



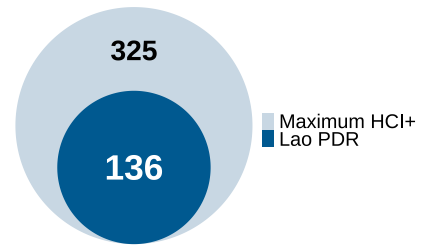
# LAO PDR

Region: East Asia & Pacific  
Income Category: Lower-middle Income

**Human capital - people’s knowledge, skills, and health - drives productivity and growth.** The Human Capital Index Plus (HCI+) measures the human capital a child born today can expect to accumulate over their working life, extending the original HCI by incorporating tertiary education and work experience. This brief summarizes **Lao PDR’s** HCI+ score and its performance in building human capital.

## What is Lao PDR’s HCI+ and what does it mean?

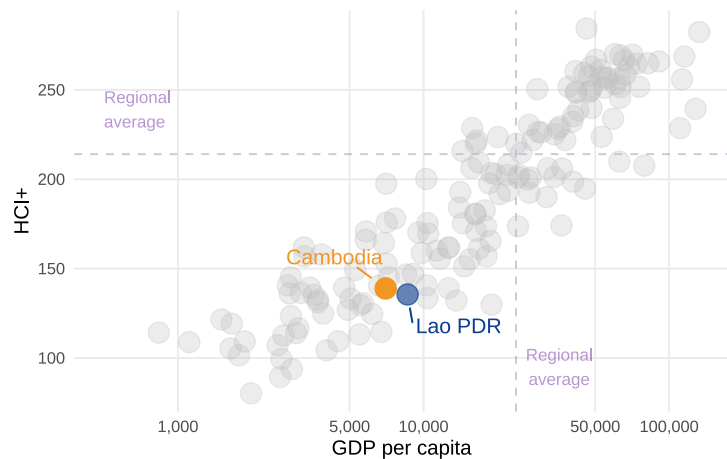
Lao PDR’s HCI+ score is **136** (out of a maximum of **325**), reflecting its investments in **health, education, and employment**. A 10-point increase in the index would translate into approximately 10 percent higher future income. Closing the current gaps in these areas relative to high-performing countries with similar GDP per capita would boost future income by 92%.



## How does Lao PDR’s HCI+ compare to other countries?

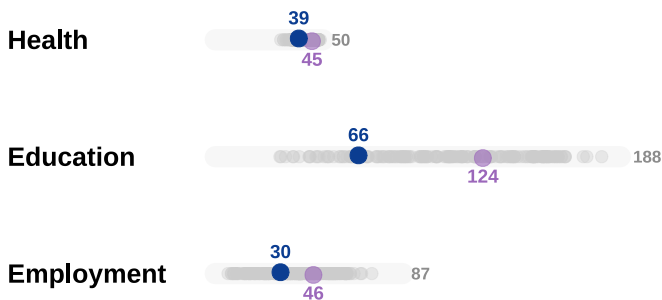
Lao PDR’s HCI+ is lower than the average for the **East Asia & Pacific region (215)** and lower than the average for **lower-middle-income countries (153)**.

Lao PDR’s HCI+ score is also **3 points lower than Cambodia’s**.



## What explains Lao PDR’s HCI+?

The HCI+ has three components corresponding to health, education, and employment.



The HCI+ score for the **Health pillar is 39**, lower than the **regional average of 45**.

