



# ILO EVALUATION

- **Evaluation Title:** Independent Final Evaluation of National Rural Employment Strategy in Lao PDR towards increasing opportunities for decent and productive employment in rural areas
- **ILO TC/SYMBOL:** LAO/16/01/CHE
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- **Country:** Lao PDR
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- **ILO Technical Backstopping Office:** ILO DWT for East and South East Asia and the Pacific
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- **Evaluation Manager:** Rattanaporn Pongpattana, Monitoring and Evaluation Officer, ILO Regional Office for Asia and the Pacific
- **Key Words:** Rural Employment, value chain development, skills development and skills matching, Employment Intensive Infrastructure Program, labour based approach, gender, national rural employment strategy, Lao PDR

**Due to extenuating circumstances described in the limitations section, the ILO Evaluation Office exceptionally assumed responsibility for completing this evaluation. It has not been professionally edited, but has undergone quality control by the ILO Evaluation Office.**

# Independent Final Evaluation of National Rural Employment Strategy in Lao PDR towards increasing opportunities for decent and productive employment in rural areas

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**The ILO Evaluation Office (EVAL)**

January 2022

<b>Project Title</b>	National Rural Employment Strategy in Lao PDR towards increasing opportunities for decent and productive employment in rural areas
<b>TC project code</b>	LAO/16/01/CHE
<b>Donor</b>	Swiss Agency for Development and Cooperation (SDC)
<b>P&amp;B outcome</b>	Outcome5 Decent work in the rural economy (P&B 2018-2019)
<b>DWCP</b>	The 2017–21 DWCP for the Lao People's Democratic Republic
<b>Budget</b>	US\$ 2,658,060 (US\$ 2,138,060 contribution from SDC \$; US\$ 520,000 contribution from ILO)
<b>ILO Administrative unit</b>	ILO Country Office for Thailand, Cambodia, Lao PDR
<b>ILO Technical Units</b>	ILO Decent Work Technical Support Team for East and South East Asia and the Pacific, based in Thailand
<b>Collaborating ILO Units/Offices:</b>	SECTOR, ILO Geneva
<b>Implementation Partners</b>	Ministry of Labour and Social Welfare, Lao PDR Provincial Department of Labour and Social Welfare and relevant provincial departments
<b>Type and scope of Evaluation</b>	Independent Final Evaluation (concerning the period 20 <sup>th</sup> September 2017 –31 <sup>st</sup> Jan 2021 )
<b>Time frame</b>	1 <sup>st</sup> May 2017 – 30 <sup>th</sup> April 2020 (36 months) with 8 months no-cost extension till 31 <sup>st</sup> December 2020
<b>Evaluation Manager</b>	Ms Rattanaporn Poungpattana, Monitoring and Evaluation Officer, ILO -RO-Asia and the Pacific, in Thailand, Bangkok

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## Acronyms

ADB	Asian Development Bank
ASEAN	Association of South East Asian Nations
AEC	ASEAN Economic Community
AVSF	Agronomes and Veterinaries sans Frontiers
CTA	Chief Technical Advisor
DAC	District Advisory Committee
DAFO	District Agriculture and Forestry Office
DDR	Direct Dry-Seeded Rice
DIC	Department of Industry and Commerce
DOH	Department of Health
DWCP	Decent Work Country Programme
DWT	Decent Work Team
EM	Evaluation Manager
GED	Gender, Equality and Diversity
GoL	Government of Lao PDR
HH	Household
HQ	Headquarters
IA	Implementing Agency
IGA	income generation activities
KII	Key informant interview
LGAs	Local Government Agencies
ILO	International Labour Organization
IMI	Labour Market Institutions
IO	Immediate Outcome
IVETS	Integrated Vocational and Educational Training School of Sekong
KII	Key Informant Interview
LFS	Labour Force Survey
LFTU	Lao Federation of Trade Unions
LMM	Labour Ministerial Meeting
LNCCI	Lao National Chamber of Commerce and Industry
LSB	Lao Statistics Bureau
LWU	Lao Women's Union
LYU	Lao Youth Union
MAF	Ministry of Agriculture and Forestry
M&E	Monitoring and Evaluation
MEL	Monitoring and Evaluation and Learning
MES	Ministry of Education and Sports
MOIC	Ministry of Industry of Commerce
MOLSW	Ministry of Labour and Social Welfare
MoU	Memorandum of Understanding
MPI	Ministry of Planning and Investment
MPWT	Ministry of Public Works and Transport
MTE	Mid-Term Evaluation

NCRDPE	National Committee on Rural Development and Poverty Eradication
NESDP	National Economic and Social Development Plan
NGO	Non-Government Organisation
NRES	National Rural Employment Strategy
OSH	Occupational Safety and Health
PAC	Provincial Advisory Committee
PAFO	Provincial Agriculture and Forestry Office
P&B	Programme and Budget
PC	Project Coordinator
PRF	Poverty Reduction Fund
PS	Private Sector
PwDs	People with disabilities
RE	Rural Employment
SCCI	Savannakhet Chamber of Commerce and Industry
SSDC	Savannakhet Skills Development Center
SDC	Swiss Agency for Development and Cooperation
SDGs	Sustainable Development Goals
SEZ	Savannakhet Special Economic Zone
SSDC	Southern Skills Development Center
SVK	Savannakhet
TOT	Training of Trainers
TPR	Technical Progress Report
TVET	Technical Vocational Education and Training
UNPF	the UN Partnership Framework
UXO	unexploded ordinance
VCD	Value-chain development
WB	World Bank
WEE	Women Economic Empowerment

## Executive Summary

The final evaluation of the National Rural Employment Strategy (NRES) in Lao PDR towards increasing opportunities for decent and productive employment in rural areas was completed between November 2020 and April 2021. The scope of the evaluation included program implementation in two provinces from May 2017 to December 2020. The purpose of the final evaluation was to promote accountability to ILO key stakeholders and the donor, and to enhance organizational learning. The findings will be used to improve the design and implementation of future relevant projects and programmes.

### **Background**

At the request of the Government of Lao PDR (GoL), the ILO worked to develop an approach to reducing poverty through promoting employment in the rural areas. A small pilot in 2012, followed by the Sekong project (2014-2016), led the Lao PDR government to promote rural employment for poverty reduction at the ASEAN level in 2016, when Lao PDR assumed the ASEAN presidency. The ASEAN declaration on the transition from informal to formal employment was adopted at the meeting.

The current project was the second phase of the NRES project. It started on 1st May 2017 and ended on 31st December 2020, totaling 44 months. In this phase, the project aimed to contribute to increasing decent rural employment and income through integrated approaches. It proposed to do this by supporting the GoL to develop and to implement a National Rural Employment Strategy that addressed the ASEAN Declaration on decent work promotion. It also sought to increase the Lao PDR and ASEAN knowledge base on decent rural employment creation.

The **Development Objective** was: Decent employment opportunities to increase in rural areas of Lao PDR through development and implementation of a National Rural Employment Strategy. To achieve this objective, the project envisaged three immediate objectives (IO):

- IO 1: Decent rural employment opportunities and income to be increased through integrated approaches in target communities of two selected provinces;
- IO 2: National Rural Employment Strategy to be developed and adopted, linked to support for implementation of the ASEAN Declaration on 'Decent work promotion: Transition to a formal economy';
- IO 3: Increased knowledge base and knowledge sharing to enhance decent rural employment creation in Lao PDR.

### **Methodology**

An evaluation team of four international and national consultants, based in Laos, was commissioned to collect and analyze data in November 2020 and to report in December 2020. The external evaluation team could not complete the activity, therefore, the ILO Evaluation Office (EVAL) assumed responsibility for the task in February 2021. Between March and April 2021, an ILO Senior Evaluation Officer, assisted by an M&E Officer based in the ILO Regional Office for Asia and the Pacific in BKK, collected and analyzed additional data. The evaluation methodology consisted of: (i) document review; (ii) online interviews with the project team and few stakeholders, and (iii) data analysis and reporting.



## **Relevance**

The NRES project was highly relevant to Lao PDR where the government had a political priority to address rural-urban disparities. It was also aligned with Lao policies, such as the NSEDP which had a priority to formulate a NRES that created jobs and increased income in rural areas. However, the project would have been more relevant if it had focused on decent work deficits (low income, poor working conditions) in commercial plantations and agro-industries factories which became increasing common in rural Lao PDR, as a result of trade and investment liberalization.

## **Validity of intervention design**

The design and integrated approaches of value chain and skills upgrading, investments in rural infrastructure/community assets and community contracting were conceptually elegant. However, the Development Objective that required implementation of the National Rural Employment Strategy, was viewed as being out of the project's control, and the timeframe was unrealistic to achieve large-scale, sustainable results, especially when the project targeted vulnerable communities in very remote poor areas. The PRODOC failed to articulate how each subcomponent was supposed to link with others. The problem was exacerbated by the absence of an M&E system and annual work plans.

## **Coherence**

From an RBM perspective, the project was generally found to be coherent and technically adequate. However, the revision of the log frame neglected to include indicators or targets for several outputs, such as support for employment of persons with disabilities. The failure to establish baseline values and poor monitoring resulted in low evaluability.

To promote coherence with the ILO's strategic policy and the UN's results-based management principles, the project should have adopted indicators to track efforts to build the capacity of the GoL staff and institutions.

## **Effectiveness**

There was not a common understanding of the project's objectives among project management and the national stakeholders. As a result, there was not a coordinated effort to work on shared goals. This was a fundamental limitation to the project's effectiveness.

The evaluation determined that project could have achieved more and better results if the log frame had been reviewed at the beginning of the project to clarify the objectives, outputs and strategy with stakeholders. In addition, use of the log frame by the project management during implementation would also have improved effectiveness.

Three valid recommendations from MTE were not addressed. No reasons were offered as to why they were ignored, despite the fact that addressing them would have helped to improve project effectiveness.

## **Efficiency**

Analysis of the percentage of the achieved outputs vs the amount of expenditure showed that the project was expensive. Seventy-two per cent of the planned activities were completed (i.e. 18 out of 25 activities), whereas 99% of the funding was spent.

Delayed fund transfers from the ILO to the implementing agencies, in Lao PDR, posed a major implementation challenge and affected project timeliness.

## **Impact**

The project was unable to scale up to influence policy in the area of national OSH policy, labour inspection capacities and skills certification, due to time constraints.

The project successfully demonstrated a number of business models and working strategies (i.e. on skills training, assistance in the job search process, public works rural infrastructure programme, and support to micro-entrepreneurs) that have the potential to increase the income of various vulnerable groups including women, youth and subsistence farmers. It could also help to increase productivity and to reduce vulnerability of smallholder farmers and micro entrepreneurs.

Poor consumers benefited from the availability of services such as motorcycle repairs. These models and strategies have the potential to make significant contributions to the SDGs when they are implemented at larger scale.

The small scale of the VCD models limited the impact of poverty reduction. The poorest groups were not targeted by the project's VCD models.

## **Sustainability**

Evidence suggested that some project-supported products, activities and tools were likely to be sustained, including: (1) production activities in both Sekong and Savannakhet; and (2) public employment service and LMIs in SVK.

In Phase 2, the project supported formation of a number of groups, including producer/production groups and community committees, such as coffee production groups, chicken production groups and a Water User Committee.

Strengthening these groups to ensure operational continuity and functionality of these producer/production groups, would require project support. Further support from the project would also be required to establish the smallholder farmers' linkages to markets.

## **Cross cutting issues**

The project attempted to promote women's participation in the project activities and to carry out gender interventions. There was only anecdotal evidence that the project succeeded in improving an equal division of labour between men and women. Gender equality and women economic empowerment (WEE) was not a focus of the project.

The current VDC and skills development models were not responsive to the needs and the capacity of PwDs. The project data was not disaggregated by disability and there was no tangible evidence that PwDs enjoyed any benefits from the project.

## **COVID**

Covid 19 delayed and affected some project activities. The pandemic interrupted the skills development training of 30 villagers on basic machine operation and automotive. It also caused cancellations of vacancies and resulted in fewer trainees securing wage employment. Despite this, it was anticipated that companies would resume recruitment, in the coming period.

The project made few specific interventions to address the impact of COVID 19. In SVK, around 120 Laotian migrant workers returned to their hometown in the two target districts, from Thailand. As they planned to return to work in Thailand again, the PC made sure the returned migrant workers were aware of available job opportunities with companies in the Savannakhet Economic Zone.

### **Recommendations**

**Recommendation 1:** *The project should develop business cases for the models and strategies that were shown to be effective.* These should be shared with Lao stakeholders along with guidelines for implementation. In any subsequent phase, the project should focus on developing and implementing working strategies in OSH, labour inspection, and disaster resilience infrastructure that were not adequately demonstrated.

Responsible unit(s)	Priority	Time implication	Resource implication
Project team, CTA, consultants and ILO specialists (EIIP, Employment, Skills, Local strategies)	High	Short-term	Medium

**Recommendation 2:** The project should work with the ROAP senior management to set up an office imprest system in Lao PDR to allow timely initiation of activities.

Responsible unit(s)	Priority	Time implication	Resource implication
CO-BKK, ROAP, RAS, project CTA	High	Short-term	Low

**Recommendation 3:** An in-depth learning activity should be conducted to derive lessons that can be used to inform future ILO programming as well as NRES revision in Lao-PDR.

Responsible unit(s)	Priority	Time implication	Resource implication
NRES Project team, consultants and ILO specialists (EIIP, Employment, Skills), IAs and Contractors	High	Short-term	Medium

**Recommendation 4:** In any subsequent phase, the project should allocate a sufficient budget and establish a robust MEL system that would not simply collect/manage administrative M&E data needs but also enable systematic learning and knowledge creation. It should engage constituents and stakeholders in project planning, monitoring and project learning.

Responsible unit(s)	Priority	Time implication	Resource implication
Project team, CTA, Constituents and Stakeholders in Lao PDR, Potential donors (EU, SDC)	High	Mid-term	High

**Recommendation 5:** In any subsequent phase, the project should allocate a budget to hire a M&E officer to support and to capacitate GOL agencies on project management, financial management, project planning, M&E and reporting.

Responsible unit(s)	Priority	Time implication	Resource implication
Project developer, Donor, CTA	Medium	Mid-term	Medium

**Recommendation 6:** At the provincial level, the project should invite development partners to form part of the reference groups and steering committees. At the national level, the project should engage the UNCT and other development partners in the NRES development and implementation process.

Responsible unit(s)	Priority	Time implication	Resource implication
Project, UNCT and other development partners, Provincial authorities, MoLSW	Medium	Mid-term	Low

**Recommendation 7:** The ILO EIIP Unit should review and tailor EIIP models that have mixed methods (machinery with supplementary labour) and that are resilient to disasters.

Responsible unit(s)	Priority	Time implication	Resource implication
DWT BKK, EIIP Specialist, EIIP Unit	High	Short-term	Low

**Recommendation 8:** The NRES project and SDC should carefully consider the overall approach and strategic focus of the program with regards to the promotion of women economic empowerment. Within this context, the project should design business models and project strategies that promote women’s economic empowerment, in order to allow vulnerable people, including PwDs, to benefit from project interventions.

Responsible unit(s)	Priority	Time implication	Resource implication
NRES, consultants and ILO specialists (EIIP, Employment, Skills, Gender, OSH), SDC	High	Short-term	Low

## 1. Introduction

### 1.1 Economic, political, social, cultural and historical context

Lao PDR is a land-locked and mountainous country. More than half of the population lives in small rural and mountainous districts that are far from markets and difficult to access. The country has one of the youngest populations in the region. Nearly 60 per cent of Lao PDR's population are estimated to be less than 25 years of age.

The agriculture sector is a key factor to the country's overall development. The agriculture and fishery sectors dominate the economy, accounting for about 63 per cent of the country's employment, in 2013<sup>1</sup>. However, their contribution to GDP was not proportional to the number of people employed.

Many rural households are highly dependent on subsistence farming and continue to face temporary or seasonal food insecurity. Rates of food insecurity among poor families, rural areas and ethnic groups are significantly higher than the national average.<sup>2</sup>

The underperformance of the agricultural sector is compounded by the fact that Lao PDR has the distinction of being one of the most heavily bombed nations in the world. The legacy of devastation from the Second Indochina war (1964 to 1973), has contributed to the country's poverty, with over 1,100 rural villages in Lao PDR – one in six – having agricultural land affected by the presence of unexploded ordinance (UXO).<sup>3</sup>

Even so, the country aims to be eligible to graduate from the least developed country (LDC) status by 2020. It is taking steps towards inclusive and sustainable industrialization and modernization and to enhance the well-being of the people and the prosperity of the country, as stated in its 8th National Social and Economic Development Plan (2016 – 2020).

#### 1.1.1 COVID-19 Pandemic

Following an increase in the number of COVID-19 cases, on 29 March 2020, the Lao government enacted a nationwide lockdown. The COVID-19 outbreak and its containment measures resulted in slowed growth, plunging the Lao economy into its first recession since the Asian financial crisis of the late 1990s.

The socio-economic impact of COVID-19 on Lao PDR has been considerable. Domestic and regional supply chains collapsed. By July 2020, nearly 13 per cent of workers employed before the pandemic lost their jobs, pushing the unemployment rate to over 25 per cent. Rising food prices have led to growing food insecurity among the poorest. Between June and July 2020, 70 percent of households reported being affected by rising food prices.<sup>4</sup>

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<sup>1</sup> WB, Lao Economic Monitor FY 2015-2016

<sup>2</sup> National Commission for Mothers and Children, Ministry of Planning and Investment and UNICEF (2012), Child Well-being and Disparities in Lao PDR

<sup>3</sup> 8<sup>th</sup> NSEDP of Lao PDR (2016-2020)

<sup>4</sup> <https://www.worldbank.org/en/country/lao/publication/lao-economic-monitor-january-2021-supporting-economic-recovery>

## 1.2. Socio-economic context of the target provinces and districts

The provinces of Sekong and Savannakhet were the targets of phase two of the NRES project. Sekong had been the target of implementation since the project's inception in 2012. Savannakhet was added in phase two (2017-2020).

Sekong is a mountainous province (with mountains covering 65 per cent of the area) with a total population of only 127,000 people.<sup>5</sup> Around 73 per cent of its population lives in rural areas. Nearly 90 per cent are in vulnerable employment (i.e. self-employed and unpaid family workers typically without social security and regular earnings or stable incomes).<sup>6</sup> Sekong is home to ten ethnic groups, making it one of the most ethnically diverse provinces in the country.

Sekong is one of the poorest provinces of Lao PDR. According to a 2020 WB-LSB study, it has the highest provincial poverty rate (30.6 per cent). However, the province accounts for just 3 per cent of the country's poor, because of its small population.<sup>7</sup> In terms of disasters, Sekong is one of the provinces with the largest proportion of villages at high-risk of flooding.<sup>8</sup>

Sekong is comprised of four districts (Lamam, Keleum, Dakcheung and Thateng) in which 200 villages are located. The project was implemented in two Districts: Lamam and Dakcheung. Communities in these two districts suffer from livelihood constraints (food security, water and sanitation issues) and poor access to markets.<sup>9</sup> Dak Cheung was listed among the 47 poorest districts by the LSB, in 2014.<sup>10</sup>

Savannakhet is the largest province in Lao PDR, in terms of population, with around 15 per cent of the country's total population.<sup>11</sup> Seventy-seven per cent the population is rural and there is a high incidence of poverty. In 2019, Savannakhet accounted for 20.6 percent of the country's poor.<sup>12</sup> The project districts include Atsaphone and Sepone, two of the poorest and most isolated of the SVK province, located next to the border with Vietnam. With its rice paddy-based system, Atsaphone is classified as being agriculture – semi commercial. Sepon is classified as being agriculture-subsistence,<sup>13</sup> being dominated by uplands and a high proportion of ethnic minorities. According to the LSB (2014), Sepone was among the 47 poorest districts in the country.<sup>14</sup> Savannakhet is one of the two provinces with a large proportion of villages at high risk of drought.<sup>15</sup>

### 1.2.1 Project background

At the request of the Government of Lao PDR (GoL), the ILO worked to develop an approach to reducing poverty through promoting employment in the rural areas that would be coherent with the United Nations Partnership Framework for Lao PDR (2017-2021) and the ILO Decent Work Country Programme for Lao PDR (2017-2021).

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<sup>5</sup> <https://www.lsb.gov.la/en/home/> retrieved on 19 March 2021

<sup>6</sup> Chansathith Chaleunsinh – 2017 Mapping provinces for inclusion in ILO's rural employment project in the Lao PDR" prepared for the ILO Rural Employment Project, Lao PDR

<sup>7</sup> WB and LSB (2020) "Poverty Profile in Lao PDR Poverty Report for the Lao Expenditure and Consumption Survey 2018-2019" <http://pubdocs.worldbank.org/en/923031603135932002/Lao-PDR-Poverty-Profile-Report-ENG.pdf>

<sup>8</sup> <https://www.gafspfund.org/sites/default/files/inline-files/final%20design%20report%20-%20GAFSP-SSFSNP.pdf>

<sup>9</sup> 2018 MTE report

<sup>10</sup> LSB, December 2014] cited in PRODOC page 19

<sup>11</sup> <https://www.lsb.gov.la/en/home/>

<sup>12</sup> WB and LSB (2020) "Poverty Profile in Lao PDR Poverty Report for the Lao Expenditure and Consumption Survey 2018-2019" <http://pubdocs.worldbank.org/en/923031603135932002/Lao-PDR-Poverty-Profile-Report-ENG.pdf>

<sup>13</sup> The communities suffer livelihood constraints (food security, water and sanitation issues) and poor access to markets which constrain response to VCD activities. Interventions planned for these districts; Irrigation development, community-based tourism have high inputs, site specific and as represent 'development interventions'.

<sup>14</sup> LSB, December 2014] cited in PRODOC page 19

<sup>15</sup> <https://www.gafspfund.org/sites/default/files/inline-files/final%20design%20report%20-%20GAFSP-SSFSNP.pdf>

A small pilot in 2012, followed by the Integrated Rural Employment Pilot Project in Sekong (Sekong project) (2014-2016), led the Lao PDR government to promote rural employment for poverty reduction at the 24th Labour Ministerial Meeting (LMM) of 2016 ASEAN, where Lao PDR assumed the ASEAN presidency. The ASEAN declaration on the transition from informal to formal employment was adopted at the meeting. The ILO supported the drafting of a declaration for discussion among ASEAN Member States and, subsequently, drew up a work plan. The work plan has facilitated knowledge sharing among ASEAN countries, where agriculture and rural development have played important economic roles.

The project being evaluated was the second phase of the NRES project. It began 1st May 2017 and concluded 31st December 2020. The original project end date was 30th April 2020, but it received an eight month no-cost extension, until 31st December 2020, totaling 44 months. In the second phase, the project aimed at scaling up national policies such as labour law, national OSH Programme<sup>16</sup>, social protection system, national skills standards and value chain promotion.<sup>17</sup>

The project goal was to contribute to increasing decent rural employment and income through integrated approaches; supporting the GoL to develop and implement a National Rural Employment Strategy to address the ASEAN Declaration on decent work promotion; and, to increase the Lao PDR and ASEAN knowledge base on decent rural employment creation.

In order to accomplish its goals, the project secured funding from three sources: (1) SDC (US\$ 2,138,060); (2) ILO (US\$ 1,422,664); (3) Arab Gulf Program for Development Organization (US\$ 100,000).

### **1.2.2 Management arrangement**

The project team consisted of:

- One international project manager (PM). This position was in charge of the daily management of the project, technical support and reporting to stakeholders. The project had two PMs based in the Savannakhet project office. The first worked between Dec 2017 and Dec 2018 and the second between May 2019 and Nov 2020. In between, the project was managed from ILO BKK by an interim CTA.
- Two Project Coordinators (PCs), one for SVK and another for Sekong. Both were recruited around Mar 2019. Before them, the project had a Lao National Coordinator who had nurtured the project from its inception, mainly for activities in Sekong, and who departed around September 2018.
- One Administrative and Financial Assistant who supported the project team and one community facilitator who worked with the project starting in Sept 2018. He was based in the targeted community of Xienglouang in the District of Sekong.

Technical backstopping for the project was provided by the Specialist on Local Strategy for Decent Work, together with other DWT specialists based in Bangkok, including the: Employment Specialist; Skills Specialist; Employment Intensive Specialist; Gender, equality and diversity Specialist; OSH Specialist; Statistics Specialist; and Labour inspection Specialist.

The project also had a National Advisory Committee (NAC) that met annually. A Provincial Advisory Committee (PAC), in each project province, held meetings every six months. Supporting the PAC, at the provincial level, were technical working groups on skills, value chains, entrepreneurship development and OSH. The project also formed an irrigation committee, at the provincial level, that held monthly meetings to follow up progress of the construction of the Daktreup irrigation system.

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<sup>16</sup> 2nd National Occupational Safety and Health (OSH) Programme, 2011–2015; [https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sro-bangkok/documents/policy/wcms\\_208356.pdf](https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sro-bangkok/documents/policy/wcms_208356.pdf)

<sup>17</sup> MTE page 10

### 1.2.3 Target groups

The project was implemented at national, provincial, district and community levels. The national level target group was the National Advisory Committee, chaired by the Vice Minister of Labour and Social Welfare, coordinated by the Ministry of Labour and Social Welfare (MOLSW) and composed of tripartite constituents.

The provincial level target groups were the Provincial Advisory Committees (PACs), chaired by the Vice Provincial Governors and coordinated by the provincial Departments of Labour and Social Welfare. The PACs consisted of the governors' offices, the provincial departments of various ministries and Provincial Tripartite Committees, where these existed, in the provinces selected for the project.

The private sector, including large companies and plantations, small and medium enterprises, business development service providers and member-based organizations, were important partners. They provided expertise in the development of value chains, skills training and work conditions improvement. Private, non-profit organizations, were also tapped to provide services, including community facilitation and capacity building inputs.

District level target groups included officials/staff of the district offices of the above-listed ministries and mass organizations. Finally, community level target groups included village management authorities, local representatives of mass organizations (particularly LWU) and target beneficiaries at village level.

### 1.2.4 Project objectives

The project had dual purposes: (1) it was to directly contribute to increased rural employment through integrated approaches in target communities, and; (2) the project was to demonstrate how policies and strategies promoting different pillars of Decent Work could be extended to rural economies.

The **Development Objective** was: Decent employment opportunities increased in rural areas of Lao PDR through development **and implementation** of a National Rural Employment Strategy. To achieve this objective, the project envisaged three immediate objectives (IO):

- IO 1: Decent rural employment opportunities and income increased through integrated approaches in target communities of two selected provinces;
- IO 2: National Rural Employment Strategy developed and adopted, linked to support for implementation of the ASEAN Declaration on 'Decent work promotion: Transition to formal economy;
- IO 3: Increased knowledge base and knowledge sharing enhances decent rural employment creation in Lao PDR.

