



Australian Government



Partnerships for
INFRASTRUCTURE

Australia - Lao PDR

Laos-Australia Connectivity Partnership

The Laos-Australia Connectivity Partnership is supporting the Government of Lao PDR to improve domestic and regional transport connectivity. This new partnership supports ASEAN's connectivity agenda by helping Laos to implement one of the Initial Pipeline of ASEAN Infrastructure Projects.

LACP at a glance

The Laos-Australia Connectivity Partnership (LACP) is supporting the Government of Lao PDR's infrastructure priorities to increase trade, employment, and inclusive economic growth.

Improving transport connectivity is central to the Government of Lao PDR's aim to transition from a land-locked to land-linked country in Southeast Asia.

Australia is providing at least A\$10 million over 2 years through LACP to help Laos improve climate resilient domestic and regional transport connectivity.

LACP aligns with the Government of Lao PDR's National Socio-Economic Development Plan and the Five-Year Development Plan of the Ministry of Public Works and Transport (MPWT).

LACP complements the major World Bank-financed Southeast Asia Regional Economic Corridor and Connectivity (SEARECC) project, which MPWT is implementing.

LACP activities

LACP focuses on four areas that align with SEARECC.

Upgrading cross-border facilities

LACP project preparation will help Laos access World Bank financing to upgrade cross-border facilities at either end of National Road No. 2 (NR2). This key east-west route connects Laos with Thailand at Nam Nguen and Vietnam at Panghok.

The upgraded cross-border facilities will support the safe, efficient, and effective processing of growing goods trade and tourists. The facilities will include digital processes, biosecurity labs, and customs, immigration, and quarantine services.

Quality project preparation will improve the resilience of the roads and facilities to storms, floods and landslides that are becoming more frequent with climate change. It will also integrate environmental and social safeguards into the design.

Developing logistics hubs

LACP is analysing two potential new logistics facilities in Laos' northern economic corridor. Once developed, these facilities will enhance access to markets for local communities and businesses, and act as a hub to

better manage the efficient transportation, handling and storage of goods.

Strengthening cross-border transport cooperation

To strengthen regional trade and connectivity, SEARECC and LACP are supporting Laos to enhance transport collaboration with its neighbours and trading partners, Thailand and Vietnam.

Improving multimodal transport and logistics

LACP is partnering with MPWT to develop Laos' first Multi-Modal Transport Strategy. This has the potential to transform Laos' approach to transport policy and planning, including by better prioritising projects and investments, and creating an enabling environment for a more competitive logistics sector.

LACP will also deliver activities to strengthen national and provincial government capacity to implement this strategy, and to develop integrated transport regulations and policies for more inclusive and resilient infrastructure.

Advancing ASEAN's connectivity agenda

Australia and Laos are committed to working in partnership with ASEAN on issues of regional importance, including sustainable infrastructure and connectivity.

LACP and SEARECC were designed to complement the *Master Plan on ASEAN Connectivity 2025*, with NR2 one of the Initial Pipeline of Potential ASEAN Infrastructure Projects. The upgrade of this important east-west route in mainland Southeast Asia, and of the cross-border facilities connecting Laos, Vietnam and Thailand, will enhance regional economic integration and connectivity.

Partnerships for Infrastructure

The Australian Government's flagship infrastructure initiative for Southeast Asia, Partnerships for Infrastructure (P4I), is implementing LACP with MPWT and other local stakeholders.

P4I works with partners to strengthen infrastructure decision-making and practice. To drive quality infrastructure development, our cooperation integrates gender, disability, social inclusion, disaster risk reduction and climate change.