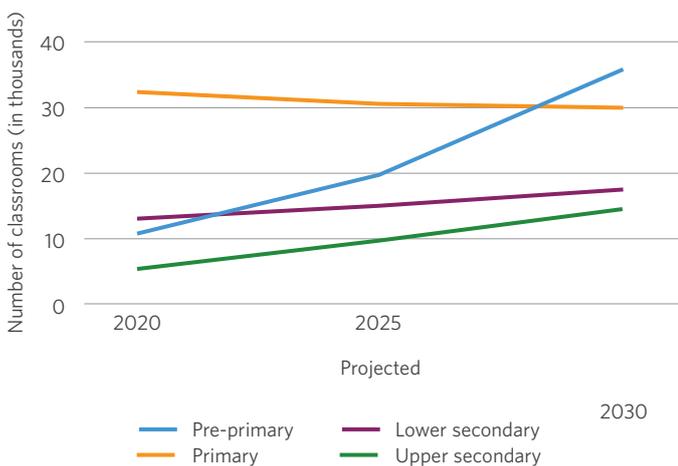
**Figure 10: Student-to-teacher ratio, by level, 2019-2030**



Source: UNESCO, [http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS) and author's calculation according to orientated trends.

For all other levels of public school, the number of classrooms required is projected to increase. Public pre-primary classrooms are projected to increase at a 12.6 per cent annual growth rate, going from 10,900 classrooms in 2020 to 35,900 in 2030; public lower-secondary school classrooms are projected to increase at 3.0 per cent annual growth rate, going from 13,000 classrooms in 2020 to 17,400 classrooms in 2030; and public upper-secondary school classrooms are projected to increase at an 8.8 per cent annual rate, going from 6,300 classrooms in 2020 to 14,700 classrooms in 2030 (Figure 11).

**Figure 11: Number of classrooms, public schools, by level, 2020-2030**



Source: Calculations according to projections of public classrooms in Ministry of Education and Sports, Education and Sports sector Development Plan (2016-2020).

## ● Policy Recommendations

There is demographic urgency in addressing secondary, tertiary and vocational training recognizing the large numbers of young people annually entering the workforce now till 2028. The focus needs to be both in the quality of education and enrolment numbers across the levels of education.

It is critical that the education sector prioritizes immediate needs within the 9th NSEDP for those about to enter the workforce. Focused action in secondary, tertiary and vocational education such that the youth are skilled and equipped with the right training for the labour market. In parallel, a system strengthening, longer term strategic investment for quality and enrollment, accelerating ongoing education reform efforts is required for pre-primary and primary education.

In Lao PDR, the contribution of human capital to economic growth remains limited due to shortcomings within the education sector. These include the low average length of schooling and a literacy rate for people over age 15 years of 84.7 per cent. With the exception of primary school enrolment at 92 per cent in 2019, other levels of education enrolment are currently low, creating a mismatch between available skills and employment opportunities requiring secondary, tertiary education or TVET to remain competitive with other countries in the region.

Efforts to increase enrolment have been effective in primary enrollment, despite this efforts, quality of education remains a major concern. The projected decrease in student-teacher ratios at some levels of education could help improve quality if the right investments are made.

Initiatives below could improve the education service if combined with stronger coordination and integration between the various components of the education and training system, as well as amongst the government, partners and relevant private-sector bodies. Urgent actions within the 9<sup>th</sup> NSEDP to address economic context and Covid-19 impact:

- Increase investments in education. Since 2015 budgets are below the SDG commitment of 15-20% of total gov't expenditure or 4-6% of GDP. The increase should go to non-wage sectors as 80% of the education budget goes to salaries, and focus on improving the quality of education and those about to enter the jobs market.
- Decentralization of the education system, strengthening the accountability of local authorities, enabling flexibility of management, including for facilities use and human resources to address increased enrolment at pre-primary, secondary and tertiary levels. Consideration for vocational schools and out-of-school children and adolescents. Local budgeting for education, especially rural and remote areas, to close gaps in distribution of resources.
- Creation of school-support strategies to better understand the factors leading to secondary school student's dropout and improve coordination with other sectors. This should include strengthening support from families and communities, and improving infrastructure and services, such as canteens, boarding facilities, school transport and scholarships.
- Increase Programmes and activities to keep youth engaged in school; youth-friendly health services, along with provision of comprehensive sexuality education in both schools and through health services.
- Focus on strengthening "STEM" particularly for girls; and 21<sup>st</sup> century skills/transferrable skills acquisition across the education system to improve employability.
- Thorough review and rebranding of vocational training to meet the needs of the public and private sector potential employers, in line with the transformations that the industrial, agricultural and service sectors are experiencing.
- Invest in improved teacher training curriculums and upscaling of teacher competencies. Establish an evaluation system based on performance indicators for teachers. This needs to include coaching, mentoring and supportive supervision as part of continuous professional development support for teachers.
- Career support, early orientation and creation of internship opportunities to help young people make the right choices based on their aptitude, and in terms of university or professional training.
- A comprehensive vision across the public sector, private sector for schooling would facilitate the efforts greatly

## Also required investments:

- Strengthen Lao language acquisition in pre-primary and primary to increase inclusivity even among the ethnic students and as a medium of instruction in schools. Promote integration of foreign languages at all levels of studies, such as the teaching of English, Asian languages such as Chinese, Japanese and Vietnamese.
- Investment to meet the growing enrolment potential in terms of quantity, and quality of education in pre-primary and primary for students to master foundational skills needed for further learning, productive employment and civic engagement.
- Promotion of quality pre-primary education, as studies show this as a cost-effective investment with returns for the overall education system, individual earnings and the broader economy. This needs to be a combined commitment by the state, families and local communities.



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