## 2. Evaluation overview

### 2.1 Purpose, scope and clients of evaluation

The main purpose of this final independent evaluation was to promote accountability to ILO key stakeholders and the donor, and to enhance organizational learning. The findings will be used to improve the design and implementation of future relevant projects/programs.

Scope sets boundaries around the object of evaluation. It determines what is included in the study, and what is excluded. The final evaluation encompasses the entire project period from design to the end of implementation.



The geographical coverage of the evaluation will include both Sekong and Savannakhet provinces. The evaluation will cover all the aspects of the project, especially the formulation of the National Rural Employment Strategy and the provincial implementation.

The clients of the evaluation are project management, the country and regional offices, the Decent Work Team, the donor (i.e. the Swiss Development Cooperation) and the tripartite constituents in Lao PDR.

## 2.2 Evaluation Criteria and Questions

ILO project evaluations usually focus on the OECD DAC criteria including the relevance of the programme to beneficiary needs, the coherence of the programme, the programme's efficiency and effectiveness, the impact of the results and the potential for sustainability. For each criterion, two or three specific evaluation questions were suggested. The questions sought to address priority issues and concerns of the national constituents and other stakeholders. The evaluation team examined the following criteria and questions:

### Relevance

- To what extent did the intervention objectives and design respond to beneficiaries', global, country, and partner/institution needs, policies, and priorities?
- Are there any areas or components that should be taken into consideration by the project to remain relevant or even more relevant to the partners, communities, beneficiaries, etc.?

### Validity of Design

- Are the intervention design, strategies, outputs and assumptions sound to achieve the planned immediate objectives and the development objective?

### Coherence

- Was the programming coherent? Were principles of Results-Based Management applied?

### Effectiveness

- To what extent have the desired results (planned immediate objectives) and outputs been achieved?
- What were the facilitators and challenges in the implementation of the project in the targeted provinces and communities? What was the learning identified from it? How should similar activities be best approached in the future?
- Assess the validity of the recommendations of previous monitoring and evaluations on the project. To what extent has the project managed to follow-up on those recommendations?

### Efficiency of resource use

- How efficiently have resources (human resources, time, expertise, funds etc.) been allocated and used to provide the necessary support and to achieve the broader project objectives and results? To what extent has the intervention delivered results in an economic and timely way?
- Have there been duplication of efforts? To what extent have the project resources been leveraged with other related interventions to enhance the projects' effectiveness and maximize impact, if any?
- How have stakeholders been involved in project implementation? How effective has the project been in establishing national ownership? Is the project management and implementation participatory and is this participation contributing towards achievement of the project objectives?

### Sustainability

- To what extent are the results of the interventions (particularly on the institutional capacity building of the governance and service provider agencies) likely to be durable and can be maintained or even scaled up and replicated by the partners after the project ends?

## Impact

- What are the impacts of the project (both intended and unintended, and both positive and negative) or changes made by the project, at the policy level, institutional level, village and the ultimate beneficiary level? To what extent was the project able to change the lives of both men and women in the target communities? What is the evidence?
- Has the project made (or is likely to make) a difference to specific higher goals to which they are linked (like SDGs, DWCP, and Lao PDR-UN Partnership Framework 2017-2021)?

## Tripartism, social dialogue, Gender equality and non-discrimination

- What are the key achievements of the project on gender equality, ethnic and disability inclusiveness thus far? Has the project been able to leverage the ILO contributions, through its comparative advantages including ILS, social dialogue and tripartism?

## 2.3 Operational Sequence

The evaluation was undertaken by a team of four international and national consultants, based in Laos. The exercise started in November 2020 and was to be completed in December 2020. Due to health reason, the consultant could not complete the activity by the contract end date and two extensions were given. In February 2021, when it became obvious that the team could not complete the report, the ILO EVAL office took over responsibility for the evaluation report.

Between March and April 2021, an ILO Senior Evaluation Officer worked on the evaluation report. He was assisted by an M&E Officer based in the ILO Regional Office for Asia and the Pacific, Bangkok, who collected, verified and triangulated additional data, using the methodology detailed in the next section.

Between 30 November and 17 December 2021, the ILO organized eight online stakeholder validation workshops in which 99 Lao stakeholders participated at the provincial, district and village levels. National stakeholders were also engaged in reviewing the evaluation report, in January 2022. Their feedback was taken into consideration in finalizing this finding evaluation report.

## 3. Methodology

### 3.1 Description of methods

The methodology used by EVAL to complete the report included:

- Desk review (from 15-18 Mar 2021). The list of documents consulted during the process is provided in Annex 7. They can be categorized into three groups, as follows:
  - a. Documents produced by the project, i.e. technical progress reports, financial report, briefs;
  - b. Outputs of the external evaluation consultant team including: (1) Final Independent Evaluation Evaluator's observations and recommendations, Nov 2020; (2) MP4 video of the 4 December 2020 internal debriefing meeting between ILO and the consultants;<sup>18</sup>
  - c. M&E products, including 2018 project MTE report, monitoring reports and review reports produced by external consultants and project's IA on skills.
- Qualitative methods (from 29 Mar to 14 Apr 2021). Key informant interviews (KII) and personal interviews were conducted with: (a) project team members; (b) ILO specialists (EIP, Statistic, local

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<sup>18</sup> These were the outputs from their desk review and field visits, including meetings with beneficiaries and stakeholders, taken place on November 2020, in the project sites of the two provinces. See more explanation in section 2.3.

strategy) based in DWT- Bangkok; (c) SDC, and; (d) two external consultants, who had been engaged in implementation of some project activities in the two provinces<sup>19</sup> for validation of data. (See the list of informants in Annexes 5 and 6).

- Eight online stakeholder validation workshops were organized between November and December 2021 in which 99 Lao stakeholders participated at the provincial, district and village levels. The meeting note that summarized the feedback from the stakeholders and the profiles of the participants is provided in Annex 7. An analysis of the feedback is provided in Annex 8. National stakeholders also reviewed the evaluation report in January 2022. Their feedback was taken into consideration in finalizing the report.

Cross validation was done through comparing data from three different sources, i.e. from interview with project team, interview with external consultants to the project and interview with Lao stakeholders during the eight online Lao stakeholder validation workshops.

### 3.2 Limitations and potential bias

The team encountered the following limitations:

1. Due to extenuating circumstances caused by the pandemic, the ILO Evaluation Office exceptionally assumed responsibility for completing this evaluation. EVAL worked together with the Evaluation Manager to collect additional data. Unfortunately, a field mission was not possible. Thus, there may be limitations to the data base that was used to draw conclusions and to make recommendations.
2. The 5-page notes from the final evaluation consultant team provided useful observations from the field. However, they did not provide comprehensive assessment against the OEDC criteria and the specific evaluation questions. They focused solely on assessment of village-level VCD activities, leaving absent the remaining other project activities. This meant that the majority of the answers to the EQs are derived mainly from the secondary data and the interviews between March and April 2021.
3. The team that completed the report in April 2021 did not conduct field visits nor interviews with the majority of external project stakeholders and other beneficiaries in Lao PDR. However, the evaluation team remediated this by having organized eight online Lao stakeholder validation workshops were organized between November and December 2021. 99 Lao stakeholders at provincial, district and village level who participated the workshops had provided insights and feedbacks that support and improve the evaluation report.

### 3.3 Norms, standards and ethical safeguards

The independent final evaluation will comply with evaluation norms and standards and follow ethical safeguards, all as specified in ILO's evaluation procedures. The ILO adheres to the United Nations Evaluation Group (UNEG) evaluation norms and standards as well as Evaluation Quality Standards. The evaluation is an independent evaluation and the final methodology and evaluation questions were determined by the evaluation team in consultation with the Evaluation Manager.

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<sup>19</sup> One consultant conducted MTE in 2018, and then supported project VCD in SAVANNAKHET between 2019 and early 2020. Another consultant provided consultancy support for designing and conducting baseline studies in 2017 and 2018, and conducted study on local governance in 2019, and assisted the project in collecting data for the Annual Report 2019, in February 2020.

## 4. Evaluation Findings

### 4.1 Relevance

#### ***4.1.1 To what extent have the intervention objectives and design responded to beneficiaries', global, country, and partner/institution needs, policies, and priorities.***

*Key Finding 1: The NRES project is highly relevant to Lao PDR where the government has a political priority to address the rural-urban disparity. It was also aligned with Lao policies i.e. the current NSEDP which had a priority of formulating a NRES that created jobs and income in rural areas.*

As outlined in the proposal, the project contributed to: (1) the Decent Work Country Programme (2017-2021) (2) ILO P&B Outcomes related to “Decent work in the rural economy”; (3) Sustainable Development Goals (SDGs) 1, 2 5, and 8<sup>20</sup>, and; (4) the UN Partnership Framework (UNPF) 2017-2021, notably Outcome 1: “By 2021, all women and men have increased opportunities for decent livelihoods and jobs” and Outcome 6: “By 2021, the most vulnerable people benefit from improved food security and nutrition”.

The project was aligned with GoL policies. It contributed both in the 8th National Socio-Economic Development Plan (NSEDP) 2016-2020 and the 9<sup>th</sup> NSEDP 2021-2025, which had a priority of formulating a NRES that would create jobs and income in rural areas. In this regard, the project also addressed the ASEAN Declaration on decent work promotion. It also increased the Lao PDR and ASEAN knowledge base on decent rural employment creation.<sup>21</sup>

The project was relevant given the economic inequality that was exacerbated by the pandemic.<sup>22</sup> The 8<sup>th</sup> Five Year Development Plan emphasized increased disparities between rural and urban areas and between regions, and the relative stagnation of remote rural areas.<sup>23</sup> The 2020 COVID 19 pandemic adversely altered Lao’s poverty trajectory. It was estimated that poverty would increase by 1.4 to 3.1 percent in 2020, compared to the 0.6 percent decline that would have been expected in the absence of COVID 19.<sup>24</sup>

#### ***4.1.2 Are there any areas or components that should be taken into consideration by the project to remain relevant or even more relevant to the partners, communities, beneficiaries, etc.?***

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<sup>20</sup> Goal 1. End poverty in all its forms everywhere; Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture; Goal 5. Achieve gender equality and empower all women and girls; Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

<sup>21</sup> The earlier pilot rural employment experience, supported by the ILO during 2012-2016, led the Lao PDR government to promote rural employment for poverty reduction at 24th Labour Ministerial Meeting (LMM) of 2016 ASEAN, where Lao PDR assumed the ASEAN presidency. The ASEAN Declaration on transition from informal employment to formal employment towards decent in ASEAN was adopted at the meeting. ILO was then supported the drafting of a declaration for discussion among ASEAN Member States and subsequently, drawing up a work plan. The work plan has been a platform for knowledge sharing among ASEAN countries where agriculture and rural development have played an important economic role. (TOR EVAL)

<sup>22</sup> WB. “Lao PDR : poverty continue to decline but progress under threat”, Oct 2020 <https://www.worldbank.org/en/news/press-release/2020/10/20/lao-pdr-poverty-continues-to-decline-but-progress-under-threat>

<sup>23</sup> According to World Bank, “Lao PDR Economic Monitor” (January 2019), people in rural areas are much more likely to be affected by poverty. According to the latest statistics available, 71 per cent of the population live in rural areas, and the rural poverty rate is four times the rate in urban areas.

<sup>24</sup> WB. “Lao PDR : poverty continue to decline but progress under threat”, Oct 2020

*Key Finding 2: The project would have been more relevant if it had focused on addressing both OSH and decent work deficits in commercial plantations and agro-industries factories which became increasing common in rural Lao PDR as a result of trade and investment liberalization.*

The AEC and its trade and investment liberalization measures offered opportunities for accelerated growth and development in Lao PDR, potentially contributing to its goal of graduating from the ranks of least-developed countries. An ILO/ADB study report indicated that the country's GDP could expand 19.5% by 2025, creating an additional 130,000 job opportunities. More than half of the additional positions, however, may be in vulnerable work.<sup>25</sup>

As a result of trade and investment liberalization, commercial plantations and agro-industry factories, became increasingly common in rural areas. Many of them were developed with foreign investment. It was reported that in Sepone, there were rubber plantations (Chinese), watermelon and banana plantations, cassava processing factories (Vietnamese), and a paper mill (Chinese). In these industries, issues associated with DW and OSH existed.<sup>26</sup>

The ILO considered agriculture wage workers, who work in such plantations and factories, to be the poorest of the rural poor.<sup>27</sup> In addition to a high incidence of poverty, the working lives of agricultural wage earners are "characterized by casual forms of labour, precarious working conditions and little or no social protection. Exposure to pesticides and agro-chemicals constitutes a major occupational risk.

The PRODOC anticipated addressing the issues affecting this group. For example, Output 1.4.1 states that "major working conditions and OSH issues identified in plantations, contract farms and other work places in the target areas through inspector-led assessments and social dialogue". However, the Project Implementation Model (Annex 2) did not explicitly highlight interventions that would be directed towards issues of decent work deficits in commercial plantations and agriculture factories identified above.

The reason that these issues were not included in the proposal could have been that: (1) the proposal for phase 2 was built on that of phase 1, which focused mainly on VCD and rural infrastructure, and did not anticipate the rise of commercial farming and agro-processing industry<sup>28</sup>; and, (2) creation of employment opportunities (through VCD and skills development) was prioritized by the ILO's donors.

To be more relevant, the PRODOC could have explicitly articulated a comprehensive modality for tackling OSH, decent work of agriculture wage workers in these plantations and factories, in a more integrated manner. These would have been relevant to the needs of the partners and communities, as "Foreign operations in Lao have often been difficult for local institutions to deal with."<sup>29</sup>

Also in these agro industries and agro-processing factories, the MTE suggested that the project might explore forming a coalition of agencies (DLSW, LFTU, LWU, DoI, DPI) to work together, each addressing different aspects and together dialogue with the respective company to formulate a plan to transition to local labour.<sup>30</sup> Working on this would have allowed the project to develop a working-strategy to ensure the promotion of local employment in light industries<sup>31</sup>

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<sup>25</sup>The ILO/ADB study, "ASEAN Community 2015: Managing integration for better jobs and shared prosperity" cited in [https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/pressrelease/wcms\\_357412.pdf](https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/pressrelease/wcms_357412.pdf)

<sup>26</sup> 2018 MTE page 24

<sup>27</sup> [https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\\_008067/lang--en/index.htm](https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_008067/lang--en/index.htm)

<sup>28</sup> As cited in PRODOC (page 9), ILO 2016 Baseline survey stated "Commercial farming and non-farm economic activities (of the private sector) are not widespread... Non-farm economic activities such as agro processing, ... are just starting to develop."

<sup>29</sup> 2018 MTE

<sup>30</sup> 2018 MTE page 24

<sup>31</sup> 2018 MTE first came up with the need for different implementation-strategies that match to the context within which they are to be applied. Based on the project target areas, MTE observe three contexts meaning that it requires three different implementation-

## 4.2 Validity of intervention design

### 4.2.1 Are the intervention design, strategies, outputs and assumptions able to achieve the planned immediate objectives and the development objective?

*Key Finding 3: The design and integrated approaches of value chain and skills upgrading, investments in rural infrastructure/community assets and community contracting were conceptually elegant. However, the project objective, that required not only adoption but also implementation of National Rural Employment Strategy, was viewed as being overambitious and the timeframe was unrealistic to achieve large-scale sustainable and decent work, especially when the project targets vulnerable communities in very remote poor areas.*

The design was conceptually elegant and robust as it envisaged all the components that were required to be addressed to achieve rural employment, even for very remote rural areas. For example, in the rural villages of Sekong (e.g. Daktreup), the project demonstrated that the rural infrastructure scheme + VCD model worked well to promote food security and increased HH incomes (e.g. through Passion Fruit cultivation and irrigated rice harvesting).

Based on empirical evidence in this Phase, the final evaluation viewed that the project design had serious flaws. Foremost among the flaws were an unrealistic timeline (i.e. 3 years) and overambitious targets (i.e. 2000 HHs having 30% increase in income within 3.5 years). These flaws impacted NRES development and subsequent implementation. The NRES was supposed to be based on the experience of successful strategies that could be empirically demonstrated.

Given that the timeline was not realistic, the NRES was developed on the assumption that the ILO's work, elsewhere<sup>32</sup>, could be directly transferred to the project in Lao PDR, without adaptation. This assumption proved to be erroneous. The MTE suggested the adverse impact of not having sufficient time to demonstrate the working strategies. It stated that there is "little to inspire local agencies that the working-strategies applied are effective, or for them to have confidence they could replicate these themselves."<sup>33</sup>

The project objective, that required not just drafting and acceptance of the NRES, but also the "initiation of implementation"<sup>34</sup>, was considered to have been overambitious.<sup>35</sup> For the NRES to be implemented, the project would have had to overcome several challenges, including (1) cross sectoral understanding among all the GoL stakeholders, and; (2) budget allocations. It was reported that budget allocations did not happen in this phase because the GoL was not ready to design and to plan budgets.

The target of Indicator 1A, i.e. "30% increase in HH income" of the participating 2000 HHs proved to be unrealistic for the 3.5-years intervention period. (The MTE analysis suggested that a more realistic target would have been around 10% increase in HH income for the participating HHs.<sup>36</sup>) Setting an unrealistic target proved

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strategies to be developed. three contexts include: (1) Agriculture- subsistence (e.g. Tok Onkeo in Sekong and Sepon in Savannakhet or Dak Cheung, Sekong Province); (2) Agriculture - semi commercial (e.g. Atsaphone in Savannakhet); (3) Light industry for rural jobs (wage labour, ini.e. Savannakhet

<sup>32</sup> Interview with project staff in Mar 2021

<sup>33</sup> 2018 MTE (page 32) "There are ... pragmatic challenges to its implementation. The first of these is that the various working approaches to implement the NRES have yet to be demonstrated substantially. Thus, for now there is little to inspire local agencies that the working-strategies applied (e.g. VCD) are effective, or for them to have confidence they could replicate these themselves."

<sup>34</sup> PRODOC page 14

<sup>35</sup> Email message from evaluator of Midterm evaluation.

<sup>36</sup> 2018 MTE (page 31) "the level of several of the targets appeared quite ambitious, even if the Project had not suffered from a slow start, e.g. Outcome 1.1; increased incomes are too high and would be quite transformative if achieved." MTE also suggested : "A rough estimation of possible outcomes by the end of 2019 might be 100 HHs per district, with an increase in HH incomes of 10%. If Dak Cheung farmers are able to process coffee and sell into UK and Europe markets, their increase in income might be somewhat



to be detrimental to project monitoring. The data collectors, to whom the indicator did not make sense, devised their own indicator by comparing the change in income from only that particular VC activity, and not the entire HH income.<sup>37</sup>

Such data was inadequate for providing sufficient evidence of the extent to which the project contributed to poverty reduction. The Donor Committee on Enterprise Development (DCED) also recommended that project indicators should be realistic.<sup>38</sup> It suggested that the project review the log frame indicators during the first year and negotiate with the donor the modification of any indicators or targets that were unrealistic to the context. Internally, the project team should have developed a project MEL plan, standard definitions for indicators and standardized data collection tools to allow aggregation of data from provinces.

*Key Finding 4: The PRODOC did not articulate how each subcomponent was supposed to link with the others. This problem was exacerbated by the paucity ToC development, result-based annual work planning and/or M&E meetings. As a result, understanding of the NRES, by the provincial and district stakeholders, was limited.*

The project design may have been elegant, but the project proposal, itself, lacked detailed information, including clear timelines, that would have helped to articulate how each outcome/output was supposed to link with the others. There were also instances where the PRODOC provided inconsistent information.

For example, the DO required “implementation” of the National Rural Employment Strategy<sup>39</sup>, whereas the target of IO 2 simply required the NRES to be “developed and adopted.” The PRODOC suggested “initiation of implementation of NRES” but did not provide clear and specific timelines. Despite this, the log frame specified that NRES adoption would be targeted for June 2019, and full funding of strategies or action plans, for “Strategy implementation in 2020”.<sup>40</sup>

The project log frame provided details of the project strategies and logic. However, the use of the log frame in the project planning and implementation appeared to have been minimal. The ILO EIIP specialist during the April 2021 KII, stated that he did not use the project log frame nor the indicators. The 2018 MTE similarly observed that, “the log frame does not appear to figure in the thinking of the partner institutions.”<sup>41</sup>

An observation note by the final evaluation team that visited the project sites in Nov 2020 noted that, in SVK, there were issues in regards to linkages and understanding of the project between the Provincial Social and

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higher. In Atsaphone, VCD activities could proceed more quickly, and for more than one product line, along with several production/trading cycles in the year remaining. The number of HHs affected should be higher, perhaps 2-300 HH for the district. The additional income gained could be higher in actual figures, but proportionately still low (~10%) as these HHs are economically better off than those in the other three Districts. In regards, to the Project’s development objectives, it is likely that by the end of 2019 the total number of HHs benefiting from VCD interventions might be about 500 HHs, with their incomes increased by about 10%. If the irrigation scheme is completed as planned, then this will contribute 104 HHs to the total of beneficiaries.”

<sup>37</sup> To explain this, Final TPR claimed “In total, 561 households directly benefited from increased incomes of at least 30 per cent” (Final TPR page 5). It is noted that the project did not analyse the data of income changes against the net HH incomes, but against the pre-project income of the particular IGAs. If the net HH incomes indicator had been strictly assessed, the number of HHs would have been far fewer.

<sup>38</sup> [https://www.enterprise-development.org/wp-content/uploads/2\\_Implementation\\_Guidelines\\_Defining\\_Indicators.pdf](https://www.enterprise-development.org/wp-content/uploads/2_Implementation_Guidelines_Defining_Indicators.pdf)

<sup>39</sup> DO: Decent employment opportunities increased in rural areas of Lao PDR through development and implementation of a national Rural Employment Strategy.

<sup>40</sup> These include Logframe indicator 2A target “NRES and action plan adopted by June 2019 including...gender budgeting” and Logframe page 12 last indicator for 2.1.2 “# of strategies or action plans funded through national budget allocations and donor contributions” with target of “full funding for Strategy implementation in 2020”

<sup>41</sup> M+E should have a dynamic function for the Project and its stakeholders, MLSW, and the PAC and DACs. At present the log frame does not appear to figure in the thinking of the partner institutions. Given the delays in mobilising activities a further review of the log frame could be revised. This could be combined with the introduction of the new M+E system as a process to engage Project Partners with the log frame. (These stakeholders should be engaged and have some ownership of M+E system, and not consider it is simply the concern of the Project office). (2018 MTE page 31)

Welfare office (PoLSW), the Provincial of Agriculture and Forestry Office (PAFO), the Provincial Chamber of Commerce and Industry (PCCI) and the Federation of Trade Union (FTU), and line agencies at district level.<sup>42</sup>

This lack of clarity and inconsistency in design proved to be problematic for project implementers and detrimental to project implementation. All of the key project team members who were interviewed in April 2021 appeared to misunderstand that the project only required the NRES to be “developed and adopted (e.g. endorsed by the Lao political body).

To augment the information contained in the PRODOC, additional details could have been provided through the ToC development, result-based annual work planning and/or M&E meetings. In fact, these measures were recommended by the MTE.<sup>43</sup> Stakeholders should have been engaged in M&E workshops to prepare them to “assume their ownership and commitment to the planning, implementation, monitoring and reporting of the project activities at the provincial, district, and community level.”<sup>44</sup>

## 4.3 Coherence

### 4.3.1 Was the programming coherent? Were principles of Results-Based Management applied?

*Key Finding 5: The project was, generally, found to be coherent and technically adequate, from an RBM perspective. However, lack of established baseline values resulted in low evaluability. A number of capacity building indicators were added in Year 3. This meant that institutional capacity building was not systematically monitored and reported during the first half of project implementation.*

In 2018, the Project revised its log frame to simplify it and to make some of its targets more achievable. A review of the revised log frame showed that, in general, RBM-techniques were correctly applied. IOs, indicators and end-of-project targets were unidimensional and had the same units of measurement.

There were, however, exceptions to the above statement. For example, the indicator for IO3 focused, not on enhancements to decent rural employment creation in Lao PDR, the strategic goal, but rather on the number of analytical and knowledge products that were produced—clearly, an activity.

The project conducted two “baseline surveys”; one in 2017 (?) and another in 2018. The surveys covered topics including community, transportation and access to facilities, local economy, decomposition of working age population, employment, education and skills, household cash flow and wealth, poverty and employment, social capital and associated perspectives, and situation of community development.

The evaluation determined that these two exercises have been misnamed. They are, in fact, not baseline surveys. A baseline survey is the first measurement of the indicators that are included in the log frame. These are not that. The surveys that were conducted could be considered to be part of a situation analysis. As such, the evaluation concludes that baseline values were not established and end line values were not gathered. This had implications for the project’s evaluability.

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<sup>42</sup> Final Independent Evaluation Evaluator’s observations and recommendations (Nov 2020)

<sup>43</sup> Given the delays in mobilising activities a further review of the log frame could be revised. This could be combined with the introduction of the new M+E system as a process to engage Project Partners with the log frame. (These stakeholders should be engaged and have some ownership of M+E system, and not consider it is simply the concern of the Project office). (2018 MTE page 31)

<sup>44</sup> PRODOC page 26



To promote coherence with the ILO's organizational strategic policy (ILO's Programme & Budget for 2020-2021 output 3.2<sup>45</sup>), the project should have included indicators to track efforts to build the capacity of GoL staff and institutions. Inclusion of indicators to track changes in behavior or increases in institutional capacity would also have promoted coherence with the UN's results-based management principles<sup>46</sup> and the RPS's initiative to track DC projects' contribution to increased capacity of the LMIs, in country.<sup>47</sup>

In early 2019, following an MTE recommendation<sup>48</sup> and a subsequent request from the donor, the log frame was again revised to include capacity building indicators for subcomponents 1.1, 1.2 and 3.2.<sup>49</sup> The fact that these indicators were added in Year 3, meant that institutional capacity building had not been systematically monitored and reported during the first three years of implementation. The revision, however, neglected to include indicators or targets for several activities, for example support for employment of persons with disabilities.