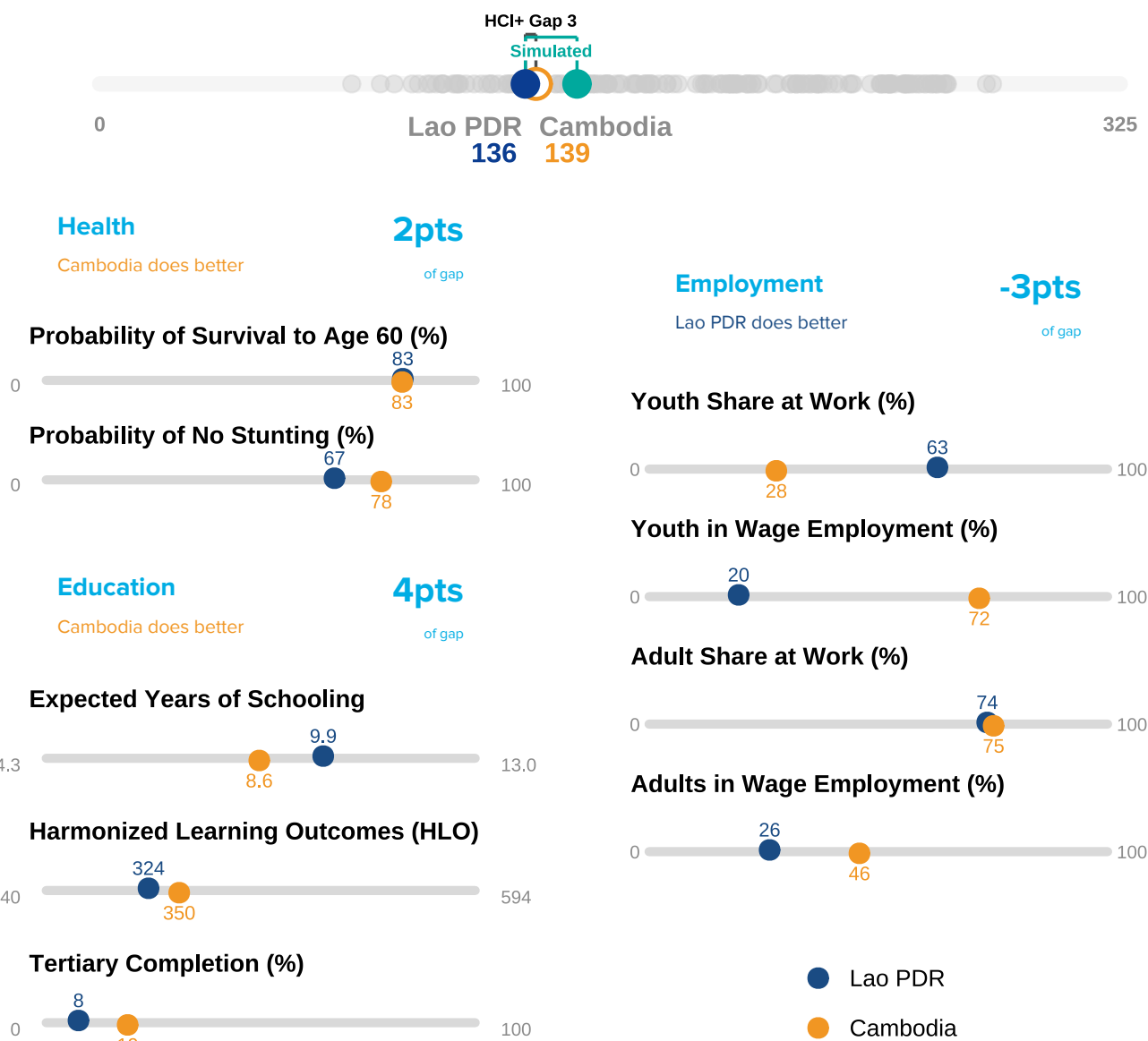
The HCI+ score for the **Education pillar is 66**, lower than the **regional average of 124**.

The HCI+ score for the **Employment pillar is 30**, lower than the **regional average of 46**.



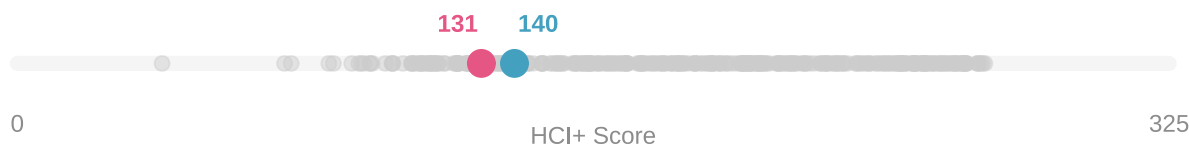
### What indicators are responsible for Lao PDR's HCI+ gap with Cambodia?

Lao PDR's HCI+ score (136) is lower than Cambodia's (139). The indicators that account for the largest share of the HCI+ gap between Lao PDR and Cambodia are **tertiary completion, Harmonized Learning Outcomes (HLO), and adult in wage employment**. Raising these indicators to Cambodia's levels would increase Lao PDR's score to 152, boosting future income by approximately 16.3%.



### What is Lao PDR's HCI+ gender gap?

The HCI+ score for **women in Lao PDR is 131** compared to **140 for men**. The 9-point gap indicates that women's earning potential will be 9% lower than men's due to differences in the human capital acquired by men and women in Lao PDR.



Note: All values are derived from internationally comparable public datasets.