## 4.4 Effectiveness

### 4.4.1 To what extent were the desired results (planned immediate objectives) and outputs achieved?

*Key Finding 6: The National Rural Employment Strategy was endorsed by the Lao Government in September 2020. Therefore, the project achieved its immediate objective, i.e. having a strategy developed and having the government approve it.*

At the IO 1 level, a total of 561 HHs increased income through VCD, skills development and EIIP activities. The two components (IO 1 & 2) were not integrated, although they should have been, as per the design. Knowledge sharing (IO 3) could have potentially bound the first two components together, but it did not serve this purpose. A likely reason for these deficiencies is because the field staff and the GOL partners, at the district level who were directly engaged in demonstration of working strategies in the field, were not engaged in NRES formulation<sup>50</sup>.

*Key Finding 7: Because of time constraints, the project was challenged to demonstrate working strategies/modalities. Areas for which implementation-strategies were not adequately developed, included labour inspection in agriculture and OSH and decent work deficits in commercial plantations and factories for plantation wage workers.*

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<sup>45</sup> ILO's Programme & Budget 2020-2021, Output 3.2: "Increased capacity of Member States to formulate and implement policies and strategies for creating decent work in the rural economy".

<sup>46</sup> Results-based management is a management strategy by which all actors, contributing directly or indirectly to achieving a set of results, ensure that their processes, products and services contribute to the desired results (outputs, outcomes and higher-level goals or impact) and use information and evidence on actual results to inform decision making on the design, resourcing and delivery of programmes and activities as well as for accountability and reporting. <https://unsdg.un.org/sites/default/files/UNDG-RBM-Handbook-2012.pdf>

<sup>47</sup> An example of information that may be relevant to report this but may have been missed is that the log frame does not provide an indicator to track it, including development of improved training curriculum with SSDC, (for 1.2.1).

<sup>48</sup> MTE (page 13) "Capacity building for these is implicit in the 'intervention model', but no outputs or indicators for this are in the log frame, despite this likely to absorb significant project resources."

<sup>49</sup> (1.1) Methods and services developed by government agencies and the private sector to collaboratively link rural villages to product needs and jobs in the private sector.

(1.2) Number and quality of new or improved services developed such as regular company skills inventory, mobile employment services, counselling services, skills training curriculum developed based on public private partnerships.

(3.2) Results from the project implementation reflected in government reports and evaluation of governments feedback on the relevance of the project activities to their mandates

<sup>50</sup> One of the principles that will guide the methods of work for both the field implementation and NRES formulation is: "Inclusivity, with engagement of all relevant Lao PDR Government and key stakeholders at all stages, from formulation and planning to implementation and monitoring/evaluation" (PRODOC, page 14)

The project had three Immediate Outcomes (IO 1, 2 and 3) and nine Sub-IOs. This section is devoted to reporting on progress towards the IOs. Progress towards the Sub-IOs and outputs is contained in Annex 3.

## IO 1 Decent rural employment opportunities and income increased through integrated approaches in targeted communities of selected Sekong and Savannakhet provinces

IO 1 had five indicators including:

- 1A\_ Per cent change in net income among beneficiary HHs from self-employment or wage employment (disaggregated by sex);
- 1B\_ New, improved and gender responsive regulations and services identified as extension of existing laws and strategies in areas including agricultural extension, SME development, employment services, OSH, labour inspection and rural infrastructure;
- 1C\_ Number and percentage of women and men who attend participatory planning, consultation and in decision making bodies;
- 1D\_ Change in women's workload compared to men's in domestic, care, production and community affairs due to project training and activities.

### 1A

Six value chains and commodities were developed with support from the project. These resulted in increased income opportunities for 561 rural households, to varying degrees. The commodities were coffee, rice, vegetables, chicken, piglets and fish. Detailed information on the increased HH incomes can be found in Section 4.6.1.

The project achieved only 28 per cent of its quantitative targets. This was because the project faced a wide variety of challenges and delays in field implementation in both provinces. In Sekong, the harsh conditions, low levels of basic infrastructure and lack of market players made various models for VCD less effective. In SVK, the project suffered from various internal management issues.

As a result, the number of beneficiary HHs was minimal—around 561 HHs, as opposed to the quantitative target of 2000 HHs. As discussed earlier, while the target was a “30% increase in net income among the 2000 beneficiary HH of which 40% are women including women headed HH”, the project did not analyse the data of income changes against the net HH incomes, but against the pre-project income of the particular IGAs. If the net HH incomes indicator had been strictly assessed, the number of HHs would have been far fewer.<sup>51</sup>

### 1B

A total of four services were improved and strengthened, with project support, linking rural female and male workers to wage employment and entrepreneurship. These four (4) employment services included:

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<sup>51</sup> The current project databases do not allow comprehensive analysis and comparison. For example, data of chicken production model from Atsaphone gives comparison between incomes from chicken selling in 2019 and in 2020 for each HH only. Some databases such as pig raising activity in Savannakhet and vegetable cultivation activity in Savannakhet provide HH income data before and after attending the project and therefore can be compared. Specifically, 12 out of 39 beneficiaries who were participating in pig raising activity in Savannakhet earned above 30% of the net HH income. One out of 19 beneficiaries who were participating in vegetable cultivation activity in Savannakhet earned above 30% of the net HH income.

### (1) Support services and training by District extension workers

In SVK, the project mobilized District extension workers to provide extension services and training directed towards market-based results. GoL workers (VCD team) provided support until farmers could successfully produce their agriculture products at commercial levels (volume, consistent quality, scheduled delivery). Afterward, they supported the successful creation of linkages between farmers and traders, who then purchased directly from farmers. As a result of the services, around 183 households in Savannakhet province actively supplied products for which their districts were well-known. These included Xeno chicken, Sepon piglets and Sepon vegetables.

In Sekong, Government extension workers were engaged to learn private sector requirements from Filanthrope.<sup>52</sup> As a result, these extension workers were able to provide support to coffee farmer beneficiaries. They could also guide coffee farmers to grow products to meet market expectations, in term of quality and standards.

### (2) Incentivizing links between companies and producers

In Sekong, project funds or public subsidies off set the risks of failure when neither companies nor producers had sufficient financial capacity, but where the possibility of a sustained market relationship existed. This was the case of coffee processing where the project incentivized Filanthrope to train subsistence farmers in Dak Cheung to supply EU and US markets. This became a successful linkage in which productivity and the number of farmers increased year by year, due to realized incomes. In total, the project's investment in coffee was \$112,000 and the revenues reported was \$102,900, of which \$58,000 was directly sold to a new buyer. The revenues doubled farmers' household incomes.

### (3) Employment services and job matching

In Savannakhet, the project engaged: existing private recruitment agencies; public job centers; SCCI; the local federation of trade unions; the district labour office; the people with disabilities association. They were to:

- carry out a company survey in 2019, which aimed to assess skills needs and job vacancies, in 20 companies, and to use the findings to inform skills training priorities and job matching;
- coordinate the training curriculum design with companies as well as TVETs/IVETs so that the curriculum would be suitable and could meet the real needs and conditions of enterprises;
- coordinate a 4-week formal training on common competencies and core/soft skills that was provided to trainees by the Xaysombath Technology College (with collaboration of the Savannakhet Technical Vocational College);
- Coordinate with two interested companies in Savannakhet to organize an 8-week, on-the-job, training attended by nine students (of which five were female) in December 2020.

As a result of these inputs and activities, the project successfully placed five rural villagers in two companies in the Savannakhet Economic Zone. The final evaluation agrees with the project report that "while not a big number, the experience showed an approach that may work."<sup>53</sup>

### (4) Small-scale irrigation

The project's pilot of a small-scale irrigation system in Sekong, that demonstrated efficiency, community ownership and clear links to market opportunity, resulted in employment opportunities: (1) short-term income for 68 HH that were engaged in terracing; and, (2) rice field construction that was expected to have a huge

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<sup>52</sup> Chansathith Chaleunsinh. Rural Employment Project in Sekong Province. Report: Progress, Stories, and Monitoring for Year 2020, page 4

<sup>53</sup> Final TPR (March 2021) page 5

impact on food security and other income generating activities (i.e. from irrigated rice cultivation and passion fruit cultivation) of the villagers.

*Key Finding 8: The project energised the provincial OSH team to carry out awareness raising activities; however, they were unable to change OSH behavior.*

The project energised OSH service providers, in Sekong and Savannakhet, to extend OSH to informal and rural employment sectors through execution of OSH training. However, the current OSH model has not been demonstrated to be effective. Awareness raising activities did not appear to effectively translate into improved OSH practices among the target HHs.<sup>54</sup> As a result, the project did not achieve the output 1.4.1<sup>55</sup> because it was unable to identify “major working conditions and OSH issues in plantation, contract farms and other workplaces in the target areas through inspector-led assessments and social dialogue & recommendation for regulatory standards and mechanism developed for implementing the National OSH programme.”

*Key Finding 9: The project contributed to policy to create an enabling environment for rural employment. Through its identification and discussion with constituents, the project tackled gaps in policy related to OSH (implementation of OSH in rural area), value chain promotion, and national ID for rural workers. It, however, did not achieve policy influences related to national OSH policy, labour inspection capacities and skills certification.*

The project was expected to contribute to further rural employment policy. The expectation from two sources: (a) the PRODOC, which called for “further policy, institutional support necessary to create an enabling environment for rural employment identified”<sup>56</sup>, and (b) the target of indicator 1B that stated “gaps in implementation of relevant existing laws and strategies in target communities identified and actions recommended by project stakeholders to introduce or improve the pertinent policies and services (by June 2018).”<sup>57</sup>

The final evaluation found that a number of gaps in the implementation of relevant existing laws was identified during the implementation. These included: (1) access to national IDs by rural population of working age, as prerequisites to formal wage employment<sup>58</sup> despite the fact that the law on investment promotion (2017) prioritized the creation of local jobs<sup>59</sup>; (2) insufficient resource and capacity of the Lao Labour Inspectorate;<sup>60</sup> (3) ambiguity in the labour inspectorate roles and responsibilities and findings from a labour law gap analysis with labour officials in respect to rural workers and agriculture; (4) (local) tax burdens on transporting goods by farmers to the buyers; (5) the legal framework for cooperative registration; and, (6) Industrial priorities and local sourcing policies at the national and provincial levels.

The project claimed that some of these issues were tackled in meetings and actions were taken, including: (a) national ID for rural populations, (b) discussion of the results of a labour gap review, (c) how the Department

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<sup>54</sup> Chansathith Chaleunsinh. Rural Employment Project in Sekong Province. Report: Progress, Stories, and Monitoring for Year 2020, page 31; The May 2020 progress monitoring report observed that only some trainees (villagers) followed the instructions trained and remember only some lessons delivered by provincial trainers, while the remaining other trainees seemed to be unaware of the safety at work. For example, coffee farmers left the pulper uncleaned after using, motorcycle repairer use his shop as storage for several equipment and tools without proper arrangement.

<sup>55</sup> Output 1.4.1 is “Major working conditions and OSH issues identified in plantation, contract farms and other workplaces in the target areas through inspector-led assessments and social dialogue & recommendation for regulatory standards and mechanism developed for implementing the National OSH programme.”

<sup>56</sup> PRODOC page 7

<sup>57</sup> 2018 revised logframe

<sup>58</sup> TPR page 32 “in Laos’ case, many rural residents cannot easy get national IDs which companies require.”

<sup>59</sup> DRAFT National Rural Employment Strategy for Lao PDR Vision 2030 Strategy 2025, page 15

<sup>60</sup> TPR page 45 “Labour inspection capacity and personnel insufficient to enable inspections in target areas. Limited impact of community-level training due to approaches and materials not fitting with local context, including literacy levels. Lack of mandate and commitment to collect data on occupational accidents and ailments.

of Labour's inspectors were sent to training in Vientiane and utilized OSH training with rubber plantation and wood processing workers, and (d) tax exemptions on transporting farmers' goods for sale in value chains.

There were areas where policy development and implementation should have been further pursued. The final TPR reported that the project did not influence policy in the areas of national OSH policy<sup>61</sup>, labour inspection capacities and skills certification.<sup>62</sup>

## 1C

With regards to indicator 1C (Number and percentage of women and men who attended participatory planning, consultation and in decision making bodies), sex disaggregated data of participants of project activities (e.g. training, committee meetings, etc.) were not shared with the evaluation team.

The database of participants in project activities (training, committee meetings) was incomplete and did not provide sex disaggregated data, although it did identify types of participants (i.e. villager, worker, employer, company). Three women participating in the seven-member WUC, resulted in a 42 per cent representation. There were no data for other project activities related to participatory planning, consultations or other decision making bodies.

## 1D

Indicator 1D was "Change in women's workload compared to men's in domestic, care, production and community affairs due to project training and activities". The project attempted to promote equal division of labour between men and women in HHs through its engagement of both husband and wife, in all project activities. However, collection of data to monitor this indicator was not carried out systematically. Time use surveys should have been conducted to assess if, and to what extent, the indicator 1D's target "balanced distribution of time spent between women and men on the domestic, care, production and community affairs", had been achieved, at the end of the project.

## IO 2: National Rural Employment Strategy developed and adopted, lined to support for implementation of the ASEAN Declaration on Decent Work promotion Transition to formal economy

IO 2 has three indicators including:

- 2A Existence of a gender-responsive National Rural Employment Strategy, policies and action plan;
- 2B Existence of tools to measure progress in implementation of the Rural Employment Strategy, with sex disaggregated data routinely collected and applied to policy planning, implementation, monitoring and evaluation;
- 2C Number of South-south cooperation initiatives through the implementation of the ASEAN Declaration on 'Decent work promotion: Transition to formal economy', with clear links to the National Rural Employment Strategy.

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<sup>61</sup> This is about "regulatory standards and mechanisms for implementing the National OSH program" (Target for logframe indicator 1.4.1)

<sup>62</sup> Final TPR page 37

## 2A

*Key Finding 10: The NRES was developed through a consultative multi-stakeholder process. NRES implementation did not take place, even in the pilot provinces. The project did not introduce “development planning and budget process at provincial district and village level” to its provincial and district coordination mechanisms.*

The NRES was developed through a consultative multi-stakeholder process. The development process was carried out by the National Drafting Committee, consisting of the Ministry of Labour and Social Welfare, other relevant ministries, Lao National Chamber of Commerce and Industry, non-governmental organizations, ILO Specialists, and the Swiss Agency for Development and Cooperation (SDC).<sup>63</sup>

Before the end of 2018, the Drafting Committee had met several times at national and provincial levels, including two training workshops addressing links between rural employment, climate change and private investment.

At the end of the project, the NRES was endorsed by the GoL, through a Cabinet meeting chaired by the Lao Prime Minister in September 2020.<sup>64</sup> The Minutes of the meeting suggested that it would be revised as per the comments from the meeting and that the revised version be submitted to the CABINET meeting of the Politburo (executive committee for communist party) for further guidance.<sup>65</sup> In addition, the NRES was also included in the 9<sup>th</sup> National Economic and Social Development Plan. These indicated the GoL’s commitment to the strategy.

The current version of NRES articulates a relevant set of strategic objectives. However, indicator IO 2A was considered to have been PARTIALLY achieved because an action plan was NOT developed and the current NRES lacks actionable content including timeline, responsible agencies and resources.

Under this project, demonstration of working-strategies was central to implementation of NRES.<sup>66</sup> In line with this, the project successfully demonstrated four (4) working strategies, including (1) VCD using participatory market assessment, (2) incentivised linkage between companies and micro producers, (3) Public Private Partnership in employment services and skills development for wage employment, and (4) labour intensive and participatory rural infrastructure development. Most of these working strategies were manualized. It is noted that a business case including cost/benefit analysis was developed for the irrigation component.

There were, however, areas for which implementation-strategies were not adequately developed. These included labour inspection in agriculture and OSH (1.4), as well as decent work deficits.<sup>67</sup> In any subsequent phase, the project should focus on developing and implementing working strategies for these areas, so that they can be substantially demonstrated. In addition, the project should demonstrate preventative measures to limit infrastructure damage. These would be aligned with the NRES framework that intended for mainstreaming climate resilience planning in rural development and RE creation.”<sup>68</sup>

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<sup>63</sup> Annex 5: Ministries and other organizations that participated in the formulation of the NRES Government : (1) Government Office; (2) Lao National Commission for Advancement of Women and Mother-Child (NCAWMC); (3) Lao Statistics Bureau (LSB); (4) Ministry of Agriculture and Forestry (MoAF); (5) Ministry of Education and Sports (MoES); (6) Ministry of Finance (MoF); (7) Ministry of Home Affairs (MoHA); (8) Ministry of Information, Culture and Tourism; (9) Ministry of Labour and Social Welfare (MOLSW); (10) Ministry of Natural Resources and Environment (MoNRE); (11) Ministry of Planning and Investment (MoPI); (12) Ministry of Rural Development (MoRD); (13) National Social Security Fund (NSSF) Mass organizations: (1) Lao Federation of Trade Unions (LFTU); (2) Lao National Chamber of Commerce and Industry (LNCCI) ; (3) Lao Women’s Union (LWU); (4) Lao Youth Union (LYU)

<sup>64</sup> Minutes of the Lao government CABINET meeting, dated 28/09/2020

<sup>65</sup> Minutes of the Lao government CABINET meeting, dated 28/09/2020

<sup>66</sup> 2018 MTE suggested that this is important as the NRES will be implemented mainly through local, district and provincial agencies, who would need guidance on actions that can take to enable the NRES

<sup>67</sup> PRODOC PAGE 35 “Low income, poor working conditions and deficits in social protection and workplace representation characterize the agricultural sector in particular.”

<sup>68</sup> DRAFT National Rural Employment Strategy for Lao PDR Vision 2030 Strategy 2025, page 1



*Recommendation 1 The project should develop business cases of the working strategies whose effectiveness were substantially demonstrated. These should be shared with stakeholders in Lao PDR along with operational and implementing guidelines. In any subsequent phase, the project should focus on developing and implementing working strategies in OSH and labour inspection, and disaster resilience infrastructure that were not adequately demonstrated.*

## **2B**

Two Labour Force Surveys (LFS) were carried out in Laos by the Lao Statistics Bureau with technical support from the ILO. The latest LFS was conducted in 2017 using the budget of the Lao government and technically support by ILO. This survey provided a good source of labour market statistics. Apart from the LFS, the project developed other two tools “to measure progress in the implementation of the RE strategy”.

The project commissioned a consultant to conduct a situation analysis and community profiling which aimed to capture social and economic situation of all communities and households within the project sites, in Sekong in 2017 and in Savannakhet in 2018. Under this assignment, the consultant developed survey methodology (using probability sampling) and survey tools.

The survey tool for the situation analysis in Sekong was developed from the LFS 2010, whereas the survey tool for Savannakhet was developed from the LFS 2017 questionnaires and was consistent with resolution in 19th ICLS. These tools were trained and used by provincial enumerators (District GoL Staff) who worked closely with the project. However, those capacity building activities were not continued after the Baseline survey ended.

Result chains including indicators that were developed by a monitoring consultant hired in 2018, were said to be insufficient and another consultant was hired in 2019 to re-do the work. As well-designed tools were not in place since the start, the project missed the opportunity to collect information of target households at time zero (pre-intervention status).

## **2C**

Regarding indicator 2C, a five-year action plan should have been developed to focus on knowledge sharing and learning among ASEAN countries, for implementation of the ASEAN Declaration on Decent Work Promotion. Two disparate activities were carried out, including: a) an ILO-ASEAN Course on Transition from Informal to Formal Employment, where officials from the labour ministry and statistical offices were trained on the concept of formalization, most recent international statistical guidelines and analyzing statistical data; and, b) a study on Decent Work and Employment in the Rural Economy (led by Lao PDR and Thailand), where rural employment and diversification strategies were examined.

### **IO 3. Increased knowledge base and knowledge sharing enhances decent rural employment creation in Lao PDR**

The IO 3 had only one indicator: 3A, number of analytical and knowledge products produced by project and that involve women and men’s local knowledge and demonstrating gender-based analysis.

The project developed 14 knowledge products (see the list of publications in the Table in Annex 3). All of them were pre-intervention assessment reports and they were shared with constituents as part of decision making and strategy formulation, to inform project activity design and implementation. A study on local governance structures was conducted and used to inform the design of local governance structures in the NRES. Apart from the product mentioned above, project reports were packaged for sharing with external stakeholders.

#### **4.4.2 What were the facilitators and challenges in the implementation of the project, including in the targeted provinces and communities? What was the learning identified from it? How should similar activities be best approached in the future?**

*Key Finding 11 The project faced a wide variety of challenges and delays in field implementation in both provinces. In Sekong, the harsh conditions, low levels of basic infrastructure and lack of market players made various models for VCD less effective. In Savannakhet, the project suffered from various internal management issues. Rural infrastructure component encountered practical challenge in getting the manual of road maintenance applied in Sekong. All of these challenges and constraints affected project's performance, and resulted in lower achievement and limited impact on HHs.*

The project faced a number of challenges, as listed in the final TPR, including: (a) delayed government approvals of new target locations in Savannakhet; (b) human resource turnover and adjustment; (c) delayed fund transfer from BKK.; (d) lack of market players in the targeted communities that put necessary inputs and markets out of reach; (e) In Savannakhet, the COVID-19 pandemic interrupted company operations, thereby postponing expected recruitments.<sup>69</sup>

In Sekong, the project faced a wide variety of challenges. The PRODOC listed challenges that hindered the project implementation, including low levels of basic infrastructure, dependence on subsistence farming, limited commercial farming and non-farm economic activities, low levels of education and skills, low budgetary allocation especially for research and capacity building, and isolation of villages in rural and mountainous areas.<sup>70</sup> While the project intended to address these as hindrances to RE, they became intrinsic challenges to the project implementation, themselves.

Most of the challenges listed above appeared beyond control of project management and they justified the delay in implementation of a number of activities, such as support for management of groups (i.e. producer groups, production groups) and entrepreneurship development and some agricultural extension work in Daktreup (for irrigated rice cultivation).

The 2019 TPR noted that key challenges faced in Sekong included relatively weak partners, the distance between the partners and the target communities, the fact that there was no ILO office like in Savannakhet and, consequently, the need for more planning and delays in the actual implementation (i.e. the Sekong factor).<sup>71</sup> However, previous experience and the presence of an active community facilitator hired by the project, to live in the target communities, helped to overcome or at least reduce those challenges.

Apart from those mentioned above, other challenges were identified. Harsh extreme conditions (soils and agro-meteorological conditions) in Sekong proved to be a challenge. All the piglets that were brought into Sekong from a warmer climate zone, for the zero-waste management technology model, reportedly died from the cold weather. The communities in project sites in Sekong suffered livelihood constraints (food security, water and sanitation issues) and had poor access to markets which constrained response to VCD activities. These situations made it difficult to create large scale employment in such areas within 3-4 years. Feed for livestock (e.g. chicken and fish) were said to be insufficient given the livelihood constraints and food security issues in the target communities in Sekong. Lack of sufficient feeds, in the Sekong communities, was one of the biggest hurdles for commercial agriculture.

The presence and the availability of market players and potential beneficiaries was a challenge in Sekong. The *Final TPR* pointed to the lack of market players in the targeted communities that put necessary inputs and markets out of reach. In Sekong, the project did not get active participation from beneficiaries, in some

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<sup>69</sup> Final TPR (March 2021), page 37

<sup>70</sup> PRODOC page 6

<sup>71</sup> 2019 TPR (year 3)



community activities. In the labour-intensive infrastructure project in Daktreup village (Sekong), the project was delayed due to a low participation rate in the paid terracing work. This was attributed to the fact that it was coffee harvesting season, so most HH members chose coffee harvesting work over the lower-paid terracing work. In most project activities, the poorest families tended to not join in the project activities as they lived on their daily earning. On the other hand, it appears that the poorer HHs (i.e. those who lived too remote and were too poor) were not project targets (for the VCD models). The smaller number of the IGA participants in Sekong was attributed to the presence of few micro-producers who had the potential for scaling up to become MSMEs.

The challenges listed above were typical of rural areas in Lao and contributed to the high poverty rate of the areas. These were challenges that were unavoidable if the project was to contribute to SDG's poverty reduction goal, but when such challenges were encountered, it meant that special focus, resources, measures and efforts were required.

The target communities Sekong were classified by the MTE as "Agriculture based-Subsistence".<sup>72</sup> Under such context, the MTE suggested that a more effective strategy may be first to address the food security, production, technology, skills and basic services/infrastructure needs before moving on to developing VCs or more market-oriented interventions.<sup>73</sup>

Despite these, VCD models can still be used, although it is not reasonable to expect a "fully-fledged" VC development approach.<sup>74</sup> On the other hand, experiences from the coffee and passion fruit models, in Sekong, where the ILO brought in external market players such as NaFood and Filanthrope to source from smallholders, proved that a VCD model could be successful, if linkage is successfully established between rural producers and private sectors.

With regard to rural infrastructure component, the PRODOC required the project's outreach to the PRF for the latter's application of the manual of road maintenance, in Sekong. However, the synergies did not happen.

Practical challenges in the application were reported (i.e. the feeder road in three Districts of Sekong were relatively rough and with the surface hard packed). However, the MTE suggested that this model and accompanying manual might still be piloted on feeder roads in Atsaphone. In addition, as suggested by the MTE, where road conditions made mechanized maintenance more feasible, it could still provide a new model for mixed methods: machinery with supplementary labour, to enhance wide application.<sup>75</sup>

#### ***4.4.3 Assess the validity of the recommendations from previous monitoring and evaluations on the project. To what extent has the project managed to follow-up on those recommendations.***

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<sup>72</sup> See Footnote 3 for more explanation.

<sup>73</sup> This was suggested by MTE 2018. Also it appears to be aligned with IFAD's. See IFAD publication (2014) "How to do commodity value chain development projects: Sustainable inclusion of smallholders in agricultural value chains"  
<https://www.ifad.org/documents/38714170/40311826/How+to+do+commodity+value+chain+development+projects.pdf>

<sup>74</sup> see IFAD (2014) "How to do commodity value chain development projects: Sustainable inclusion of smallholders in agricultural value chains" page 6.

<sup>75</sup> 2018 MTE page 27 For the activity of 'rural infrastructure and asset develop' ...the Project has a specific output for drafting a manual for this type of work (Output 1.3.4). PRF has an opportunity for WB funding for this type of activity...This linkage has not progressed to date and application faces practical challenges with the feeder road in three District (Lamam, Dak Cheung and Sepon) being far too rough for hand maintenance alone. This model and accompanying manual might still be piloted on feeder roads in Atsaphone. The conditions where road maintenance is better done with machinery could still provide a new model for mixed methods: machinery with supplementary labour. This could be explored by the project and which could have wide application.

*Key Finding 12: Three valid recommendations from MTE were not addressed. Addressing them would help improve project effectiveness.*

Analysis of the MTE recommendations yielded a finding that most of the recommendations appeared to have a high degree of internal validity. The project appeared to have addressed all the MTE recommendations, except for three.

Firstly, the MTE recommended “engaging all local partners through PAC and DAC to appreciate the overall project implementing strategy as a means to work towards an NRES. They should then appreciate the role of individual activities as contributions to the NRES, and all field activities should articulate a provisional model or working-strategy as to how the activity could enhance rural employment.”

The final evaluation team noted that some district stakeholders whom they interviewed and who implemented the pilot were not aware of the NRES. Field implementers were not engaged in NRES drafting and development. The project stakeholders interviewed in April 2021 suggested that it would have been useful for stakeholders from the field (both District GoL agencies and ILO field staff) to have participated in the NRES drafting process.

Secondly, MTE recommended to “enlist GoL as partners in conducting project interventions, but then add external agencies (trainers, NGOs, intl. specialists etc.) to guide and mentor the implementation. In this way, capacity is built, project outputs are achieved, and local GoL agencies can assess interventions in terms of working-strategies for the NRES.”

This recommendation was adopted in Savannakhet where in both Atsapone and Sepone districts, PAFO and DAFO developed a training manual and closely monitored pig, chicken, vegetable and rice production.<sup>76</sup> In Sekong, this engagement approach was applied to the irrigation component in which PAFO, DAFO and District Governor’s Office were involved for the implementation of project activities, with support from ILO specialists. However, the modality was not applied to some models in Sekong including motorcycle repair, chicken and fish models, where external agencies were contracted to implement the work. Due to the limited engagement of the District GoL agencies with the project, their capacity to deliver further extension services and their contribution to assess interventions in terms of working-strategies for the NRES was limited.<sup>77</sup>

Thirdly, the MTE recommendation to “explore an implementation strategy for [OSH and decent work in light industry]” suggested that the project expand to light industries where lack of local workers, low wages, and poor OSH conditions were prominent and prevalent. In response to this recommendation, the project supported a training of 136 villagers by the Sekong team of OSH trainers, comprised of DOLSW, PAFO, DOH, DoNRE, LFTU, LWU and LYU. This effort seemed inadequate given that the MTE expected a robust intervention that demonstrated an effective working strategy for OSH and for decent work in light industry.

As suggested by MTE, the project could have followed up with the DLSW (here their OSH training would have prepared staff to assess conditions and make recommendations) and through the workers themselves. While this recommendation was logically sensible, as a way to increase rural employment opportunity, the project viewed the present situation and working conditions in these industries as being extremely poor. With the departure of the OSH specialist of DWT-BKK in 2019, there was no technical lead or specialist to support this area of work, therefore, action to pursue the recommended opportunity to work with the light industries in Sekong was only minimal.

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<sup>76</sup> Final Independent Evaluation Evaluator’s observations and recommendations (Nov 2020)

<sup>77</sup> 2018 MTE page 32

## 4.5 Efficiency

### *4.5.1 How efficiently have resources (human resources, time, expertise, funds etc) been allocated and used to provide the necessary support and to achieve the broader project objectives and results? To what extent did the intervention deliver results in an economic and timely way?*

#### *Delayed fund transfer*

*Key Finding 13: The delayed fund transfers from ILO to the implementing agencies, in Lao PDR, posed a major implementation challenge and affected project timeliness.*

Delayed fund transfers, attributable to the absence of an imprest system in Lao, were said to affect implementation and adversely impact project timeliness. Activities could not begin until wired funds were received by project staff or partners.<sup>78</sup> This was also identified as a problem by the MTE. The Project tried to raise this with ROAP senior management, but the attempts were unsuccessful.

The availability of an office imprest system in Lao PDR would allow the ILO to advance funds once contracts are signed for timely initiation of activities.

*Recommendation 2: The project should work with the ROAP senior management to set up an office imprest system in Lao PDR to allow timely initiation of activities.*

#### *Financial management*

*Key Finding 14: Analysis of the percentage of the achieved outputs vs amount of expenditure showed that the project is expensive. There was a paucity of data to assess the project's cost efficiency.*

Fund management was not well monitored in this project, so that funds, used for some activities, were allowed to exceed allocated amounts. Analysis of project progress against target outputs and budget to actual expenditures variance analysis suggested that up to 99% of the funding amount was spent, while only 72% of the planned activities were conducted, i.e. 18 activities out of 25 activities were done (see the table below). This suggested that the project expenditures were disproportionate to the achieved target outputs.<sup>79</sup> The project's justification for these that: (1) some activities and categories such as the preparation of the NRES and the budget for hiring external international and national consultants were under-budgeted, and; (2) operations costs, including transport costs, were high in Sekong.

While some high expenditures, such as costs in Sekong,<sup>80</sup> could be justified, there were some categories, i.e. international consultant and national consultant, that were extremely overspent. In a number of cases, the international consultant line was charged, while there was no evidence that outputs were delivered. There was

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<sup>78</sup> 2018 TPR (year 2), p 11

<sup>79</sup> It is noted that the project also received additional funding of around 470k USD from other funding sources, one of which was the Arab Gulf Program (AGF) for the "Promotion of Decent and Productive Employment Opportunity for ethnic women and vulnerable groups including people with disabilities in Lao PDR LAO/16/03/AGF" for the exact activities implemented in Sekong and Savannakhet between 2018 and 2020.

<sup>80</sup> Higher operation costs in Sekong were related to car rental, IA budget proposals, etc. According to the EIIP Specialist the reason for the higher cost of infrastructure development operations in Sekong (155%) was due to unforeseen costs, including clearance of UXOs in the sites, which needed to be cleared before the operations could start.

a paucity of information to judge if the overspending was justified, given a lack of detailed explanation of this overspending in the reports.

Table 1 End of project status of project activities

IO	Status				IO	Status			
	Done	Not Done	Partially Done	TOTAL		Done	Not Done	Partially Done	TOTAL
1.1	3	0	0	3	2.1	2		1	3
1.2	3	0	0	3	2.2	3	0	0	3
1.3	2	2	1	5	2.3	2		0	2
1.4	2	2	0	4	3	2	0	0	2
T'tl	9	4	2	15	T'tl	9		1	10

### Risk management and poor management undermined achievement of results

**Key Finding 15 : Slow decision making and poor time management affected the operations and results delivery. Time spent in certain activities was not commensurate with the amount of time that remained.**

The project itself faced serious delays in implementation. Some of the delays were related to external factors. Time was a scarce resource for this project. The project’s timeline was identified as the major factor influencing the achievement of outcomes. Specifically, the project faced serious delays to start-up. Then the five-year project cycle was scaled back (in timeframe but not in substance) to three years, following negotiations with donor.<sup>81</sup> Finally, one of the project’s three years of operation was, essentially, lost to the pandemic. When the timeline was reduced due to the above-mentioned causes, the sequential order of activities was disrupted.

The project itself faced serious delays in operation. While HR turnover and adjustments and recruitment were one of the reasons causing delay, it was observed that the delay in operations, especially in the first half of the project, was also attributable to poor project management. Between 2017 and 2018, there was one period when the project was managed by a project manager, and another when it was managed from ILO BKK.<sup>82</sup> The project management appeared ineffective during both periods.

While the management of the on-site project manager was ineffective, the remote management from ILO BKK appeared unresponsive. As a result, some practical challenges that could have been addressed (including partners who ‘relegate project activities to familiar areas and activities in Sekong’ and overspendings in VCD in Sekong) were not effectively managed.<sup>83</sup> These indicated a need to improve the remote project management system. An internal reporting system was missing. Bi-monthly OR quarterly reporting should have been set up that required the field teams to report progress against milestones, as well as challenges and risks. These would have enabled effective management including risk management, by ILO BKK.

In Sekong, the delay in construction of an irrigation system was caused by management’s decision to hold off “to investigate commercialization prospects.”<sup>84</sup> The MTE reported that such delays adversely undermined the confidence of the communities.<sup>85</sup> The delay also affected the timeliness of this activity. According to the ILO EIIP Specialist, it usually takes four years to do the EIIP work. Due to the delays, there were only two years left to actually do the job. Two years was, however, not long enough to achieve this, and that was the reason that

<sup>81</sup> MTE page 10

<sup>82</sup> See explanation in Section 1.2.1

<sup>83</sup> 2018 MTE page 29

<sup>84</sup> 1<sup>st</sup> TPR page 6

<sup>85</sup> 2018 MTE page 25 “... activities in Dak Cheung have had a long process of dialogue and assessment: irrigation construction, coffee production and processing, and community tourism. Where this is the case there is a sense that if some action is not taken soon, villagers’ interest and confidence in these activities will be lost.”

a contractor was hired to do part of the work using a machine. This undermined the work that was intended to be carried out using a “labour-based approach”, with the GoL.<sup>86</sup> It also resulted in insufficient time for undertaking critical agricultural extension work and training of the community on the operation and maintenance of the irrigation system.

The risk management strategy used by the project also hurt project efficiency in Sekong. During the audio debrief with the evaluation team, project management stated that, because of budget constraints, a risk management strategy was to start with small interventions. If they were successful, they would be scaled-up, and, if they failed, there would not be a big loss. This may, ostensibly seem like a good practice, however this strategy, may have inadvertently contributed to low effectiveness, because scale up often did not happen. Case-in-point: chicken raising in Sekong; it takes 3-4 months to complete a growing cycle and the project promised to replicate the model using model farmers in Year Two,<sup>87</sup> but there was no evidence that the project replicated it as originally planned, in 2018. At the end of the project, chicken-raising remained in the same five HHs as those supported by the project, in Year 1.

The project faced significant delays in mobilizing activities in Savannakhet, due to the delays in getting official approvals of new locations. However, the project remained unable to begin in May 2018 due to the departure of project staff and the project manager. Savannakhet’s field activities started only in mid-2019, after all required studies were completed. In the end, it had only 1.5 year left for implementing field activities in Savannakhet.

### *Introduction of low-cost and innovative technology and program increase cost effectiveness*

#### *Key Finding 16: The project’s introduction of low-cost technology proved to be cost effective*

There were areas where the project made small investments that resulted in high achievements. These included: (1) teaching rice farming on irrigated lands; (2) vegetable cultivation in green houses (3) use of a direct dry-seeding machine, all requiring minimal cost, but easily serving nearby markets.<sup>88</sup>

The participatory, rapid market appraisal, used in Savannakhet, was found to be highly cost-effective in creating market links and stimulating production in villages that were near local markets. The Savannakhet chicken raising model was also cost effective, due to the fact that the project applied lessons learned in Sekong. The project in Savannakhet did not include provision of chicks in its support package to the participating model HHs (as opposed to the model in Sekong, where the project provided 150 chickens per participating HH).

In the coffee and passion fruit production models, the project applied an industrial linkage programme<sup>89</sup> approach. The project proved that incentivizing links between companies and producers required higher investment, however, the impact on poverty alleviation was also high.

The small-scale irrigation scheme was a low investment of US\$173,528, in contrast to the typically big scale construction. It benefited around 143 households (768 persons) of Dakleub village. It cost USD 225 per beneficiary. Analysis of the Net Present Value, the Internal Rate of Return and the Benefit/Cost ratio for two possible cropping scenarios, conducted by the ILO EIIP Specialist, showed that the irrigation project was feasible from a financial and economic perspective.<sup>90</sup>

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<sup>86</sup> Interview with EIIP Specialist on 6 April 2021

<sup>87</sup> 1<sup>st</sup> TPR (May 2017- March 2018), page 5

<sup>88</sup> Final TPR (March 2021) page 4

<sup>89</sup> Industrial linkage programmes, entailing funding buyer meet-ups, suppliers development training, and so on

<sup>90</sup> Bas Athmer “Technical paper summarizing the benefits of the irrigation project of the Lao PDR Rural Employment Strategy Project

### *Unsuccessful attempts that could serve lessons to be learned*

**Key Finding 17: There was evidence of unsuccessful attempts that consumed substantial resources of the project.**

It was observed that the project also had a number of unsuccessful attempts and unsuccessful models, including fish raising, chicken raising and mushroom cultivation. These models were continuations from the project's phase 1.<sup>91</sup> The project's husbandry activities suffered from the prevalence of animal disease outbreaks such as poultry raising in Tok Onkeo<sup>92</sup>, Ta Oun and Naver<sup>93</sup> of Sekong, and pork production in Sepon.<sup>94</sup> Mushroom cultivation activity in Sekong was abandoned after one year operation, due to unavailability of the main raw material (sawdust).<sup>95</sup> A considerable amount of effort was expended, and studies were commissioned, including an audit of cultural assets. Unfortunately, these did not materialize into profitable pilot models, given the required high investment by PS to make it unfeasible.

While all these delayed the demonstration scaling up, they also consumed substantial resources. As a result, the overspending in VCD (1.1) was high with the actual expenditure being much higher (167%) than the budget.

### *Lessons not captured systematically*

While there was evidence that lessons learned from the project were documented, it was not done systematically. The lessons learned were found scattered in different documents, including project monitoring reports conducted by the part-time consultants.

The project categorized lessons learned as being one of two types:<sup>96</sup> first were the overall lessons that serve as inputs to the design of the NRES, and the second were specific lessons corresponding to the three types of rural settings.<sup>97</sup>

Based on interviews with field teams, in April 2021, it appeared that there were a number of lessons relating to what worked and what did not with regards to institutional framework and coordination mechanisms at the subnational level, which could have been useful to inform the design of NRES. Unfortunately, much of this knowledge was not captured and largely remained as tacit knowledge among the field staff and the provincial and district GOL partners, who implemented the workings strategies.

For example, one such lesson was that Working Groups should have been formed at the district level instead of at the provincial level. This was because the district agencies were closer to the communities and more knowledgeable of the context and it would have expedited the processes. (See more discussion in Section 4.5.3.)

These lessons learned have neither been comprehensively and completely documented nor well disseminated. They should be captured, synthesized and communicated to provincial and national stakeholder, constituents as well as other development partners in Lao to inform NRES development and implementation.

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<sup>91</sup> The vulnerability of poultry to diseases was also observed in Phase 1. PRODOC (page 11) stated "Lessons are being learned as to the risks of poultry raising in the target village, given the vulnerability of poultry to diseases."

<sup>92</sup> Chansathith Chaleunsinh . Progress, Stories, and Monitoring for Year 2020, page 1

<sup>93</sup> Project Progress Report January 2018-15 March 2019, page 2

<sup>94</sup> Project Summary of project results (as of 10 Dec 2020)

<sup>95</sup> A value chain is defined as "a set of businesses and their interactions that bring a product (or service) from raw material to final consumer." In Sekong , VC analysis was conducted, but it still fail to recognize the lack of raw materials in mushroom production, chicken and fish production.

<sup>96</sup> Final TPR (March 2021) page 41

<sup>97</sup> The three setting include agricultural-based with semi-commercial features, Manufacturing and service industry in rural areas and Agriculture-based with subsistence characteristics



*Recommendation 3: An in-depth learning activity should be conducted to derive lessons that can be used to inform future ILO programming as well as NRES revision in Lao-PDR.*

#### *Project M&E resources*

M&E and reporting proved to be a main weakness of this project. The project reported having struggled with getting support from qualified M&E consultant in the first half of the project. Although a consultant was hired, in 2018, to set up an M&E system, this was reported to be insufficient. Therefore, the project hired another consultant to develop result chains and refine indicators for the six VCD interventions, jointly with project staff, in 2019.<sup>98</sup> That the M&E system was only finalized in 2019. The delay proved to be detrimental to the project M&E data. The 2018 income data was collected from HHs in 2019 which made the data susceptible to flaws from recall biases.

Apart from these, there were areas where gaps remained. The project logical framework was not translated into a M&E framework that defined indicators, detailed methods, scheduled frequency and identified roles.

Because the project failed to create a good M&E and reporting system, it was challenging to assess the project's overall effectiveness—especially since baseline values were not established for IO Indicators. It is also not easy to know precisely the total number of HHs benefitting from the project as the data was plagued with double counting.

Basic administrative M&E data (data collected for the administration of project, i.e. # training /meeting participants disaggregated by sex, and type of organization) were not systematically collected and stored so as to aid monitoring and reporting.

Although the project participated in training on the Donor Committee on Enterprise Development (DCED) guidelines on results measurement, the lack of project M&E officer made it impossible to translate all the demanding guidelines and requirements into a robust MEL system.

While the PRODOC outlined extensive requirements for M&E and learning and knowledge management,<sup>99</sup> the project M&E resources and expertise were incommensurable with these high requirements. A full time M&E officer would have been needed to support result M&E, and learning (MEL) and knowledge management/sharing skills to support and to facilitate these core elements of the project design and implementation, apart from collection of administrative M&E data.

*Recommendation 4 In any subsequent phase, the project should allocate sufficient budget for, and should establish, a robust MEL system that would not simply address administrative M&E data need but also enable systematic learning and knowledge creation. It should engage constituents and stakeholders in project planning, monitoring and project learning.*

#### *Lack of support on gender, labour inspection and OSH*

The PRODOC acknowledged that the project “required proper and solid technical backstopping from specialists who provide technical support for the development of employment policies, local strategies for decent work,

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<sup>98</sup> 3<sup>rd</sup> TPR for January 2019-December 2019

<sup>99</sup> As outlined in PRODOC, the project will develop an M&E plan that will contain a result chain for each key interventions, refinement of indicators as well as a plan that provide information on activities, responsibilities, timing and costs. the project will also design and implement an impact assessment study. A plan for knowledge sharing will also be prepared to guide knowledge generation and sharing.

skills and employability, labour intensive investment, gender equality and diversity, labour laws, labour inspection and OSH”.<sup>100</sup>

The project, however, did not receive adequate, expert support and, as a result, OSH and gender were not well integrated into the project activities. The absence of an OSH Specialist DWT BKK, after 2019, was noted. Although the project received support from ILO DWT BKK’s Gender Specialist, the specialist was not positioned to support the operation of project field activities.

#### *Lack of a specific position that supported IAs on their project management, M&E and financial monitoring*

**Key Finding 18:** *Field staff and the ILO specialist spent a large portion of their time supporting GoL agencies given the latter’s weak capacity in project management, financial management, M&E and reporting.*

The resources and support for capacity building of GoL were inadequate. The project’s investment in capacity building of GoL was through granting an IA contract to LGAs and having an expert support the technical aspect of the work. The PRODOC seemed to overestimate the IAs project management capacity.<sup>101</sup> This resulted in the lack of a specific budgeted position to provide support to IAs on project management, M&E and financial monitoring.

The reality proved that capacity in project management, M&E and financial management was largely lacking among the majority of GoL IA partners, in three targeted districts (Sepone of Savannakhet and the two Districts in Sekong). In Sekong, it was reported that the field staff and EIIP specialist spent much of their time supporting PAFO on project management and reporting. It took 10 months to coach the agency before the PAFO staff had the capacity to do it on the second half of the project.

This capacity was very important for the GoL agencies in the NRES implementation in Laos, where ODA remained the main source of financing for development aid. It was suggested that, if the project plans to have an IA mechanism in future phase, it should have budgeted positions, such as M&E Officers, who could also provide financial and project monitoring support for the IAs. The positions would be responsible for trainings and conducting follow-up monitoring and coaching to IAs.

**Recommendation 5:** *In any subsequent phase, if there is an IA funding mechanism, the project should allocate budget to hire a specific role, such as M&E officer, to support and capacitate GOL agencies on project management, financial management, project planning, M&E and reporting.*

#### **4.5.2 Has there been duplication of efforts? To what extent have the project resources been leveraged with other related interventions to enhance the projects’ effectiveness and maximize impact, if any?**

**Key Finding 19:** *Lack of synergies with development partners working in same geographical areas resulted in the duplication of efforts.*

Partnership and synergies with NGOs were mentioned in the project proposal as a sustainability strategy. The ILO P&B for 2022-2023 suggested building on synergies with strategic partners, including among others, FAO and IFAD.<sup>102</sup> The ILO Governing Body meeting in 2017 also recognized this as it was stated, “Responding to the

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<sup>100</sup> PRODOC page 25

<sup>101</sup> PRODOC page 27

<sup>102</sup> In Programme and Budget for 2022-2023 Output Indicators-Technical Notes for Planning, Monitoring and Reporting on Results (26 Nov 2020). For Indicator 3.2.1. Number of Member States with measures for decent work in rural areas, key technical definitions



huge challenge of realizing decent work in the rural economy will require leveraging resources and aligning policy through partnerships with key international organizations, with a clear focus on comparative advantage.<sup>103</sup> For this reason, the NRES document recognized the importance of synergies, as it acknowledged that resources from these sources constituted two of the four main financial sources to be drawn to support NRES implementation.<sup>104</sup>

During phase 2, the project entered into few partnerships. In Savannakhet, the NRES project worked with Handicap International (HI) which was part of the Provincial Employment Service Team. HI participated in selection of skills training candidates in the target communities in Atsapone and Sepone, and it coordinated with PwDs to get them apply the skills development and job placement program. The project also formed links with an ACIAR project that was working with the PAFO on DSR technologies. The linkage resulted in the diffusion of this new effective technology that was useful not only to the ILO NRES project but also to the SDC's agriculture portfolio.

Despite these, there were areas where synergies were not tapped, resulting in the duplication of efforts.

### *Lack synergies resulted in duplicate of efforts*

Given staff turnover, small and uncoordinated efforts were demonstrated by the project in Sekong. There, the project attempted, in the initial years, to synergize with a number of agencies including WB, IFAD and CARE which also worked in the target districts and communities in Sekong. Due to lack of follow up, no synergies were successfully developed with any development partners. This resulted in a duplication of effort.

The May 2020 progress monitoring report noted many of the project beneficiary households received the same support from more than one development agencies (i.e. ILO, IFAD, and CARE).<sup>105</sup> The activities received from not only ILO, but also others, included the provision of (1) training on planting techniques and harvesting techniques; and (2) equipment such as coffee drying beds, pulper machines.<sup>106</sup>

### *Failure to create a partnership with PRF resulted in missed opportunity to maximize impact*

In addition, a partnership with WB PRF was specifically outlined in the PRODOC which indicated that "collaboration with the WB PRF will be a particular priority for the rural road development and maintenance component". In Lao PDR, the objective of the PRF programme was to improve access to basic services in targeted poor communities.<sup>107</sup> In the initial year, the project attempted to reach out to WB once or twice but was unsuccessful due to a lack of follow-up. As the project did not foster a relationship with them, it meant lost opportunities, in Phase 2, to get WB PRF on board.

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specify a number of characteristics including "Building on synergies with strategic partners, including among others, FAO and IFAD, with a focus on the ILO's comparative advantage".

<sup>103</sup> [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---relconf/documents/meetingdocument/wcms\\_545617.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_545617.pdf)

<sup>104</sup> DRAFT National Rural Employment Strategy for Lao PDR Vision 2030 Strategy 2025

<sup>105</sup> There were also areas where the ILO support was very unique and therefore added value. The participants noted that the activities and knowledge that they received ONLY from ILO, and not from other development agencies, included knowledge on processing technique (full dry, wet wash, and honey process), close monitoring support and marketing.

<sup>106</sup> Chansathith Chaleunsih . Progress, Stories, and Monitoring for Year 2020

<sup>107</sup> Lao PDR - Poverty Reduction Fund (PRF) III Project <https://www.worldbank.org/en/news/loans-credits/2016/05/24/lao-pdr-poverty-reduction-fund-prf-iii-project>

### ***4.5.3 How have stakeholders been involved in project implementation? How effective has the project been in establishing national ownership? Is the project management and implementation participatory and is this participation contributing towards achievement of the project objectives?***

*Key Finding 20 The governance arrangement for the irrigation component where monthly meetings were held at district level of the Irrigation Project Committee with all stakeholders involved, was lauded as a big success*

#### ***Project governance body***

In terms of project governance, the project had a National Advisory Committee, at the national level, that met annually, and a Provincial Advisory Committee, in each project province that met every six months. Supporting the Provincial Advisory Committee were the Technical Working Groups at the provincial levels on each component of skills, value chain, entrepreneurship development, and OSH.

The governance arrangement for the irrigation component where monthly meetings were held at district level of the Irrigation Project Committee with all stakeholders involved, was lauded as a success.<sup>108</sup> A lesson learned from Sekong was that working groups should have been established at the District level, as opposed to the provincial level.<sup>109</sup>

District agencies were closer to and had more understanding of the situation in the communities and, therefore, could support communities better. To support the District Working Group, Provincial agencies could have appointed their officials to join/support the working team at the district level. The May 2020 progress monitoring report supported this suggestion, stating “while the provincial OSH team was now strengthened, the fact that they were distant from the project community and did not have sufficient budget to follow up villagers often made the Provincial OSH team view that there is a need to provide ToT for district officers.”<sup>110</sup>

#### ***Funding mechanism for GoL IA partner***

With regards to IA contract and project funding, it would have been advisable to provide a grant to the established Working Group (e.g. District Governor coordination Office), as opposed to a single line department. This would have promoted ownership of all concerned GoL agencies in the process and project implementation.<sup>111</sup>

The PRODOC indicated the need to institutionalize the rural employment strategy in its partner’s proposal, monitoring processes and activity reports.<sup>112</sup> This was carried out by the field staff who reported that they might not have had sufficient capacity to support mainstreaming the cross cutting issues, i.e. gender ad WEE, OSH, PwD. It was suggested by a stakeholder that, if the project was serious about integrating these cross cutting issues into partners’ proposals, guideline checklists should have been developed that specified requirements for guiding the integration. Training should have been provided to IA partners and ILO field staff to enable their effective use of such checklists.

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<sup>108</sup> Chansathith Chaleunsinh . Progress, Stories, and Monitoring for Year 2020, page 37 “Another impressive and could be a role model is “the institutional framework of irrigation activity in Daktreup” which actively capacitates government officers, allows all stakeholders to take part of the activity and makes working process smoother compared to other project activities.”

<sup>109</sup> Tor MTE 43

<sup>110</sup> Chansathith Chaleunsinh . Progress, Stories, and Monitoring for Year 2020, page 32

<sup>111</sup> Interview with Sekong PC, April 2021

<sup>112</sup> PRODOC page 17

## *LGA partners*

The project envisaged to “strengthen institutional capacity and governance of local authorities to support rural employment by involving them in all aspects of the project and through local partnerships and collaboration.”<sup>113</sup> However, the project strategy, in the initial years of Phase 2, was influenced by a lesson from Phase 1<sup>114</sup> resulting in its decision to bring in external agencies (GoL or NGO) to implement IA projects when a concerned GoL agency was weak.

Although the project had engaged staff of the LGAs (as coordinator), the staff “did not have opportunities to sharpen their management skills in needed areas, i.e. soft skills of planning and processes of working with local communities.”<sup>115</sup> This meant that the capacity of these LGAs, who would have been charged with implementing an NRES, remained low and it was unlikely that they would have been capable to implement NRES working strategies. Taking this into account, ensuring that LGAs were meaningfully engaged since the beginning, would have helped build their capacity and, at the same time, created their ownership over strategies that could have been included in the NRES.<sup>116</sup>

Creation of rural infrastructure through Government Agencies (PAFO and DAFO) and local Governments (District Governor's Office of Dak Cheung), along with capacity building of the Government Agencies, was demonstrated to have been a good model because, it not only increased local capacities (which is important for sustainability), but also increased local ownership.

## *Extension workers*

It was cost-effective to engage extension workers to provide extension services to villagers, such as the provision of training in production techniques and joint marketing to build villagers’ confidence. In Savannakhet, the investment to mobilize extension workers to train pilot households, over two years, was approximately \$17,000. As a result, farmers increased their sales and realized revenues by up to \$27,000.

Nevertheless, evidence showed that capacity building of District Government extension workers was insufficient in some project models (i.e. the Sekong chicken production model). In this model, the Southern Skills Development Center, in Champasak (SSDC), was engaged to implement the pilot project. Although DAFO was invited to join every time the IA visited the community to provide training or monitoring support, this proved insufficient to build the DAFO’s capacity to further support and to provide extension services after the project ended. At the end of the IA chicken raising project, “implementation of chicken is still on the half way while contract of service provider already ended. Chicken beneficiaries still have problems on chicken death, lack of supply for chicks, feed and vaccines.”<sup>117</sup>

## *The development partners (UNs, INGOs, NGOs) in Laos*

The NRES did not have its own resources so they would have been drawn from different sources.<sup>118</sup> Accordingly, it would have required a budget planning process to explore new financing sources and opportunities from the

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<sup>113</sup> PRODOC page 15 stated that “The project will continue to build capacity of line agencies, along with their provincial and district officials in promoting enabling conditions through policies, regulations programmes, and methods while at the same time building planning, implementation and monitoring capacity.”

<sup>114</sup> 2<sup>nd</sup> TPR (Jan 2018-Dec 2018), page 12; in Phase 1, the project experienced inadequate quality of delivery due to lack of requisite expertise of GoL Agencies

<sup>115</sup> 2018 MTE

<sup>116</sup> This is suggested by 2018 MTE See page 14-15

<sup>117</sup> Chansathith Chaleunsinh, May 2020, Progress Monitoring Report, page 75

<sup>118</sup> Draft NRES Vision 2030 Strategy 2025.

government, development partners, south-south cooperation, the private sector and CSOs.<sup>119</sup> This was an indication of the importance of engaging the development partners, from the beginning.

However, the UNCT and other development partners were not engaged in the NRES drafting process, and this diminished prospects for their collective contribution. The project was not successful in engaging development partners in provincial roundtables (e.g. in Provincial Coordination meeting) for planning and budgeting and for developing a RE results framework. Had they been involved, the project might have been more successful in securing partnerships and synergies.

*Recommendation 6: At the provincial level, the project should invite development partners to form part of the provincial committees. At the national level, the project should engage the UNCT and other development partners in the NRES development and implementation process.*

## 4.6 Impact

***4.6.1 What are the impacts of the project (both intended and unintended, and both positive and negative) or changes made by the project, at the policy level and institutional level? To what extent are the results of the interventions (particularly on the institutional capacity building of the governance and service provider agencies) likely to be durable and can be maintained or even scaled up and replicated by the partners after the project ended?***

*Key Finding 21: Due to time constraints, the project was unable to scale-up to influence policy in the areas of national OSH policy, labour inspection capacities and skills certification.*

At the strategy level, the NRES was developed and adopted by the GoL. In addition, it had successfully demonstrated how labour market policies and strategies (i.e. on skills training, assistance in the job search process, public works rural infrastructure programme, and support to micro-entrepreneurs) could be extended to rural economies. As such, project was well positioned to “initiate implementation of the NRES”.<sup>120</sup>

However, as discussed in the effectiveness section, the mechanisms required to operationalize the NRES, including a budgeted action plan, were not in place at the end of this phase. And, due to time constraints, the project was unable to scale up to influence policy in the area of national OSH policy, labour inspection capacities and skills certification.

*Key Finding 22 : The project had successfully demonstrated labour market policies and strategies could be extended to rural communities. This resulted in some positive impact on the participating HHs. It increased income and food security for 561 HHs, although in most cases, the incomes from the activities were not substantial.*

*Negotiation power among the small coffee and chicken producers also became stronger through group formation. The project trained service providers who repair motorcycles for rural populations, as the latter's main mode of transportation is motorcycle.*

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<sup>119</sup> “increase the mobilization of resources by prioritizing the focus on budget planning processes of all relevant sectors and exploring new financing sources and opportunities from government, development partners, south-south cooperation, the private sector and civil society organizations”.

<sup>120</sup> PRODOC page 14

## VCD

Overall, the project VCD models were somewhat impactful. They increased income and food security for 561 HHs, in the two provinces within a few years (including project's 1.5 years of operation in Savannakhet). The results were attributable to the project's successes in promoting the adoption of a market-based approach, technology and modalities. These, in turn, improved the capacity of the Labour Market Institutions (LMIs) to work together in the provision of employment and skill services towards increased rural employment. These LMIs included: private sectors; ILO tripartite constituents (District Labour union and Chamber of Commerce); and Local GoL authorities (LGAs) from different line departments, e.g. skills development centres (e.g. SSDC, IVETS) and District Agriculture and Forest Office, District Industry and Commerce, and other mass organizations (i.e. LWU). Their engagement was guided by the project strategy that had a market-based approach as its prime feature. This proved to be effective to respond to market needs and, consequently, to increase local employment and income.

## EIIP

The constructed irrigation system was reported by Daktreup farmers to have had a huge impact on income generation activities. As observed by the external evaluation team who visited the village in November 2020, "considering the food security issue, the increase of rice production will be of a great help for farmers in the target areas."<sup>121</sup> Apart from the low land rice cultivation, the Daktreup villagers also utilized the irrigated land to grow cash crops, i.e. passion fruits to be sold to NaFood Company-- a Vietnamese company based in Pakse. Had the irrigation scheme not been constructed, these agricultural activities, that addressed both food security issues and income generating activities, might not have been possible. As also noted by the external evaluation team, the infrastructure was constructed at low cost, with strong technical support from the Irrigation department of the province (PAFO). They recommended that the activities be replicated.<sup>122</sup>

## OSH

The Project-supported OSH activities promoted the activation and operationalization of the 2<sup>nd</sup> National OSH programme<sup>123</sup>, in the target areas. For instance, the OSH training made the responsible agencies, in Sekong Province, aware that OSH was relevant not only to big factories but also to farms, homes, and all types of workplaces and the activity allowed them to exercise their mandate.<sup>124</sup> As a result of this activity, the Department of Health reported the inclusion of OSH training into their department's annual work plan for 2020. This was another project contribution into their mandatory works.

Unfortunately, monitoring and data collection was not systematically conducted to learn the impact of the OSH activities. However, the May 2020 Progress Monitoring Report presented findings indicating that the OSH awareness activities rarely translated into improved OSH practices among the trainees. See more discussion in Section 4.4.1.

### *Increase institutional capacity of LMIs*

Engaging LMIs to implement the project activities increased their capacity to carry out their own mandates for increased RE. These LMIs included: private sectors, ILO tripartite constituents and Local GoL authorities (LGAs) from different line departments, e.g. skills development centres, Commerce and Industry, and agriculture promotion centres.

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<sup>121</sup> Final Independent Evaluation Evaluator's observations and recommendations (Nov 2020)

<sup>122</sup> Final Independent Evaluation Evaluator's observations and recommendations (Nov 2020)

<sup>123</sup> The 2nd National OSH programme, which targets beneficiaries in the agriculture and small and medium-sized workplaces and which seeks to establish OSH organizations at the provincial level and OSH promotion and dissemination.

<sup>124</sup> 3<sup>rd</sup> Annual progress report (for the reporting period from January 2019 to December 2019) p 23

## Rural Skills development –Skills matching

The project successfully demonstrated effective skills matching and a counselling services modality that were guided by a market-based approach (company's HR needs) to secure wage employment in Savannakhet. This was achieved through PPP and project engagement with a number of LMIs and actors such as: job centers; migrant resource centers (LFTU); the Savannakhet Skills Development Center; the Savannakhet Technical Vocational Center; SCCI; the district labour office; the people with disabilities association; Xaysombath Technology College; and District LFTU.

The project also identified and pursued several areas of collaboration with PS companies. Six companies were engaged in designing a curriculum for basic machine operation training for rural villagers. A ToT on competency-based training that was organized for teachers of Xaysombath Technology College and Savannakhet Technical Vocational College. Afterwards, a pilot skills training course was implemented by Xaysombath Technology College (with collaboration of the Savannakhet Technical Vocational College). It was attended by 30 villagers who were selected as candidates for jobs vacancy. Due to COVID, some of the companies had to suspend operations. Ultimately, nine students were placed in company internships. As a result, five (including 4 women) were employed.

In Sekong, the Southern Skills Development Centre was engaged to extend its services to provide mobile trainings on motorcycle repair and poultry raising. This, in turn, allowed the centre to adapt and to adjust their training curriculum, and approaches to improve their outreach training programme.

## Extension services by GoL agencies

In Savannakhet, the project mobilized District extension workers to provide extension services and training directed towards market-based results. It provided support until farmers could successfully produce agricultural products, on their own. GoL workers (VCD team) supported successful creation of linkage between farmers and traders, who then purchased directly from farmers.

### ***4.6.2 Has the project made (or is likely to make) a difference to specific higher goals to which they are linked (like SDGs, DWCP, and Lao PDR-UN Partnership Framework 2017-2021)?***

*Key Finding 23: The project contributed to increased income for various groups of vulnerable workers including women, youth. It reduced the vulnerability and food insecurity of subsistence farmers. It also helped to increase productivity and to reduce vulnerability of smallholder farmers and microentrepreneurs to large agribusinesses and middlemen. Poor consumers also benefited from the increased availability of services, such as motorcycle repairs. If the business models were to be implemented on a larger scale, it would have had the potential to make a significant contribution to the relevant SDGs.*

The project promoted increased income and employment of women, youth, and subsistent farmer HHs. In Sekong the construction of a small-scale irrigation system, plus irrigated land and agriculture extension support, enabled subsistent farmer HHs to be engaged in irrigated rice cultivation and cash crop production. These would have a impact on rice productivity, improved food security and increased income of subsistent farmer HHs in Daktreup village (See more detail in Annex 3). The chicken raising and fish raising models provided sources of protein for undernourished households in Sekong.

In Savannakhet, the project tackled the weak performance of the agriculture sector and supported vulnerable smallholder farmers to engage with commercial markets. Like their counterparts in other areas of Laos, the



smallholder farmers in Atsapone and Sepone were at risk of getting sidelined by agri-businesses. The project worked to support them to produce at commercial levels (volume, consistent quality, scheduled delivery) and to be able to engage with these markets, without middle-men. The project's support was vital as, without such the support, smallholder farmers would have obtained lower prices for mixed grade products and would have been sidelined altogether by large agri-business farms.

Skill development and job matching in Savannakhet also contributed to increased decent employment for rural youth who were unemployed or underemployed. However, as the skills and job matching model required youth workers to commute from home to work in SEZ. It was reported that many rural youth and PwDs preferred to work near home (as in case of youth and PwD in Sepone). Therefore, it was suggested that the project should not only promote wage employment but also promote self-employment and entrepreneurship for youth.

Poor consumers in rural areas of Sekong benefitted from the availability of the motorcycle repair services model in the local area. They do not need to travel far to downtown Sekong to get their motorcycle repaired.

Despite the contribution mentioned above, the small scale of the VCD models limited the impact of poverty reduction. The poorest groups were also not targeted by the project VCD models. The impact would have been stronger if the NRES had been implemented nationwide with the engagement of all parties, including the PS and development partners, in Lao PDR. The change to the draft NRES, by the GoL, that resulted in the removal of 'very rural' areas from the context of NRES made it unlikely that the NRES for 2020-2025 would have had a significant contribution to SDGs and UN's poverty reduction goal and leaving no one behind agenda.

WB (PRF), CARE and IFAD operated a number of initiatives in Lao PDR. Development projects included the construction of Route 16 B, a road system that transformed Sekong into a land-linked province.<sup>125</sup> For example, in a target district of Savannakhet, past development projects were successful in providing village infrastructure (water, sanitation and school, etc.).<sup>126</sup> Taking all these into consideration, the project could have contributed to the broader development results and outcomes.

## 4.7 Sustainability

### ***4.7.1 To what extent the results of the interventions (particularly on the institutional capacity building of the governance and service provider agencies) are likely to be durable and can be maintained or even scaled up and replicated by the partners after the project ended?***

There was evidence that a handful of project-supported products, activities and tools, were likely to be sustained. For other activities, more work should have been done to promote and ensure the sustainability and long-term benefits of the project.

#### *Activities that appeared to get sustained*



*Key Finding 24: Evidence pointed to the fact that some project-supported products, activities and tools, were likely to be sustained. These included (1) (commercial) production activities by individual producers both in Sekong and Savannakhet; and, (2) Public employment service and LMIs in Savannakhet*

### (1) (Commercial) production activities & linkage with existing market both in Sekong and Savannakhet

Direct observation by the external evaluation team in Nov 2020 suggested that both chicken raising activities and rice technology activities in Savannakhet would be sustainable, even without the support of the project. However, there was a need for the project to have better formalized producer groups. Training with regards to gender and to financial management should have been foreseen.

There was evidence that villagers continued and replicated the activities on their own after the project concluded interventions. At the end of the chicken production model project, two model farmers were successful in raising chicken for commercial purposes. One of these successful farmers already planned to scale up his business. He planned to raise more chickens and to expand the chicken producer group by using a Chicken Revolving Fund. This would potentially create more jobs in the rural areas.

### (2) Public employment service and LMIs in Savannakhet

During 2019, in Savannakhet, the project engaged the Savannakhet Chamber of Commerce and Industry (SCCI) in conducting a company survey with 23 Savannakhet -based companies. As a result, the SCCI institutionalized the survey as an annual exercise to determine vacancies and needed skills.

In 2020, the survey was conducted with 200 enterprises (142 members and 58 non-members). It provided findings on the five most needed skills and vacancies over the six-month and twelve-month period. These findings (of the 2020 Savannakhet Chamber of Commerce and Industry (SCCI)'s company skill needs survey) were circulated to workers through different channels including those of the established networks of agencies at the district and village level, initiated by the project activities.

The connection between the District Labour and Social Welfare Office and the contact person in the target communities in Savannakhet would allow them to continue sharing employment information, including skills development and job matching opportunities in the communities.

### *Activities that require more work to be done before they become sustained*

*Key Finding 25 : There are activities that require more work to be done before they become sustained including: (1) functioning of the project-supported producer groups; (2) WUC and irrigation system in Daktreup, Sekong; and, (3) NRES implementation.*

### (1) Functioning of the project-supported model farmers, producer/production groups and community committees

In the second phase, the project successfully partnered with the private sector to devise capacity building interventions that prepared the rural work force to become more competitive suppliers of skills, goods and materials, as seen in motorcycle repair model.

In Sekong, some model farmers were successful in their agriculture production. These included two model farmers in Sekong for chicken production, and one HH in Sekong for pond fish production (Dakwai of Sekong) and another farmer for breeding fish fingerling (Daktreup of Sekong).<sup>127</sup>

<sup>127</sup> Owners of private ponds in Ta-Oun, Pahung and Dakwai have to find fingerlings from natural stream to grow in the pond. Except for Daktreup, a family (Mr. Therb's) is able to breed the fingerlings by using technique learned from ILO's training. Chansathit May 2020, page 20

The existence of the successful model farmers built community-based capacity and resources that could potentially support replication by other populations in the rural communities. They might be drawn upon to provide community-based extension services that may be appropriate in the Sekong context.<sup>128</sup>

Despite this, in Sekong, further support would be required to establish the farmers' linkage with a market, as this was inadequately done in the current phase.

In Savannakhet, the VCD work had been considered only in terms of the increased prices gained, and not yet its role in enabling smallholder HHs to engage more proactively with the markets. The latter could have been applied by District level staff - with mentoring. This was 'in progress in Savannakhet ', but was incomplete as volumes were still developing. Therefore further work needed to be done to activate and to enable District GoL staff to support this.

In addition, the agricultural activities have a huge potential for replication. However, the project should have enhanced more linkages between both districts, and increased the number of activities i.e. replicating activities from Atsapone in Sepone and vice-versa.

The project should have strengthened the capacity of the producer groups in both Sekong and Savannakhet to ensure operational continuity and functionality of these production and producer groups.<sup>129</sup>

## (2) WUC and irrigation system in Daktreup, Sekong

Institutional and working frameworks, including by laws and village-level committees, were established for community fish ponds and irrigation system. The construction of the irrigation system was completed in late 2020. Apart from the training that took place in 2019, the community did not receive further technical coaching from the project because of the interruptions from the COVID 19 pandemic. In Feb 2020, informants in Daktreup told the monitoring consultant that they still have a lot to learn, as irrigation is new for the Daktreup community.<sup>130</sup>

Subjects about which the Water User Committee (WUC) needs to learn more include: how to manage the water users; and, how to technically maintain the irrigation system. The Daktreup people need to learn on how to how to prepare low-land rice plantation (which is completely new to them, as traditionally they were engaged in high land rice cultivation).

These, according to the consultant, will take some few production cycles to learn and will require close monitoring from DAFO and related agencies.<sup>131</sup> It, therefore, seems necessary for the ILO to work with GOL and development partners to identify availability of resource for refresher trainings and to support a few more years, so that they actually are capable of maintaining the irrigation infrastructure.<sup>132</sup>

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<sup>128</sup> CTCN 'Community-based agricultural extension' article is quoted as saying: "Recent developments in agricultural policies have re-emphasised the importance of extension services. However, models of extension based on government services or private agro-dealers and service providers are not sufficient to meet the needs of farmers in less favoured areas. This is due to a number of factors including the necessity to respond to the specific technological needs of farmer in different agro ecological zones, high transaction costs of reaching remote areas...(Coupe, 2009; Rivera, Qamar, and Crowder, 2001)." <https://www.ctc-n.org/technologies/community-based-agricultural-extension>

<sup>129</sup> As a result of the project activities and promotion in both Savannakhet and Sekong, Eight (8) chicken producer groups were formed in Atsapone and 8 coffee producer groups were created in Sekong.

<sup>130</sup> May 2020

<sup>131</sup> Chansathith Chaleunsinh . Progress, Stories, and Monitoring for Year 2020 May 2020, page 29

<sup>132</sup> Interview with Sekong PC 8 April 2021

### (3) NRES implementation

As mentioned in section 4.4.1, at the end of the project, the National Rural Employment Strategy was endorsed. The highly consultative and participatory process of NRES development<sup>133</sup>, and the subsequent inclusion of the NRES in the 8th and 9th National Economic and Social Development Plan (2016-25), implies that the NRES has become an institutional priority and indicates the GoL's commitment to the strategy. Much is yet to be done, as elaborated in Section 4.2.1 and 4.4.1.

#### *Activities that might not be sustained*

*Key Finding 26: Activities that are unlikely to be sustained include: (1) working group approach and 2) rural infrastructure that is not resilient to disasters*

#### (1) Working group approach (e.g. VCD team)

The working group approach provided coordination and integrated joint extension services that met the community needs quite well. However, the sustainability of this model was in question, because government agencies typically work through their own vertical line agency and the GoL budget for extension services is typically scant.

Under the project, institutional and working frameworks were developed to promote synergies. The VCD team that was formed was comprised of government officials from diverse District government agencies, including DAFO and Commercial and Industry Office, Labour and Social Welfare office, and Lao Women Union. With ILO support, the different line agencies worked jointly as a VCD team to achieve the result of commercial agricultural production.

While the project successfully promoted the integrated approach through this working group, and while this working group provided needed extension services to the communities, these practices are threatened without funding from external resources. Lack of an extension budget was said to be a major factor impeding the functioning of the implementation model.

Interviews with project staff and consultants suggested that the district government lacked or had a meagre budget for its community extension services. Therefore, activities, such as VCD that the project attempted to promote, might not be long lasting, if funding from external sources were to cease. It was confirmed, in the project TPR, that resources, whether that of a development partner or of a national budgetary allocations, are critical to applying technical tools to implement the aspirations contained in national laws.<sup>134</sup>

Strengthening the capacity of the community and ensuring that the community has resources were identified by the Sekong field team as a key to promoting sustainable rural employment.<sup>135</sup>

#### (2) Rural infrastructure and disasters—three community fish ponds and irrigation system

It appeared that rural infrastructure, in Sekong, was vulnerable to natural hazards and disaster. Three out of the four project-supported community fish ponds<sup>136</sup> including in Ta-Oun, Daktreup and Pahung, were physically damaged in 2019 (two were damaged by heavy rain and one by drought), and were abandoned.

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<sup>133</sup> 2018 MTE (page 32) "The Project from the outset has conducted this in a highly consultative and participatory manner. This should ensure that there is a high degree of ownership of it from the GoL agencies that would implement it."

<sup>134</sup> 3<sup>rd</sup> Annual progress report (for the reporting period from January 2019 to December 2019) p 23

<sup>135</sup> KII with Sekong field team 9 April 2021

<sup>136</sup> In Phase 1 and Phase 2, the project-supported construction of total four community fish pond in four communities, i.e. Ta-Oun, Pahung, Daktreup and Dakwai.

Another rural infrastructure project that was constructed, in phase two, was a small-scale irrigation system. One issue that arose was that the project constructed an earthen canal that was considered by the GoL partner to not be disaster-resilient. In April 2021, the Sekong PC was informed that the Sekong PAFO had submitted a proposal to the Disaster Risk Management Committee to make a concrete lining of the earthen canal. This was foreseen as a way of preventing erosion and making the infrastructure nondurable.

The ILO EIIP specialist who was interviewed in April 2021 suggested that the infrastructure should be kept as simple as possible to allow community-based and labour-based maintenance. It was advised to provide more awareness and training for PAFO and the community on maintenance of the infrastructure. The project should have addressed their concern related to durability to ensure that project-supported infrastructures were resilient to hazards and disasters, including flood, drought and land erosion.

*Recommendation 7 The ILO EIIP Unit should review and tailor EIIP models that have mixed methods (machinery with supplementary labour) and that are resilient to disasters..*

## 4.8 Cross cutting issues and gender equality

### *4.8.1 What are the key achievements of the project on gender equality, ethnic and disability inclusiveness thus far? Has the project been able to leverage ILO contributions through its comparative advantages including ILS, social dialogue, and tripartism?*

According to the PRODOC, the project would emphasize women, ethnic minorities and people with disabilities, as they are the most vulnerable groups and more susceptible to poverty and multiple discrimination. These groups must be prominent in data collection and inclusion in technical strategy development.

Tripartite dialogue is essential in order to ensure that all workers, including agricultural workers, have a voice in governance.<sup>137</sup> The project in Savannakhet engaged small producers in the provincial coordination meetings.

#### *Gender equality and equity*

*Key Finding 27 : The project attempted to promote women's participation in the project activities and to implement gender sensitive and responsive interventions. There is only some anecdotal evidence that the project succeeded in promoting an equal division of labour between men and women. WEE was not a focus of the project.*

Evidence showed that the project attempted to promote women's participation in the project activities at the village level. This included setting a quota for the percentage of women in established village committees, which resulted in three women being represented in the WUC. Women's participation rates were high in some project activities including chicken raising activities and skills development in Savannakhet. Women's representation remained low in almost all of the activities in Sekong including chicken raising and motorbike repair.

Gender analysis was included in all studies, including the needs assessment and situation analyses for both provinces. It appears that the findings were used to inform the project how to focus on gender issues.

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<sup>137</sup> [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---relconf/documents/meetingdocument/wcms\\_091721.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_091721.pdf)

Apparently, both situation analyses found more work allocated to women than to men, in families, in both provinces.<sup>138</sup> In the Sekong situation analysis, a reduction of women's workloads and an improvement of their welfare was suggested.<sup>139</sup>

There are examples where the project was sensitive and responsive to the needs of women. The introduction of the DDR (dry seedling machines) technology for rice paddy was said to not only reduce labour costs but the technology would help reduce the need for women to plant the rice seedlings.<sup>140</sup> Most of the households, in Sepon district, that participated in the rainy season vegetables model, were engaged foraging in the forests, which was usually done by women members of the HH. The final TPR claimed that vegetable cultivation supplemented HH income replaced foraging.

Within the two pilot provinces, the project was working towards promoting an equal division of labour between men and women in HHs. The project log frame also included an indicator to track the change in women's workload.<sup>141</sup> In Sekong, villagers in most of the Dak Cheung villages received gender awareness development training, including regular follow-up by the Sekong LWU staff. According to project monitoring activities, conducted by project teams, villagers themselves claimed (the men and women) it had changed their way of thinking, resulting in men sharing in housework and women participating in more activities.<sup>142</sup> However, the small sample sizes is not representative of the whole population.

In phase two, the project did not focus on increasing Women Economic Empowerment (WEE) although "gender equality and women's empowerment" were among the project's cross-cutting themes<sup>143</sup> and it was a programmatic focus of the donor (SDC). WEE does not merely require development of 'women's capacity' and skills to successfully engage in productive economic opportunities. It also requires empowerment of women so that they have the agency and power to make and act upon decisions, and to control resources.<sup>144</sup> Using the ILO GET Ahead for Women in Enterprise to train the project beneficiaries would have contributed to improving WEE among women members, in the ethnic minority communities.

#### *Unresponsive to the needs of vulnerable people including PwDs*

*Key Finding 28: The VDC and skills development models were not responsive to the needs and capacity of PwDs. The project monitoring data was not disaggregated by disability. While there were efforts to engage PwDs, there was no evidence that PwDs had secured decent employment through the project.*

While the PRODOC committed to giving particular attention to the priorities, needs and engagement of women, ethnic minorities and persons with disabilities as "they are the most vulnerable groups and more susceptible to poverty and multiple discrimination,"<sup>145</sup> the project's business models appeared to be unresponsive to latter.

In fact, project planning and implementation appeared to not prioritize its support for vulnerable groups. Evidence was from the project's criteria for beneficiary selection. For the specialty coffee VCD in Sekong,

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<sup>138</sup> 2018 Savannakhet Baseline Study, p iii, 31

<sup>139</sup> 2017 Baseline survey report on two villages in Sekong province, p xxii.

<sup>140</sup> Annual report to SDC Y 3, 2019, p 15

<sup>141</sup> Indicator 1D Change in women's workload compared to men's in domestic, care, production and community affairs due to project training and activities. Source: project revised logframe 2018

<sup>142</sup> 2018 MTE, page 33

<sup>143</sup> ToR for MTE (see MTE p 45) The Project specified four cross-cutting themes (a) gender equality and women's empowerment; (b) occupational safety and health, working conditions and green jobs; (c) entrepreneurship and employment services; (d) ethnic and cultural perspectives. These were illustrated in the Project Implementation strategy (fig 1). The project pursued outputs that represented cross-cutting work such as gender and ethnic sensitive training and interventions. The project brought strong gender and women entrepreneurship development. It supported productive job creation and improvement of the living and working conditions of aspiring women ethnic entrepreneurs in the rural setting. It also promoted disability inclusion as a strong component.

<sup>144</sup> <https://www.dfat.gov.au/sites/default/files/womens-economic-empowerment-laos-case-study.pdf>

<sup>145</sup> PRODOC page 21

vulnerability was not the criteria for selection and further support. Rather, those who were selected tended to have access to labour and land and, therefore, were less likely to be in vulnerable situations.

In May 2020, the KIIs with both team members and consultants suggested that the project prioritize mass commercial production and, therefore, capacitated small producers (who were in a more favourable conditions) over vulnerable people (who were, generally, in a less favourable condition). While it was justified to target those who had capacity and resources to maintain and even scale-up, specific measures and targeted supports should have been designed to support decent employment of the vulnerable in the targeted rural communities.

With regards to disability, the project aimed at promoting disability inclusion as a strong component.<sup>146</sup> However, the project data were not disaggregated by disability. This was contrary to what was written in the NRES: “To the extent possible, data provided for NSC consideration and reporting will be disaggregated by sex, age, disability, ethnicity and administrative level (national, provincial and district) to assess what groups and geographic areas need prioritized attention.”<sup>147</sup>

The project’s models of mass commercial production and wage employment appeared to be unresponsive to the needs and capacity of PwDs.<sup>148</sup> At the conclusion of the project, there was no record of project participants who were PwDs, indicating that no PwDs had enjoyed the project’s benefits (i.e. getting increased HH income or wage employment). Interviews with some PwDs, in target communities, in Savannakhet, by the project team suggested that because of physical impairment and because of their fear of discrimination, they preferred self-employment over wage employment that required them to work far from home.

*Recommendation 8: The project should design project strategies and business models that promote women economic empowerment and that would allow PwDs to benefit from the project intervention. The NRES project and SDC should carefully consider the overall approach and strategic focus of the programme with regards to promotion of women economic empowerment.*

### *Increase capacity of LWU and LFTU*

*Key Finding 29 : The project contributed to increased capacity of service providers including Sekong LWU to improve gender responsive services.*

With regard to leveraging ILO’s expertise, the project proposal promised that the ILO would leverage its global and national experience in designing, adapting and applying relevant tools and expertise. While there was some gender awareness training by LWU, the GET Ahead for Women in Enterprise was not used, as planned, to train the project beneficiaries.

The GET Ahead type of training would have been useful to allow producers to analyse a demand for particular services and to help to manage their finances. The project may have planned to do it when VCD progressed and farmers increased their production, as per MTE suggestion.<sup>149</sup> ILO’s Vision Zero OSH materials were utilized in the provision of OSH training for villagers.

In addition to these skill training inputs, LWU staff received Gender Mainstreaming training and proceeded to provide gender awareness development in most of the Dak Cheung villages, including regular follow-up by

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<sup>146</sup> 2018 MTE page 45

<sup>147</sup> DRAFT National Rural Employment Strategy for Lao PDR Vision 2030 Strategy 2025page 18

<sup>148</sup> The SAVANNAKHET Baseline study 2018 reported that 3% and 2% of respondents of HH survey had disabilities. PwDs constitute 2% of the population of working age.

<sup>149</sup> 2018 MTE page 21



trainers and mentors. Villagers themselves claimed (men and women) that this had changed their way of thinking and resulted in men sharing in housework and women participating in more activities.<sup>150</sup>

However, the project contributed to increased capacity of IWU to provide GE services. In Phase 1, the project introduced the ILO GET Ahead for Women in Enterprise; Business Group Formulation. It was reported that ILO tools such as GET Ahead, Gender Mainstreaming and business plan were integrated into the Sekong LWU's training curriculum for vocational training courses (tailor & cooking).<sup>151</sup>

Because of the project, Sekong LWU worked with and had stronger links to the Sekong Youth Union and Sekong LFTU. This linkage resulted in improved synergies. In 2020, two trainees who graduated from the Sekong LWU's vocational training were able to obtain no-interest loans from Provincial Youth Union. With knowledge gleaned from the RE project, LWU also had an opportunity to contribute gender content into Provincial Trade Union's plan on workers in rubber plantation in Thateng.<sup>152</sup>

## 4.9 COVID 19

Covid 19 delayed and affected some project activities. It interrupted the skills development training of 30 villagers on basic machine operation, and caused cancellations of vacancies that resulted in fewer trainees securing wage employment. Despite this, it was anticipated that companies would resume recruitment in the coming period.

The project did not undertake any specific interventions to tackle the impact of COVID 19. In Savannakhet, around 120 Laotian migrant workers returned to their hometown in the two target districts, from Thailand. However, a survey conducted by the ILO Safe and Fair project with this group found that 95% of the survey respondents planned to return to work in Thailand, again. While the project did not do any intervention, the PC made the returned migrant workers aware of available job opportunities with companies in the Savannakhet Economic Zone.

It was also found that the preference to apply for jobs in Thailand was due to the complicated recruitment process in Laos. Ironically, getting a job in Thailand was reportedly much easier than getting a job in Laos. This was because companies in Laos normally asked applicants to submit their Laotian ID card though the majority of rural people in Laos do not have such a card.

## 5. Conclusions

The project was relevant to the policy of GoL and to the needs of rural people in Lao PDR and will be even more relevant following the endorsement of NRES by GoL that occurred at the end of this phase.

Taking into consideration all the challenges, limitations and constraints faced by the project, the evaluation concludes that the project's working strategies were somewhat effective. The project successfully demonstrated four effective working strategies and VCD intervention models using the market-based approach. These models have proven substantial success with a total of 561 rural people securing wage or self-employment and having increased income and improved food security. The introduction of low-cost technology and new modalities such as public private partnership and support, labour-based approach and community engagement made the models cost-effective.

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<sup>150</sup> 2018 MTE page 33

<sup>151</sup> Chansathith Chaleunsinh. Progress, Stories, and Monitoring for Year 2020, page 33

<sup>152</sup> Chansathith Chaleunsinh. Progress, Stories, and Monitoring for Year 2020, page 33



Considering the overarching objective to pave a concrete direction for the implementation of the NRES, some key activities which were supposed to demonstrate effective working modalities were not implemented. These included demonstration of effective modalities and working strategies on OSH and labour inspection. A robust MEL system, including a learning agenda, was not put in place that would allow systematic learning process including documentation of lessons and successes. Not organizing these reduced the effectiveness of the project. Due to the absence of a data management and a data quality assurance system, the poor quality of the data affected the analysis of impact data that could otherwise have been used to develop a strong business case.

Some successful business cases were documented, but most have yet to be developed. As such, they were not available to be shared with the wider audiences in Laos, including development partners such as WB and PRF to advocate for wider replication of the models.

Regarding project efficiency, the project faced significant delays due to both external and internal factors. One of the delays caused by internal factor was delayed fund transfer due to the absence of an ILO’s imprest system in Laos. Project and financial management have not been focused. The project log frame was not used to guide annual work planning of this project resulting in overspending in some categories and underspending in others. In consequence, there was a substantial disproportion between project output achievements (72%) and spending (99%).

The project was not responsive to the needs and capacity of PwDs. While the rural infrastructure (irrigation system) benefited subsistent farmer HH, most of the project’s VCD models rarely benefited the poorer rural people. Its contribution to the poverty reduction goal and to leaving no one behind was therefore limited. The project did not increase the management capacity of the LMIs, including LGAs, community committees, producer groups. Women economic empowerment was not a focus in phase two.

Design and construction of rural infrastructures that were disaster-resilient and that enabled mixed methods (i.e. machinery with supplementary labour), would have promoted wider use and applicability of the ILO EIIP.

## 6. Lessons learned and good practices

- Successful interventions must be replicated or scaled-up in order to achieve results. Synergies should be pursued to achieve replication.
- A MEL system that generates technically adequate information is essential to proper project management.
- Capacity building, followed by close follow-up mentoring and monitoring, is instrumental to nurture a newly found/weak village committees.

## 7. Recommendations

**Recommendation 1:** *The project should develop business cases for the models and strategies that were shown to be effective.* These should be shared with Lao stakeholders along with guidelines for implementation. In any subsequent phase, the project should focus on developing and implementing working strategies in OSH, labour inspection, and disaster resilience infrastructure that were not adequately demonstrated.

Responsible unit(s)	Priority	Time implication	Resource implication
Project team, CTA, consultants and ILO specialists (EIIP, Employment, Skills, Local strategies)	High	Short-term	Medium

**Recommendation 2:** The project should work with the ROAP senior management to set up an office impress system in Lao PDR to allow timely initiation of activities.

Responsible unit(s)	Priority	Time implication	Resource implication
CO-BKK, ROAP, RAS, project CTA	High	Short-term	Low

**Recommendation 3:** An in-depth learning activity should be conducted to derive lessons that can be used to inform future ILO programming as well as NRES revision in Lao-PDR.

Responsible unit(s)	Priority	Time implication	Resource implication
NRES Project team, consultants and ILO specialists (EIIP, Employment, Skills), IAs and Contractors	High	Short-term	Medium

**Recommendation 4:** In any subsequent phase, the project should allocate a sufficient budget and establish a robust MEL system that would not simply collect/manage administrative M&E data needs but also enable systematic learning and knowledge creation. It should engage constituents and stakeholders in project planning, monitoring and project learning.

Responsible unit(s)	Priority	Time implication	Resource implication
Project team, CTA, Constituents and Stakeholders in Lao PDR, Potential donors (EU, SDC)	High	Mid-term	High

**Recommendation 5:** In any subsequent phase, the project should allocate a budget to hire a rant or M&E officer to support and capacitate GOL agencies on project management, financial management, project planning, M&E and reporting.

Responsible unit(s)	Priority	Time implication	Resource implication
Project developer, Donor, CTA	Medium	Mid-term	Medium

**Recommendation 6:** At the provincial level, the project should invite development partners to form part of the reference groups and steering committees. At the national level, the project should engage the UNCT and other development partners in the NRES development and implementation process.

Responsible unit(s)	Priority	Time implication	Resource implication
Project, UNCT and other development partners, Provincial authorities, MoLSW	Medium	Mid-term	Low

**Recommendation 7:** The ILO EIIP Unit should review and tailor EIIP models that have mixed methods (machinery with supplementary labour) and that are resilient to disasters.

Responsible unit(s)	Priority	Time implication	Resource implication
DWT BKK, EIIP Specialist, EIIP Unit	High	Short-term	Low

**Recommendation 8:** The NRES project and SDC should carefully consider the overall approach and strategic focus of the program with regards to the promotion of women economic empowerment. Within this context,

the project should design business models and project strategies that promote women's economic empowerment, in order to allow vulnerable people, including PwDs, to benefit from project interventions.

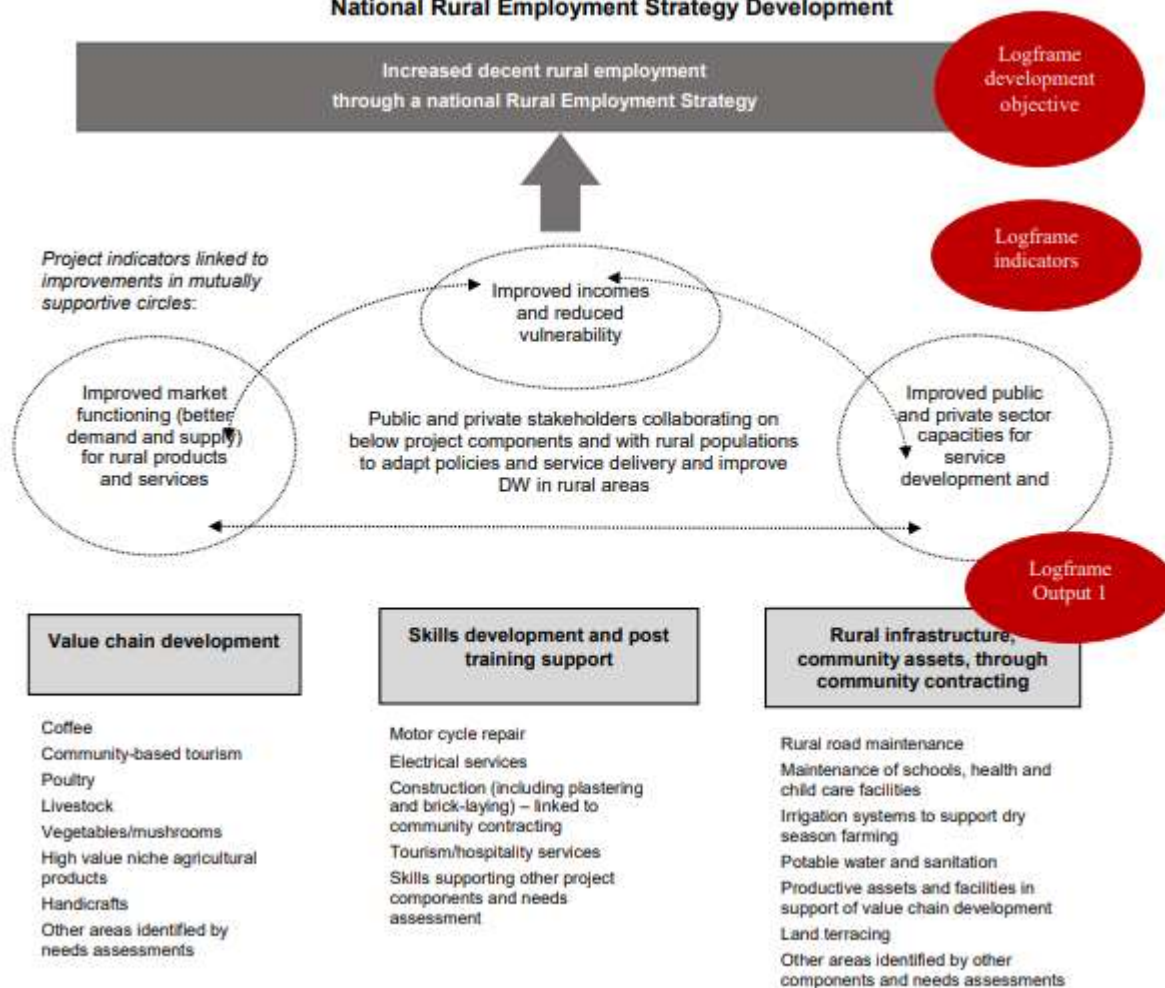
Responsible unit(s)	Priority	Time implication	Resource implication
NRES, consultants and ILO specialists (EIP, Employment, Skills, Gender, OSH), SDC	High	Short-term	Low

## Annex 1. TOR

– See PDF in separate file

## Annex 2. Project Implementation Model

**Figure 1: Linking Project Output 1 to National Rural Employment Strategy Development**



## Annex 3. Sub IOs and Output Results

IO 1 Decent rural employment opportunities and income increased through integrated approaches in target communities of selected provinces

IO 1.1-Value chain processes improved for selected products with demonstrated food security, nutrition, income generation and market linkage elements, with incorporation of gender analysis, OSH and green job considerations

Results/outputs	STATUS
1.1.1: Gender-sensitive, participatory value chain improvement interventions designed and implemented	✓ DONE
1.1.2: Value chain production outputs and diversification increased through public and private partnerships; gender and ethnicity sensitive essential training; and other basic services	✓ DONE
1.1.3: Collective ability of target communities to enhance local value chains and negotiate increased prices for their products strengthened through establishment of group arrangements such as producer and business associations	NOT DONE

Output 1.1.1 achieved. Final TPR claim that six value chains and commodities provided diversified income opportunities for rural subsistence households which commercialized their operations – these commodities are coffee, rice, vegetables, chicken, piglets and fish. According to the final TPR, in total, 561 HHs have increased income and employment. See more information in Annex 3 beneficiary data.

Output 1.1.2 was achieved to a certain degree. Public and private partnerships were present to all models except for the chicken raising model and fish raising model, in Sekong.

Output 1.1.3 building collective ability was not a focus in this phase. Although a number of producer groups had been formed in the target communities, including 8 coffee production groups in Sekong, 8 chick producers in Atsaphone district of Savannakhet province (total 16 groups in two provinces), their capacity (e.g. to negotiate prices and contracts) is generally weak. See more discussion in Sustainability section)

IO 1.2- Decent rural employment increased in line with local market requirements

Results/outputs	STATUS
1.2.1 - Rural workforce in target areas trained in relevant technical skills, work orientation, life skills, gender equality, financial literacy, simple green technology, linked to national technical/ vocational standards and curriculum development	✓ DONE
1.2.2 - Employment services expanded and strengthened to link rural female and male work force with wage employment and entrepreneurship, including through group formation	✓ DONE
1.2.3 - Increased sharing of decision-making between women and men at household and community levels in Project target areas as a result of gender awareness training and related support provided to women and men	✓ DONE

Output 1.2.1- Approximately around 700 received trainings from ILO.<sup>153</sup> Table below disaggregated the beneficiaries by type of training.

Curriculums were designed with engagement of the private sectors. The existing SSDC's Curriculums for chicken raising and motorcycle repairs were tailored to meet the needs and capacity of rural trainees. As the policy

<sup>153</sup> There is a difficulty to get a precise number of training beneficiaries without double counting. The precise number of training beneficiaries and HHs with 30% increased HH income, were not readily accessible when the report was completed.

work on the national skills certification framework was not pursued as a result of project delays<sup>154</sup>, none of the trainees of these trainings received national certification.

Type of training	# HHs
<b>VCD</b>	
Cash crop (coffee, passion fruit , vegetables)	144
Food products (rice+DDR technology, fish, poultry, Mushroom)	500
<b>Self employment (motorcycle repair)</b>	45
<b>Wage employment (hired by companies in SEZ)</b>	22
<b>TOTAL</b>	711*

\*Note: The number is double counted as some HHs in Sekong attended more than one IGA activities

Despite these, the project’s trainings appeared effective in generating knowledge and skills needed by beneficiaries. For example, in Sekong, 15 rural participants were trained in advance motorcycle repair and all could begin to act as service providers, e.g. motorcycle repairs, after the advance training, three earned from the motorcycle repair business as their main income source.

Some trainings that are deemed necessary such as training in financial literacy were not provided. These is viewed as important especially when the beneficiary HHs started to earn income from selling their produces in volume.

1.2.2—Four (4) Employment services were expanded and strengthened to link rural female and male work force with wage employment and entrepreneurship, including through group formation. These include:

(1) Support services and training by District extension workers (i.e. VCD team) that are directed towards market results, were provided to villagers in Savannakhet.

In Savannakhet, the project mobilized District extension workers to provide extension services and training directed towards market based results. After provide support until farmers could successfully produce their agriculture products. GoL workers (VCD team) supported successful creation of linkage between farmers and traders who then purchase directly from farmers. As a result of the services, around 183 households in Savannakhet province actively supplied products that their districts are well-known for. These include Xeno chicken, Sepon piglets, and Sepon vegetables.

(2) Incentivizing links between companies and producers –Project funds or public subsidies absorb the risks of failure when both parties do not have sufficient financial capacity, but where possibility of sustained market relationship exists. This was the case of coffee processing where the project incentivized Filanthrope to train subsistence farmers in Dak Cheung to supply EU and US markets. As it turns out, this became a successful linkage, where productivity and number of farmers increased year by year due to realized incomes. In total, the project’s investment in coffee was \$112,000 and the revenues reported was \$102,900, of which \$58,000 is directly sold to the new buyer. The revenues doubled farmers’ household income.

(3) Employment services and job matching utilize roles of existing private recruitment agencies, public job centers, SCCI, local federation of trade unions, district labour office, people with disabilities association, Lao women’s union, and Lao youth union. (a) It engaged SCCI in carrying out a company survey in 2019, which aimed to assess skills needs and job vacancies in 20 companies and used the findings to inform skills training priorities and job matching; (b) coordinate to have the training curriculum designed with involvement of companies as well as TVETs/IVETs so that the curriculum is suitable and could meet real needs and conditions

<sup>154</sup> Final TPR (March 2021), page 35



of the enterprises ; (c) coordinate to have a 4-week formal training on common competency and core/soft skill provided to trainee by the Xaysombath Technology College (with collaboration of the Savannakhet Technical Vocational College); (d) coordinate with two interested companies in Savannakhet to organize 8-week on-the-job training attended by 9 students (of which 5 are female) in December 2020.

As a result of these inputs and activities, the project successfully placed five (5) rural villagers in two companies in the Savannakhet Economic Zone. While not a big number, this experience has shown an approach that may work<sup>155</sup>.

(4) The project’s pilot of a small-scale irrigation system that demonstrated efficiency, community ownership and clear links to market opportunity resulted in employment opportunities: (1) short term income for 68 HH who were engaged in terracing; (2) the rice fields construction is expected to have a huge impact on food security and other incomes generation activities of the villagers.

(a) a total of 3094 USD paid for 68 HHs participating in terracing work on 30 hectare of land. (25000 kip (2.64 USD) /per person/day )

(b) The irrigated land is expected to contribute to food sufficiency (i.e. through rice and vegetable cultivation) which can be quantified as \$33,800 (half of \$67,600) on average for 143 households (or \$236 per HH) from additional rice production (compared to upland farming). However, the rice cultivation will begin on upcoming monsoon season (coming May 2021).

(c) a source of income through sales of passion fruits to NAFOODS at \$14,813 for 27 households (\$549 per HH). Currently passion fruit trees are being planted. 1st harvest will take place June-Dec 2021.

For 01.02.03 -some gender awareness trainings were conducted, but the project did not monitor/collect data against the indicator to measure “increased sharing of decision-making between women and men at household and community levels”. As a result, the result in this area is unknown.

### IO 1.3- Rural infrastructure (including community assets) improved in target areas, incorporating OSH, green job approaches and gender mainstreaming

Results/outputs	STATUS
01.03.01 - Gender-sensitive community planning processes implemented to identify, clarify and confirm priority needs	✓ DONE
01.03.02 - Rural infrastructure / community asset enhancement interventions designed and implemented in target areas, using community contracting and employment intensive methods	✓ DONE
01.03.03 – Rural infrastructure development priorities in project target areas integrated into public works planning and resourcing at provincial and district levels, particularly for rural road construction/ maintenance and priorities of skills training centers	NOT DONE
01.03.04 –Rural infrastructure development enhanced by publication of (i) a manual on community planning and contracting for use nationally under the Poverty Reduction Fund process; (ii) training materials on employment-intensive public works/infrastructure activities; (iii) technical and operational guidelines in prioritized areas; and (iv) Training of Trainers, based on the above resources, conducted with the Ministry of Public Works and Transport (MPWT) Training Centre	PARTIALLY
IO Indicator 1.3 --PRF , MPWT and other relevant partners apply the community planning and contracting methods demonstrated by the project	NOT DONE

Output 1.3.1 --Community planning processes were conducted, engaging both women and men in Daktreup since the beginning until the end. Irrigation was identified as priority need. As a result of the community

<sup>155</sup> Final TPR (March 2021) page 5

engagement, the project received high participation rate of women and men who voluntarily, i.e. 133 HHs participated in unpaid physical work, i.e. bush clearance. A Daktreup Water User Committee was established comprising of both female and male members (7 p; 3 w, 4 m) to manage the system.

Output 1.3.2 – a total three community assets including 2 community fish pond (2018) and an irrigation system. Two community fish ponds were constructed in 2018 in Pahung (Tokongkeo cluster, Lamam district, Sekong province) village and Dakwai village (Xieng Louang Cluster, Dakcheung District, Sekong province). In total, four community fish ponds were constructed (two in 2014, with one in Ta-Oun and another in Daktreup)

An irrigation system was designed comprising of 1 irrigation system with earthen canal and 7 common irrigated/terracing areas. This system is located in Daktreup (Xieng Louang Cluster, Dakcheung District, Sekong province). The WUC (representing community) was contracted as subcontractor for terracing to mobilize the village HHs for their labour work on the site. Irrigated land areas are divided for 143 HHs. This construction applied employment intensive method. The work also used machine with ILO subcontracting local companies to do the civil work (machine operation). While the EIIP specialist could only begin the actual work in May 2019, the project experienced further delays given the low participation of HHs in terracing work i.e. only 73 HHs out of the original 133 HHs participated and more than half of the participants were women, as their husbands and chicken got to work in coffee plantations. These was attributed to the fact that the coffee harvesting season were between October and January.

	2017				2018				2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Irrigation System in Daktreup (PAFO)</b>																
feasibility study			Aug													
start drafting contract for PAFO																
Mgmt hold the activity					Dec 2017-Mar 2019											
UXO clearance						May										
Land allocation resolved							Sept									
Dialogue to gain agreements to distribute rice to all HHs equally																
IA issued to PAFO & actual construction work start											May					
Bush clearance												Oct-Nov				
Terracing & Civil work													Nov-Feb (d'lay till Aug)			
Trainings for PAFO, DAFO, +Water Users Committee													Nov-Feb			
Coffee harvesting season for HHs														Oct - Jan		

Output 1.3.3 – while ILO contract PAFO to implement this. However, logframe indicator 1.3.3 targeted “*Rural infrastructure development priorities in project target areas integrated into relevant plans and budgets of at least one target province by December 2019, with evidence of gender-based analysis and budgetary allocation*” was not achieved. The project seemed to have advocated with the GoL to fund water supply infrastructure

during project meetings (as seen in the project’s report submitted to PAC Meeting in 2019, for example.<sup>156</sup> EIIP Specialist suggests that it is important to ensure that the government implementing partner(s) - PAFO and DAFO - have sufficient operational budgets from government funding sources to avoid dependency on external funding to allow the staff to undertake their work.).<sup>157</sup>

Output 1.3.4 –the project already produced the following materials in Laotian language: (i) a manual on community planning and contracting; (ii) training materials on employment-intensive public works/infrastructure activities; (iii) technical and operational guidelines in prioritized areas. The manual on community planning and contracting is yet to be shared with PRF, for use nationally under the Poverty Reduction Fund (PRF) process. What was not done was (iv) Training of Trainers, based on the above resources, conducted with the Ministry of Public Works and Transport (MPWT) Training Centre.

As the above planned activities were not conducted, IO Indicator 1.3 “PRF, MPWT and other relevant partners apply the community planning and contracting methods demonstrated by the project” was not achieved. MTE noted that application faced practical challenges with the feeder road in three District (Lamam, Dak Cheung and Sepon) relatively rough and with the surface hard packed and so beyond the capacity of local communities to maintain or thus be seen as a source of local employment.” However MTE suggested that this model and accompanying manual might still be piloted on feeder roads in Atsaphone.

#### IO 1. 4-Decent working conditions and OSH strengthened through promotion and implementation of the Labour Law and 2nd National OSH Programme, with attention to gender considerations

Results/outputs	STATUS
1.4. 1 - Major working conditions and OSH issues identified in plantation, contract farms and other work places in the target areas through inspector-led assessments and social dialogue & recommendation for regulatory standards and mechanism developed for implementing the National OSH programme	NOT DONE
1.4.2 - Awareness of suitable approaches for implementing the Labour Law and the national OSH programme in rural areas raised through materials developed for employers and workers, including a Labour Law Guide.	✓ DONE
1.4.3 - Employers and workers implement training in Labour Law, OSH, Social Security Law, and understanding rural work, dynamics, including gender and ethnicity perspectives	✓ DONE
1.4.4 - OSH services and sex disaggregated data collection on occupational accidents/ailments strengthened through technical and capacity support to district and village labour offices and primary health care clinics	NOT DONE

In response to output 1.4.2, OSH awareness raising activities were conducted for 90 workers around the areas of rubber plantations, wood processing, and project beneficiaries. These was done through the following process: (1) ToT training in OSH for Sekong provincial OSH team comprising of DLSW staff and other staff of PAFO, DOH, DONRE, LFTU, LWU and LYU in Sekong; (2) the Sekong OSH team provided a joint training for 90 workers around the areas of rubber plantations, wood processing, and project beneficiaries (participating HHs of IGA activities) in four villages in three Districts of Sekong.<sup>158</sup> In Savannakhet, a ToT on OSH was also organized for the provincial working groups and district labour and social welfare, district LFTU. A OSH Training for

<sup>156</sup> In the Project Progress Report January 2018 – 15 March 2019 for PAC meeting 21 March 2019, the project raise to the GoL the need to invest in the basic facilities to rural villages like water distribution, which is still lacking in rural Lao, and very much in need as lack of access to adequate water supply prevent villages from producing marketable products and services.

<sup>157</sup> KII with ILO EIIP Specialist, April 2021

<sup>158</sup> Chansathith Chaleunsinh. Rural Employment Project in Sekong Province. Report: Progress, Stories, and Monitoring for Year 2020 , page 30

villagers (Training of entrepreneurs) was conducted in one target village for rice and chicken producer group.

IO 2 National Rural Employment Strategy developed and adopted, lined to support fro implementation of the ASEAN Declaration on Decent Work promotion Transition to formal economy

IO 2.1-National Rural Employment Strategy and action plan formulated and adopted through participatory process and partnership development among relevant stakeholders at all levels

Results/outputs	STATUS
02.01.01 - Research studies conducted in collaboration with relevant government and national institutes, with a particular focus on under-represented groups (women, ethnic groups, persons with disability)	✓ DONE
02.01.02 - NRES and action plan drafted through participatory process in collaboration with government and other stakeholders at all levels	PARTIALLY
2.1.3 NRES formulation and implementation supported by improved collection, management, dissemination and use of sex-disaggregated data on decent work in rural areas	✓ DONE

Output 2.1.1 – 2 research studies were conducted, including “Assessment of local governance structures to integrate with Rural Employment Project intervention and to implement National Rural Employment Strategy in Lao PDR”--Chansathith Chaluenhsinh; (2) “Role of Climate change in the National Rural Employment Strategy, Lao PDR” – Gabrielle Iglesias. They were used to inform the design of NRES. The latter informed the design of local governance structure in the NRES

Other studies that were used, are listed in Table 1. All of them included analysis on under-represented groups including women, ethnic groups, persons with disability.

Output 2.1.2 - National Rural Employment Strategy (NRES) was drafted and already adopted. In its development, the NRES was developed engaging relevant GoL agencies through a highly consultative multi-stakeholder process led by the Ministry of Labour and Social Welfare (MoLSW).

The development process was carried out by the National Drafting Committee, consists of the Ministry of Labour and Social Welfare, relevant ministries, Lao National Chamber of Commerce and Industry, mass organizations, the ILO Specialists, and the Swiss Agency for Development and Cooperation (SDC).<sup>159</sup> Before end of 2018, the Drafting Committee met several times at national and provincial levels, including two training workshops addressing links between rural employment, climate change and private investment.

Output 2.1.3- The results of the Labour Force Survey (LFS) 2017 were used to inform the consultation and drafting process of NRES in 2018.<sup>160</sup> The product was a result of the ILO technical support for Lao Statistics Bureau and MOLSW to process the LFS data to generate relevant statistics and indicators on the labour market and to produce a report. It is intended that LFS be used as a monitoring tool for the NRES implementation. ( ILO intended that next LFS would be conducted by GoL in 2021, with survey results expected by 2022.<sup>161</sup> As

<sup>159</sup> Annex 5: Ministries and other organizations that participated in the formulation of the NRES

Government : (1) Government Office; (2) Lao National Commission for Advancement of Women and Mother-Child (NCAWMC); (3) Lao Statistics Bureau (LSB); (4) Ministry of Agriculture and Forestry (MoAF); (5) Ministry of Education and Sports (MoES); (6) Ministry of Finance (MoF); (7) Ministry of Home Affairs (MoHA); (8) Ministry of Information, Culture and Tourism; (9) Ministry of Labour and Social Welfare (MOLSW); (10) Ministry of Natural Resources and Environment (MoNRE); (11) Ministry of Planning and Investment (MoPI); (12) Ministry of Rural Development (MoRD); (13) National Social Security Fund (NSSF)

Mass organizations: (1) Lao Federation of Trade Unions (LFTU); (2) Lao National Chamber of Commerce and Industry (LNCCI) ; (3) Lao Women’s Union (LWU); (4) Lao Youth Union (LYU)

<sup>160</sup> 3<sup>rd</sup> Annual progress report to SDC (for the reporting period from January 2019 to December 2019) section 2.1

<sup>161</sup> Personal interview with Regional Labour Statistician, RO-Asia and the Pacific, on 1<sup>st</sup> April 2021

indicated in the NRES document, the survey results would support the mid term review of the strategy implementation in 2024.

The current version of NRES has already articulated a relevant set of strategic objectives for the NRES. However, Output 2.1.2 is considered PARTIALLY achieved because an action plan was NOT developed and the current NRES lacks actionable content including timeline, responsible agencies and resources.

Results/outputs	STATUS
2.2.1 - Rural employment data collection/management enhanced by making data collection tools, technical advice and capacity building support available to relevant stakeholders	✓ DONE
2.2.2 - Data collection priorities and requirements related to rural employment and measures to address these, identified through a technical workshop conducted with relevant stakeholders	✓ DONE
2.2.3 - Rural decent work indicators identified to support the national rural employment strategy aligned with national framework, DWCP, Lao UNPF and SDG indicators	✓ DONE

ILO, with partial support from the project, provided the technical guidance to the design, implementation and analysis of the LFS results. The 2017 Labour Force Survey (LFS) highlights the enormous challenges facing rural workers, including a large proportion of workers who are out of labour force and undertake own-use production activities.

One key difference from the previous such survey in 2010 is the identification of informal workers and that those who live on a subsistence basis (i.e. working solely or mainly for own final use during the reference period) are now categorized as outside the labour force. These categories provide a better disaggregation of Lao’s population, including rural population and work force.

**IO 2.2. Improved collection, management, dissemination and use of se disaggregated data on decent work in rural areas provide a strengthened evidence base for the formulation, implementation and monitoring of the rural employment strategy**

Output 2.2.1, LFS provided good basis and labour market statistics. But apart from the LFS, the project did not develop any “data collection tools, technical advice and capacity building support to relevant stakeholders” to enhance “Rural employment data collection/management.”

Output 2.2.2-2.2.3, However, 13 indicators related to RE are already identified in Annex 2 of NRES.<sup>162</sup> Secondary data are sufficient to address these indicators and source of data, including ILO LFS, WB Lao Expenditure and Consumption Survey and Population and Housing Census, are already identified.

**IO 2.3- Implementation of ASEAN Declaration of Dent Work promotion: Transition to formal economy”” is supported in Lao PDR with links to the formulation and implementation of the NRES**

Results/outputs	STATUS
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<sup>162</sup> Such indicators include 1.2.1: Percentage of population living below the national poverty line (LSB: LECS)  
1.2.2: Percentage of families defined as poor by the National Committee on Rural Development and Poverty Eradication

2.3.1 – 5-year plan developed by the GoL to implement the Declaration, including areas related to formulation and implementation of the NRES	DONE
2.3.2 –South-South Cooperation and mutual learning opportunities facilitated within ASEAN on implementation of the Declaration, with particular focus on rural employment	✓ DONE

Following the 2016 Vientiane Declaration on Transition from Informal to Formal Employment, Lao PDR participated in the learning activities conducted under its Action Plan. Among them:

a) ILO-ASEAN Course on Transition from Informal to Formal Employment – Where officials from the labour ministry and statistical offices were trained on the concept of formalization, most recent international statistical guidelines, and analysing statistical data; b) Study on Decent Work and Employment in the Rural Economy (led by Lao PDR and Thailand) – Where rural employment and diversification strategies were examined; country cases included Thailand, Lao PDR and Indonesia

### IO 3 Increased knowledge base and knowledge sharing enhanced decent rural employment creation in Lao PDR

Results/outputs	STATUS
Output 3.1: Project lessons documented, published, disseminated and used to inform formulation of NRES	✓ DONE
Output 3.2: Findings of project research initiatives published and disseminated to inform policy and strategy development (including NRES at national and provincial levels within Lao PDR)	✓ DONE

#### Output 3.1: Project lessons documented, published, disseminated and used to inform formulation of NRES

For Output 3.1 Project lessons had been documented and were shared during Periodic meetings (i.e. through PP presentations) of Drafting committee members comprised of ILO specialists, consultants, and key GoL representatives including Heads of DLSW from the province implementation districts. However, interviews with field project team found that a lot are left as tacit knowledge of field staff and are yet to be captured and documented.

#### Output 3.2: Findings of project research initiatives published and disseminated to inform policy and strategy development (including NRES at national and provincial levels within Lao PDR)

There are 14 knowledge products developed under the project. Table below categorize them into type of publications.

*Table 2 List of knowledge products to enhance decent rural employment creation in Lao PDR*

Type of research/study	Total	Name of publications
Survey (National)	1	1. 2017 Labour Force Survey
Survey (provincial)	2	2. Chansathith Chaleunsinh. Sekong baseline report,2017 3. Chansathith Chaleunsinh. Report on a 2018 baseline survey in Savannakhet Province, Lao People’s Democratic Republic
Assessments	1	4. Chansathith Chaleunsinh. Assessment of Local Governance Structure: To absorb Project Intervention and to implement National Rural Employment Strategy in Lao PDR, 2018

Needs , capacity Assessments/ Profiling / Mapping (specific to Project pilot site)	7	<ol style="list-style-type: none"> <li>5. Chansathith Chaleunsinh. Mapping province for inclusion in Lao’s RE project in the Lao PDR, 2017</li> <li>6. Arend van Riessen. Report on an irrigation mission in Sekong Province, Lao People’s Democratic Republic. 2020</li> <li>7. Don Jansen. Options for improving income-generating capacity of coffee farmers in Dak Cheung district, Sekong province, Lao People’s Democratic Republic. 2020</li> <li>8. Tara Gujadhur and all. Cultural Inventory of Xieng Louang Cluster, Dak Cheung District, Sekong Province. 2018</li> <li>9. Integrated report on skills needs and community profile assessment survey of the pilot districts of Savannakhet. April 2020</li> <li>10. EDC. Final Report: Review of Labour Markets and Capacity Assessments: Review of TVET Suppliers in Kaysone, Atsaphone and Sepon Districts of Savannakhet Province, 2017</li> <li>11. Review of Labour Markets and Capacity Assessments: Review of TVET Suppliers in Kaysone, Atsaphone and Sepon Districts of Savannakhet Province</li> </ol>
Guidelines	2	<ol style="list-style-type: none"> <li>12. Guidelines: Value Chain Development (VCD) for the enhancement of smallholder farmers’ income and livelihoods</li> <li>13. John Connell. Guidelines for Value Chain Development for Linking Smallholder Farmers to Markets</li> </ol>
Impact study	1	<ol style="list-style-type: none"> <li>14. Chansathith Chaleunsinh. Rural Employment Project in Sekong Province. Report: Progress, Stories, and Monitoring for Year 2020</li> </ol>
TOTAL	14	



## Annex 4. Timeline and details of beneficiaries summarized from report and service providers

### Sekong

Source: Chansathith Chaleunsinh. Rural Employment Project in Sekong Province. Report: Progress, Stories, and Monitoring for Year 2020

Activities	Service provider	Service period	Supports	Tokongkeo (Lamam)	Xiengloaung (Dakcheung)	Others	Note
Chicken raising	PAFO	Before 2017	Training, inputs, follow-up	10 families: 5 in Tokongkeo 5 in Naver			705 heads for Tokongkeo 360 heads for Naver
	SSDC	January 2018 to Mid-2019	Training, inputs, follow-up	5 families: 1 in Tokongkeo 2 in Ta-oun 2 in Naver			150 heads per families
Motorcycle repair	SSDC	2015/2016	Training, inputs, follow-up	15 people	20 people		<ul style="list-style-type: none"> <li>○ After training, each trainee received a set of instruments for motorcycle repair</li> <li>○ Outstanding trainees were selected to join the 45 days training</li> <li>○ 45 days training included apprenticeship</li> </ul>
	SSDC	45 days from January 2018	Training, inputs, follow-up	6 persons: 1 in Chanam-tai 1 in Phonphai 2 in Tokongkeo 2 in Ta-Oun	9 persons: 1 in Jaling 1 in Dakdoung 1 in Dakdern 1 in Daktreup 2 in Daktriam 3 in Dakseng		
Fish raising	PRF RDPE	From December 2014	Fish pond	Ta-Oun	Daktreup		<ul style="list-style-type: none"> <li>○ Support provided include (1) Community work for fish pond construction; (2) Fish fingerings and feeds provided to each pond; (3) Trained people became Fish raising group committee; (4) Training included study tour</li> <li>○ Result: total of <b>26 private fish ponds in 4 communities</b> recorded as extension of knowledge provided by project for the trained villagers</li> </ul>
			Training, inputs, follow up	6 persons	6 persons		
	Houikiew fish research station	From August 2018	Fish pond	Pahung	Dakwai		
			Training, inputs, follow up	24 persons			
Specialty coffee	Filantrope; DAFO	From December 2018	Coffee processing, growing, and marketing  (Training, inputs/ fixed assets, follow up)		47 families: 10 in Dakyang 14 in Dakging 5 in Dakbrang 6 in Daktreup		<ul style="list-style-type: none"> <li>○ Coffee processing included three types: honey process, wash process, and natural dry.</li> </ul>

					12 in Dakseng		<ul style="list-style-type: none"> <li>○ Fixed assets include coffee drying beds, pulper machines, pig houses, stoves for burning rice husks.</li> <li>○ Training included study tour and on-the-job training in Paksong</li> </ul>
Irrigation	Irrigation section, PAFO	From April 2019	Irrigation		Daktreup		<ul style="list-style-type: none"> <li>○ Community work for terracing</li> <li>○ Trained people included UC committee</li> <li>○ Training included study tour</li> </ul>
			Water User Committee		7 persons		
			Training, inputs, follow up		18 persons		
Passion Fruit	DAFO, NAFOOD (PS)	From 2019	training		26 HH in Daktreup		<ul style="list-style-type: none"> <li>○ Trained people included DAFO</li> <li>○ Buy passion fruit from community</li> </ul>
OSH	ToT	Late 2018?	Training, and localize training materials			23 provincial officers in Sekong prefecture	
	ToV	December 2019	Training	43 persons	44 persons	49 persons in Kandon cluster, Thateng district	

## Savannakhet

Activities	Service provider	Service period	Supports	Sepon	Atsapone	Others	Note
Commercial Vegetable	District VCD team in Sepone	Mid-2019-Dec 2020	Training, follow up	19 HHs in B Alai			19 HHs planting rainy season vegetable for consumption and sale <sup>163</sup> (B Alai)
Piglet	District VCD team in Sepone	Mid-2019-Dec 2020	Training, follow up	39 HHs Khaengkham			39 HHs (piglet production +Israel grass seedings distributed for planting, used as feed ingredient)
Chicken	District VCD team in Atsapone	Mid-2019-Dec 2020	Training, follow up		140 HH in Khoud Khan		140 HHs in 7 villages (poultry)
DDR	District VCD team in Atsapone	Mid-2019-Dec 2020	Training, follow up		11 HHs inn Ton Phousi		11 HHs (purchased direct dry seeded rice machines introduced by the project)
OSH	TOT for OSH team /TOV		Training		ToV for rice farmer HHs in Ton Phousi		

<sup>163</sup> Project Summary of project results (as of 10 Dec 2020) , page 9 of 15

## **Annex 5. List of persons/organizations interviewed (March-April 2021)**

- ILO staff both in the field (Sekong, SVK), Vientiane and the regional office in BKK
- ILO Specialists including Senior Specialist on EIPP, Local strategies Specialist, and Regional Statistic Specialist
- Swiss Development Cooperation
- External project consultants
  - Mr John G Connell (VCD consultant for SVK and MTE consultant)
  - Mrs Chansathith Chaleunsinh (Baseline study consultant, and consultant conducting monitoring in Sekong Feb 2020)

## Annex 6 List of persons/organizations interviewed by external consultants and Schedules of meetings

Date	Time	Activities	TOTAL	Sex		Type of Org			PWD	
				M	F	GO	Community	ILO	PWD	Non-PWD
Nov 2 (Mon)	08.30 – 10.30	Briefing with ILO specialist on local strategy for decent work – Ms. Sandra Yu								
	10.50 – 12.00	Employment Specialist – Makiko Matsumoto								
	13.30-15.00	Labour intensive specialist – Bas Ather								
	15.10 – 17.00	Skills specialist – Julien Magnat								
Nov 3 (Tue)	08.30 - 11.00	Briefing with Nout, Sayphet, Manivone and Phonethip								
	11.10 - 12.30	Briefing with former ILO specialist on Skills - Ms. Amy Torres								
	14.00 - 15.30	Briefing with former project manager - Matin Gasser								
Nov 4 (Wed)		Inception Report								
Nov 5 (Thur)		Inception Report Briefing with Khemphone, ILO Coordinator								
Nov 6 (Fri)		Inception Report								
Nov 15 (Sun)		Arrive Savannakhet								
Nov 16 (Mon)	8:30-10:00	Meeting with project team	1		1			x		X
	10:30-11:30	Meeting with Department of Labour and Social Welfare	2	2		x				

	13:30-17:00	Meeting with PAFO (Agriculture, Livestock and Land Section)	3	2	1	X				X
	<del>15:00-16:00</del>	<del>Meeting with PAFO (Livestock Section)</del>								
Nov 17 (Tue)	8:30-09:40	Meeting with Lao Federation of Trade Union (Migration Resource Center)	6	3	3	X				X
	10:00-11:30	Meeting with Savannakhet Chamber of Commerce and Industry	2	1	1	X				x
	13:30-14:30	Meeting with Savannakhet Technical and Vocational College	10	10		X				x
	15:00-16:30	Meeting with Xaysombath Technology College	8	6	2	Private sector				x
Nov 18 (Wed)	8:00-9:30	Travel from Kaisone to Atsaphone District								
	09:45-12:00	Meeting with Labour and Social Welfare Office	3	3		2		1		X
	13:30-14:30	Meeting with District of Agriculture and Forestry	3	3		3				X
	14:30-16:30	Meeting with the Value Chain Development Team and the district committee and vice-governor	10	7	3	10				X
Nov 19 (Thur)	8:00-12:00	Meeting with chicken producer groups and field visit	7	4	3		X			X
	13:00-16:30	Meeting with rice producer groups and field visit	8	4	4		X			x
		Travel from Atsaphone to Sepon District								

Nov 20 (Fri)	08:30-10:00	Meeting with Labour and Social Welfare Office	3	2	1	2		1		x
	10:15-12:00	Meeting with District of Agriculture and Forestry	2	2		2			1	1
	13:30-16:00	Meeting with the Value Chain Development Team and the district committee (this meeting was replaced with interview of the technical staff based on the field)	2	1	1	1		1		X
Nov 21 (Sat)	8:00-12:00	Meeting with piglet producer groups and field visit	3	2	1		3			x
	13:00-16:30	Meeting with vegetable producer groups and field visit	13	6	7		13			X
Nov 22 (Sun)		Travel back from Sepon to Kaisone								
Nov 23 (Mon)	08.30 - 10.00	Debriefing with Savannakhet Department of Labour and Social Welfare	This meeting was cancelled due to political agenda of DoLSW							
		Travel from Savannakeht to Sekong								
Nov 24 (Tue)	8:30-11:30	Meet Southern Skills Development Centre in Pakse	3	3		3				X
	13:30-14:10	Travel to Paksong								
	14:15-16:15	Meet the Filanthrope	2	2		Private sector				X
	16:15	Travel to Sekong for Overnight								
Nov 25 (Wed)	8:30-10:00	Meet the Department of Labour Social Welfare	4	2	2	4				X



	10:20-12:00	Meet Houaykhiew breeding center	2	1	1	2				X
	13:30-14:30	Meet irrigation section	2	2		2				X
	15:00-16:30	Meet Inclusive Vocational and Educational Training Centre	5	5		5				X
		Stay Overnight								
Nov 26 (Thur)	7:00-8:30	Travel to Tokkongkeo cluster								
	8:30-10:00	Meet Motorcycle Repair group of Tokongkeo cluster								
	10:00-12:00	Meet Chicken raising group	1	1			1			X
	13:30-14:30	Meet Mushroom group	1	1			1			X
	15:15-17:00	Meet fish raising group	1	1			1			X
	17:00	Go to Overnight at Dakcheung district								
Nov 27 (Fri)	8:30-11:00	Meet the vice governor's district and Committee and agriculture staff	3	3		3				X
	<del>13:30-16:00</del>	<del>Meet Head of Agriculture and Forestry Office and their staff</del>								
Nov 28 (Sat)	8:00-8:40	Travel from Dakcheung to Daktlerb village								
	8:50-10:10	Meet Fish raising group(Dakvai and Daktlerb villages)	5	5			5			X
	10:20-11:45	Meet Daktlerb's coffee processing group	5	5			5			X
	13:30-15:00	Meet Daktlerb's WUC	3	3			3			X
	15:15-17:00	Go to the irrigation field								
	17:00	Back to Dakcheung for Overnight								

Nov 30 (Mon)	08.30 - 10.00	Debriefing with Sekong Department of Labour and Social Welfare	This meeting was cancelled due to political agenda of DoLSW						
Dec 1 (Tue)		Mission in Sekong							
Dec 2 (Wed)		Mission in Sekong							
Dec 3 (Thur)	8:30	Travel to Vientiane							
Dec-07	08.30-10.30	Meeting with Ministry of Labour and Social Welfare	1		1	1			X
	11.00 – 12.00	Meeting with Ministry of Planning and Cooperation	Cancelled						
	13.30 – 14.30	Meeting with Department of rural development and cooperative of Ministry of Agriculture and Forestry	Cancelled						
	15.00 – 17.00	Meeting with SDC	1		1	1			X
		Meeting with Martin Gasler	1	1			1		x
		Meeting with Graeme Buckey	1	1			1		X
		<b>TOTAL</b>							

## Annex 7. Meeting Note of the Online Stakeholder Validation workshops to validate the final evaluation of the “National Rural Employment Strategy in Lao PDR toward increasing opportunities for decent and productive employment in rural areas” (NRES) project (30 November and 17 December 2021)

### 1. Introduction

The meeting note provides a summary of results of the online<sup>164</sup> Stakeholder Validation workshops with Lao stakeholders at provincial, district and village level<sup>165</sup> to validate the findings and recommendations of the final independent evaluation of the NRES project, which was organized at the end of this evaluation.

In total, there were 99 stakeholders participated in the total of eight workshops<sup>166</sup> that took place between 30 November and 17 December 2021.<sup>167</sup> The table below provides the profile of the workshop participants disaggregated by sex and type of organizations.

Province	Sex of participants			Type of participants			
	Male	Female	Total	Govt officers	Mass organization <sup>168</sup>	Villagers <sup>169</sup>	Total
Savannakhet	29	23	52	26	6	20	52
Sekong	36	11	47	26	7	14	47
<b>Total</b>	<b>65</b>	<b>34</b>	<b>99</b>	<b>52</b>	<b>13</b>	<b>34</b>	<b>99</b>

To encourage active participation of the Lao stakeholders, a consultant was recruited to facilitate the workshops. During the workshops, the participants provided comments and feedbacks on the evaluation findings and recommendations. Apart from these, the participants also provided insights in relations to project implementation and project efficiency and effectiveness. As these stakeholder workshops happened almost a year after the project ends and situations had been evolving from then, the stakeholder shared updates of situations on the ground. These accounts infer impact and sustainability of the project.

<sup>164</sup> Originally, face-to face workshops were planned in the two province from August 31 to September 6, 2021; however, due to the Covid-19 outbreak that resulted in lockdowns of the target provinces from August 2021 onwards, these workshops were postponed. In November 2021, as the end of the lockdowns were not in sights, the plans were adjusted to online workshops.

<sup>165</sup> A meeting with national stakeholders was also planned, however not materialized during this assignment because almost all of relevant officers were repositioned

<sup>166</sup> At first, nine online workshops were planned including one national and eight sub-national workshop; however, the online meeting with National stakeholders was cancelled by the Lao National Focal Point who recommended that they would prefer to receive the report of stakeholder workshop, before any meeting would be scheduled.

<sup>167</sup> Two workshops with the provincial stakeholders in Sekong and Savannakhet took place on November 30 and December 1, 2021 respectively. Two workshops with District stakeholders were held on December 15, 2021, and four workshops with community stakeholders were organized between December 16 and 17, 2021.

<sup>168</sup> These include Lao Women’s Union (LWU), Federation of Trade Union (FTU), Youth Union, and Provincial Council for Commerce and Industry (SCCI).

<sup>169</sup> The community stakeholders were villagers from the project implementation areas (19 communities). While one of them received indirect benefit from the project, most of the participants (33 from 34) were direct beneficiaries, i.e. they participated in the project activities, including chicken and rice production interventions in Atsaphone district; vegetable and pig production in Sepone district; coffee processing, motorcycle repair and irrigation project in Dakcheung district, and; mushroom production and motorcycle repair in Lamam district.

Overall, most participants in the workshops agreed with all the evaluation findings and recommendations. Nevertheless, two participants (Savannakhet Lao Women Union and Sekong Lao Federation of Trade Union) contested the evaluation finding that “Gender [was] not well integrated into the project activities”. This is elaborated in Point 47 below.

## Relevance

1. All of the district and provincial participants concurred with the evaluation finding that the project is highly relevant to the needs of rural Lao PDR. Some participants added that the project contributed to the implementation of their district poverty reduction plans (Deputy Governor of Dakcheung and Cabinet of Lamam), and the district economic development plan (Dakcheung District Agriculture and Forest Office).
2. Savannakhet DoLSW noted that Atsaphone and Sepone districts were selected as the project sites because they fit the criteria of having accessible roads, but they were not the poorest. The project should have targeted poorer villages, so that it contributes to the poverty reduction goal through creation of decent jobs in rural areas.

## Validity of Project Design

3. Dep. Governor, Sepone shared that there are challenges in implementing the labour law to protect the informal Lao workers [who have neither work contract nor social protection and who face decent work deficits], especially those who were employed in Chinese owned paper factory and Vietnamese and Chinese owned rubber plantations located in Sepone District. These are areas that remain a concern.

## Project Effectiveness

### Sekong

4. The male beneficiaries from Dakcheung view that the most useful activities in Dakcheung include irrigation, passion fruit and coffee. Both passion fruit and coffee are good as it generates income for the HHs.
5. Sekong DoLSW viewed that for poorer HHs in Sekong, the project should have promoted self-sufficiency farming in tandem with cash crop farming.

### Savannakhet

6. The dry seed planting machines had been introduced in Atsaphone and more number of HHs are using, but number of machines is still limited; villagers have to take turns.
7. The beneficiaries from Atsaphone agree with the evaluation finding that the chicken VC in Atsaphone successfully helped increasing their HH income; However, Department of Industry and Commerce viewed that this activity could have been more effective if it could effectively prevent the deadly poultry diseases.

### OSH

8. The beneficiaries from Atsaphone informed that OSH issues were discussed during the production techniques trainings. For instance, the training on dry-seed planting machine discussed safety issues such as how to avoid tree while using the machine and to keep the machine away from children, whereas the chicken raising training discussed poultry vaccination and proper disposal of used syringe. In Sekong, the coffee farmers from B. Dakseng stated that an OSH training was organized in their village, but they did not apply it. The representative from Dakcheung Labour and Social Welfare suggested that the project should have developed more OSH activities as well as planned follow up activities after each training [this is about changing behaviors of villagers and one-time training does not sufficient]. The President of Sekong LFTU asked to add in the evaluation report that the Sekong LFTU’s OSH team has capitalized the ILO OSH materials in their training of informal workers under a training programme funded by other INGO.

## Project Efficiency

### Sekong

9. It is important that the project evaluation draw lessons for future project. My question is what are the reasons behind the conclusion that project was expensive? Wasn't that because the budget estimation did not take into account the factor of high transportation cost in remote areas and, as a result, the cost became high? If so, this can be a lesson for estimating an appropriate budget for the future project. (Cabinet, Lamam).

10. Both Lamam DAFO and Dep. Governor of Dakcheung viewed that the coordination on project activities between the external IA and District Office did not happen on a regular basis. Lamam DAFO viewed that it impacted the follow up support and resulted in failure of activities such as chicken, fish and mushroom. These limited the efficiency of project implementation.

11. In Sekong, the project had done well in term of consultation and engagement of government stakeholders at stage of IA project design. However, as the project objective is to create market linkages, the project should have involved other local players including other development projects who have experienced implementing in the same areas, and private sector, who do similar business activities. They should be consulted during project design process. (Sekong Provincial Agriculture and Forest Office (PAFO)).

12. For the irrigation project in Dakcheung, PAFO had to subsidize the deficit of about 40 million kip (4,000 USD) in order to complete this project activity, due to the unforeseen tasks such as the allocation of the irrigated land which require coordination and a series of participatory consultation events, which resulted in this activity not included in the activity design and the IA budget. The delay in irrigation project was due to the harsh climate conditions (strong wind and heavy rain). The transportation cost of travelling from Sekong to the project site in Daktreup village was also high. These three factors combined resulted in the actual expenditure getting soared beyond the allocated budget (Sekong Provincial Agriculture and Forest Office (PAFO)).

### Savannakhet

13. I agree with the recommendation to improve the project financial system to transfer IA budget on time. (DoLSW, Savannakhet).

14. The LYU works to promote youth employment in Nong and Sepone district through the provision of vocational trainings such as sewing and motorcycle repair, but we have not succeeded yet. We want to learn from the project for successful youth employment models. (Savannakhet Lao Youth Union).

15. The male and female beneficiaries from Sepone view that the most profitable activity in Sepone is pig raising; however, the Sepone DAFO & Sepone Labour and Social Welfare stated that the pig raising activity faced challenges including flood disaster and diseases which caused pig death. The farmers need to vaccinate the pig to prevent disease and provide them enough water, sanitation and supplement. They also cited that the difficulty in raising pig is lack of water. To solve this problem, project suggested the farmers to have a water tank for each mother pig. One male farmer informed that he has successfully applied these techniques that effectively prevent his pigs from the fatal diseases, while the other farmers had suffered from the death of their pigs.

## Project Impact

### Sekong

16. I view that when project created jobs for households within the villages, it automatically helps female villagers in our district as that they don't need to migrate to urban. (Cabinet, Lamam of Sekong).

17. I agree with the evaluation finding of the huge impact of irrigation in B. Daktreup of Sekong (passion fruit and rice plantation) and coffee processing in term of income generation. (DAFO, Dakcheung).

### Savannakhet

18. I agree with evaluation for positive impact of the chicken value chain in Atsaphone. (Atsaphone DAFO). It successfully links farmers to buyers in the Seno market (famous place for grilled chicken) and bring immediate income to project beneficiaries. (Department of Industry and Commerce/DoIC, Savannakhet). I see that more number of households introduce new technique for rice planting. (PAFO, Savannakhet).

19. District VCD team is able to conduct VCD assessment by ourselves, provide and introduce villagers on how to commercialize their products. (OIC, Atsaphone).

### **On the level of participation of the poorer/poorest households**

20. The male and female beneficiaries from Atsaphone, informed that the selection of the project beneficiaries was based on voluntary basis. Project focused on villagers in general, not only vulnerable people. (Group of male and female beneficiaries, Atsaphone).

21. In Sepone, the project provided training and materials for pig raising activities, participating households had to buy pigs and feeds on their own. Households that did not have capital to buy these, could not join. In Atsaphone, participants stated that people with disabilities and poorest did not participate in the project. However, in B. Khamphou, one model household helped a poor family by giving them a pair of chicken as a starting point for their livelihood – (Group of male and female beneficiaries, Atsaphone).

22. One of the participants from Tokonkeo (Sekong) mentioned that he also applied to participate in the chick raising model, but he was not selected. He viewed that this was because Implementing Agency limited number of beneficiaries to five model farmers per village cluster and that only relatives of the community leaders were selected. The male and female beneficiaries from Lamam (Sekong) stated that the poorest rarely joined the project, so they are not yet beneficial from project. – (Group of male and female beneficiaries, Lamam).

23. The female coffee farmers from Dakcheung (Sekong), stated that they were not sure if the poorest gain any benefits from the project activity. (Group of female beneficiaries, Dakcheung).

24. The farmers from B. Daktreup (Sekong) stated that about 10 among 26 households that grow passion fruits in their village were poor families (income poor). For example, there is one man, named Mr. Nuam, who were poor. Now he sells the passion fruits and has money to buy a second-hand motorcycle.

## **Project Sustainability**

### **Sekong**

25. In B. Dakseng of Sekong, coffee planting area has been expanded due to higher price of coffee. (Group of female beneficiaries, Dakcheung).

26. Dep. Governor, Dakcheung of Sekong viewed that the technical level of coffee farmers needs to be improved. The coffee farmers in B. Dakseng and B. Dakyang of Dakcheung (Sekong) stated that they want to learn more on how to measure the moist in coffee by chewing the beans and using the Moisture Meter. In addition, they want to learn more on techniques to nurture coffee trees (e.g. shaping coffee trees, fertilizing) in order to make it last longer and increase produces, and how to negotiate with traders for more stable coffee price in long term.

27. In Lamam, only motorcycle repair activity continues in the area. Others (chicken, fish and mushroom) did not work and the villagers no longer continued these activities. None of the model farmers continue to raise chicken. The last chicken farmer which was also the outstanding one (Mr. Linthong) had experienced the death of all of his chicken due to animal disease in the last monsoon season – (Group of male and female beneficiaries, Lamam of Sekong).

28. Poor road access to target villages in Lamam and limited state budget [for extension work] would limit DAFO's ability to provide support. As it is impossible for villagers to follow technical instruction after project training, post training follow ups and coaching are vital. (DAFO, Lamam).

29. In B. Daktreup, the project activities that have been continued and benefited the community to date include: motorcycle repair, production of coffee and passion fruits and irrigated rice cultivation and irrigation scheme. Production of passion fruits in B. Daktreup is ongoing and DAFO continues to support passion fruit farmers. – (Group of male villagers from Dakcheung).

30. In B. Daktreup of Sekong, there are plenty of natural disasters (soil erosion and flooding), the design of irrigation scheme should be improved to make the structure stronger. In technical term, we assessed that current structure is still at risk of being damaged. The participants from Ban Daktreup says that they want a concrete structure for the upper part of the canal. In previous rainy season, soil erosion blocked the water way which created flooding. This obstructed the flow of the watercourse. The lower part of the canal ran out of water and this affected the passion fruit cultivation. To solve this, villagers had to manually remove the soil from canal, it's very labourious. It would be beyond their ability if this happens often and in a massive number.

31. In term of the Water User Committee (WUC) [who oversee the irrigation system in B. Daktreup of Sekong], we assess that the capability to perform their function is 70% of what we expected them to. PAFO/DAFO wants to continue their support, however traveling to that area during Covid-19 crisis is very challenging and costly. (Sekong PAFO).

32. In B. Daktreup of Sekong, [where passion fruit cultivation was promoted], passion fruit is on demand. On the irrigated land, 26 households plant passion fruits. They started harvesting passion fruits since June 2021, and had sold in Sekong market and to VinaFood [company linked by the project] in Paxong [Champasack]. According to the participants, VinaFood put a condition that if the production is less than 3 tons per trip, the farmers have to deliver the passion fruit to the VinaFood office in Paxong, and they have to bear transportation cost by themselves. The farmers from B. Daktreup explained that they asked a villager who owns a truck to deliver the production to Paxong. As Vinafood pays 7500 Kip per kg., farmers earn 4000 Kip for each kilogram of passion fruit as they have pay 3500 kip for the truck owner. The farmers hope that the production gets increased in the future so that VinaFood comes to pick-up the fruits at farm gate and that they don't have to pay for transportation cost. However, increasing the number of passion fruit producers seemed to be difficult. Although there are many HHs in the village who want to start planting passion fruit, they are poor and do not afford to buy seeding and trellis. – Group of male villagers (Dakcheung).

33. The female beneficiaries from Dakcheung of Sekong stated that the coffee farmers have not received their money for the coffee beans they had delivered to Filantrophe (FLT) since last production year, as it was said that the beans have not been sold out. They have not contacted with DAFO extension workers and FLT, as these agencies did not reach out to them and the farmers don't have the agencies' phone numbers.<sup>170</sup> They also do not sell to Filantrophe this production year. Instead, they sold cherries (unprocessed) to local buyers because the price is high (8.000 kip a kilogram), farmers said: "if the proposed price for parchment is less than 48,000/kg, we better not process it and sell cherries."

### **Savannakhet**

34. In Savannakhet, the project supported chicken raising activities in 8 villages and promoted use of dry seed planting machine in 10 villages in Atsaphone (Labour and Social Welfare, Atsaphone). At present, the chicken farmers still continue the chicken raising activities and rice farmers still use dry-seed planting technique.

35. A number of participants in both the provincial and district workshops suggested to formulate farmer group(s) to disseminate knowledge and techniques learnt from the project as well as expanding this model to other districts by providing seed fund and materials for constructing chicken cage and rice planting machine. (LWU, Savannakhet; LFTU, Savannakhet; DAFO, Atsaphone).

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<sup>170</sup> Nearly one month after organizing the stakeholders workshop, the national consultant (who helped facilitating the workshop) received a piece of information from the ILO NC and a model coffee farmer that FLT finally managed to sell the coffee beans and expected to transfer money to the farmers in Dakcheung by the week of January 17, 2022.



36. According to the chicken farmers from Nahangnoi (Atsaphone), the number of HHs who raise chicken has increased from the 21 model households to more than 30 households. They claim that they shared with the newcomers the knowledge they learned from the project, such as how to take care of the chicks, to treat eye disease and to build chicken cage, those villagers who had the capital started raising chicken immediately. One participant made plans to expand his chicken farm and employ workers, as soon as the economic situation gets recovered from the Covid-19.

37. The chicken farmers Nahangnoi which is a remote village of Savannakhet stated that they have to rely on middle-men as they lacked means of transportation to sell chicken at the Seno market.

38. The Savannakhet DoIC suggested to establish a chicken raising demonstration center at either the village or district level that provide trainings for interested farmer in surrounding areas, especially in rural poor districts. The Savannakhet DoLSW suggested to organize learning exchanges between villages, so that people from different villages can learn from the successful model farmers.

39. The chicken farmers from Atsaphone suggested to organize skill training to develop para-veterinary workers [who would support poultry vaccination].

40. The Atsaphone Labour and Social Welfare viewed that the Atsaphone district VCD team (Savannakhet) has sufficient knowledge of VCD assessment and therefore they have the capacity for identifying new VC products. However, the team needs donor funding for procuring office equipment such as computer, and vehicle for traveling to remote village areas.

41. The female beneficiaries from Sepone reported that Sepone DAFO continues to provide technical support in project area even after project ended. However, they have not been formulated into farmer groups.

42. The vegetable farmers from Sepone claimed that they shared their knowledge on shedding vegetable plantation and how to produce EM fertilizer to other farmers. In B. Phonmuang, one model household reportedly extended his knowledge to 3-4 households, and the number of households that grow vegetable have grown from 7 to 10 HHs after the project ends. This is confirmed by an officer from the Sepone Labour and Social Welfare who stated that the number of HHs starting to grow vegetables had increased.

43. The Savannakhet DoIC view that, for the pig value chain, the ability of the Sepone farmers to supply pigs to the market is not constant. He recommended to set up a cooperative for pig trading activities. Such Coop would responsible for systematize tasks such as buying miniature pigs from different places to be fatten before selling out to traders. By doing so, they can supply pig to market more consistently.

44. Sepone DAFO & Sepone Labour and Social Welfare stated that the last flood disasters brought about fatal diseases that caused pig death. Poor households who could not afford to replace the pigs killed by the diseases, could not sustain the pig raising activity.

45. Farmers in both provinces want access to raw materials for their commercial production. The participating vegetable farmers and pig farmers from Savannakhet want molasses as the primary ingredient for EM fertilizer, plastic sheet for vegetable greenhouse and machine for milling pig feed, whereas the coffee farmers in Sekong need coffee plant nursery bags that are not being available in local market.

46. Dakcheung Labour and Social Welfare suggested to provide financial management training to farmers (esp. coffee farmers) including how to calculate cost and profit of their production to gain basic skills in doing business.

### **Cross-Cutting Issues (including gender)**

47. LFTU, Sekong stated that “I had supervised implementation of activities since the beginning of the project and observed that: in practice there was a large number of female villagers joined project activities such as training and income generating activities. How to revise the finding that: gender was not well integrated into the project activities?”. The LWU in Savannakhet share a similar comment: “When LWU visited the villages, we evaluated that project achieved positive results in engaging women in economic activities”.

48. On the contrary, a participant from the Sekong LWU viewed that: There were unclear evidence on the project impact on gender equality. Reasons are as follows: (i) The current phase did not include activities specifically for promoting gender equality, (ii) Sekong LWU proposal had been submitted to ILO, but didn't receiving project funding, (iii) except for OSH training, Sekong LWU had not been engaged in mainstreaming gender into the IA and other project activities; and (iv) Implementing agency reported only number of women participating in activities, but did not include specific reporting on how women benefits from these activities. The Implementing Agencies should not only focus on involving women in project activities, but they should also have set clear roles and responsibilities of the women, and design gender empowerment indicator(s) to track the progress on women empowerment.

49. The female beneficiaries from Dakcheung (Sekong) and the male beneficiaries from Sepone (Savannakhet), stated that there were several gender equality promotion activities conducted by other mass organizations and NGOs [not this ILO project] in their village, it improved role of women in the community.

## Annex 8 Analysis of the results of the Lao stakeholder validation workshops

As discussed in the meeting report (Annex 7), most of the stakeholders concurred with the evaluation findings and conclusion. there were two participants representing Savannakhet Lao Women Union and Sekong Lao Federation of Trade Union, contest the evaluation finding that "Gender [was] not well integrated into the project activities", the comment is justified and should responded to. A full analysis is discussed below.

On **project relevance** and **validity of Project Design**, the feedback support the evaluation conclusion that the project is highly relevant to the needs of rural Lao PDR. Comment #2 supports the finding that the project in Atsaphone (Savannakhet) aim to demonstrate implementation strategies for promoting rural employment in semi- Agriculture - semi commercial context.

The Sepone Deputy Governor's feedback (#3) suggested that decent work deficits in commercial plantations and agro-industries factories is of concern, and these supported that evaluation finding that addressing the DW issues would increase the project relevance ((Final evaluation report, p.20).

On **project effectiveness**, the comments confirmed the evaluation findings that irrigation, passion fruit and coffee were a success (#4). Comment #5 aligned with the evaluation finding that, in agriculture based subsistence context, it would more effective to address food security and production (Final evaluation report, p. 33). Comment #6 and #7 aligned with evaluation finding that the both chicken raising activities and the use of dry seed planting machine in rice production were a success, and would be sustained (Final evaluation report, p.47). The DoIC's comment (#7, #15) indicated the low effectiveness in livestock disease prevention that also affect project efficiency (Final evaluation report, p.37). On the level effectiveness of the project's OSH interventions, the feedbacks (#8) from Dakcheung Labour and Social Welfare confirmed the evaluation finding that OSH was not well integrated in this project, and the project should have planned a series of behaviour change activities (Final evaluation report, p. 27).

On **project efficiency**, the Lamam Cabinet's clarification of (#9) the high operations costs in Sekong was acknowledged by the final evaluation report page 35. The stakeholder (#10) provided insight and align with the evaluation finding that the coordination level between the external IA (SSDC who was contract to implement fish, mushroom and chicken VC in Sekong) and the District office (DAFO) were insufficient to build the latter's capacity. (Final evaluation report, p.43). The comment #11 confirmed the Key Finding 19: Lack of synergies with development partners working in same geographical areas (Final evaluation report, p.40), while further suggesting the need to also involve local players including private sector which reinforce the evaluation finding that the farmer's linkage with a market was inadequately done (p.48).

The information in #12 confirmed that the Project Committee was invaluable to the completion of the Irrigation project (Final evaluation report, p.41) while it also indicated challenges including inefficient planning. DoLSW, Savannakhet #13 agrees with the evaluation recommendation that the financial imprest system should be improved. The Savannakhet Lao Youth Union's request (#14) confirmed the recommendation that the project should develop business cases for the successful models and strategies and should be shared with Lao stakeholders. (Final evaluation report, p.55)

On **project impact**, all of the comment (#17, 18) concurred with the evaluation findings of the huge impact of the irrigation scheme in Sekong and the positive impact of the chicken value chain in Atsaphone in term of creation of job and income. #19 confirmed the increased level of capacity of the Atsaphone District VCD team in conducting VCD.

The comments (#20-#24) confirm the evaluation finding that the rural infrastructure (irrigation system) benefited subsistent farmer HH, whereas most of the project's VCD models rarely benefited the poorer rural people. (Final evaluation report, p.55).

On **project sustainability**, the statement #27 confirmed that the fish raising, chicken raising and mushroom cultivation models in Sekong were viewed unsuccessful. Continuation of activities such as motorcycle repair, production of coffee and passion fruits and irrigated rice cultivation and irrigation scheme in Sekong (#25, #29) and chicken raising activities and use of dry seed planting machine in SVK (#34) were confirmed. There are examples of replications of project activities, i.e. coffee and vegetable) and only one example of potential scaling up in the Atsaphone chicken model (#36).

Continuation of the support services from the capacitated service providers varied; Lamam coffee farmers informed that Filanthrope and DAFO had no longer contacted the farmers (#33), whereas the opposite was true for Dakcheung (#29) and Sepone (#41) where DAFO still support passion fruit farmers. #28 and #31 and #40 confirm the evaluation findings the district offices' extension became limited without funding from external resources (Final evaluation report, p.50).

A number of comments (#26) indicates gaps that need to be filled to increase the sustainability, which aligned with the evaluation findings. These include to improve the capacity of the farmer in nurturing livestock and plant (#26) and in financial management skills (#47 which align with Eval Report p.46), formation and strengthening of production groups (#26, #32, #35, #37, #43 which align with Eval Report,p.48) and building community-based capacity (#38 which align with Eval Report p.48: "the existence of the successful model farmers might be drawn upon to provide community-based extension services"), availability of services including vaccination (#39) and raw materials for commercial production (#45).

#30 confirmed the evaluation recommendation that the EIIP models should be more resilient to natural disasters, whereas #31 confirm that such the newly-established body as the Water User Committee (WUC) required more capacity building.

It is observed that there are large amount of requests from the stakeholders for continuing project RE activities or replicating RE models to other districts ((especially on provision of seed fund, materials and etc)) (only some of them was captured by the meeting note (e.g. #35)). On the other hand, none of the stakeholders at the provincial, district and community level, mention about development or implementation of NRES. These confirmed that the GOL partners, at the provincial and district level were not engaged in NRES formulation (Final evaluation report, p.25), and therefore their ability and knowledge to provide comment on this component was limited.

On **gender issues**, the disagreement (#47) on and request to revisit the evaluation statement: “gender was not well integrated into the project activities” is justified and should be responded to. This evaluation statement should be modified to “gender issues including gender equality and women economic empowerment were not well integrated into the project activities”. These modifications are supported by the feedbacks from other stakeholders in #48 and #49.

## Annex 9 Bibliography

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## Annex 10. Good Practices

### ILO Emerging Good Practice

**Project Title:** National Rural Employment Strategy in Lao PDR towards increasing opportunities for decent and productive employment in rural areas

**Project TC/SYMBOL:** LAO/16/01/CHE

**Name of Evaluator:**

**Date:** April 2021

The following emerging good practice has been identified during the course of the evaluation. Further text can be found in the full evaluation report.

GP Element	Text
<b>Brief summary of the good practice (link to project goal or specific deliverable, background, purpose, etc.)</b>	<p>Capacity building followed by close follow-up mentoring and monitoring for newly found/weak committees are instrumental.</p> <p>In the NRES project, the project support establishment of community committee to manage project-constructed community assets as well as the income generation activities associated with it. These established committees included fish raising committees and the water user committee (WUC). Three fish raising committees could not continue its functioning due to inefficient management, poor governance and lack of financial transparency. On the other hand, the WUC thrives. People benefitted from its effective management. These was attribute to close following and support by the project team, one of whom station in the WUC office in the community.</p>
<b>Relevant conditions and Context: limitations or advice in terms of applicability and replicability</b>	<p>An experience from the project implementation is that good governance, transparency and management skills are a major factor contributing to operational effectiveness and sustainability of a village committee. Where these were lacking, the committee did not last long and any activities associated with it would likely to fell.</p>
<b>Establish a clear cause-effect relationship</b>	<p>Newly found village committees are likely to have weak capacity in many aspects. To ensure its operational effectiveness, success and sustainability, the committee members required training and follow-up support on group management, financial management, management and communication skills. If the project establish it, the project also need to empower it until it is strong enough to operate effectively and efficiently. Having sufficient personnel to support the newly-found group is necessary.</p>
<b>Indicate measurable impact and targeted beneficiaries</b>	<p>The construction of irrigated rice field, which is managed by the Water User Committee in Daktreup village, is a huge achievement of the project as reported by farmers and local authorities. On the other hand, community fish pond was a failure. A fish raising committee proposed to privatize the pond because inability to mobilize collective action for managing the pond.</p>
<b>Potential for replication and by whom</b>	<p>For any project that aims to establish new body or committees to support it to reach it outcome and development objective</p>



<b>Upward links to higher ILO Goals (DWCPs, Country Programme Outcomes or ILO's Strategic Programme Framework)</b>	If the community fish ponds are well-managed by the committee, then the members would likely to cooperate as it see benefits of joining and investing their labour and time. Then, with the labour contribution, there would be sufficient ponded fish for both HH consumption and for sale. Then the members will enjoy long term income from constant sale of fish as well as increased food security with fish as another source of protein for the HHs.
<b>Other documents or relevant comments</b>	

## Annex 11. Lessons Learned

### ILO Lesson Learned

**Project Title: National Rural Employment Strategy in Lao PDR towards increasing opportunities for decent and productive employment in rural areas**

**Project TC/SYMBOL: LAO/16/01/CHE**

**Name of Evaluator:**

**Date: April 2021**

<b>LL Element</b>	<b>Text</b>
<b>Brief description of lesson learned (link to specific action or task)</b>	<p>Successful interventions must be replicated or scaled-up in order to achieve results. Synergies should be pursued to achieve replication.</p> <p>The project should engage the development partners, NGO, and donors systematically and periodically, since the beginning of the project. These can be done by inviting them to attend the national and provincial level project coordination meetings that are hosted by the Lao Government. Through this platform, the project could sensitize and raise awareness of effectiveness of the ILO tools, approaches and models, to promote replication. This includes advocating the WB PRF to adopt the labour intensive infrastructure approach nationwide.</p>
<b>Context and any related preconditions</b>	Rural areas in Lao PDR still lack basic infrastructure such as rural road and other facilities such as water supply, which are needed for promoting rural economies and employment. On the other hand, the EIIP budget under the project was lean and inadequate. In its original design, the NRES project intended to get development partners, including World Bank Poverty Reduction Program, adopted and applied the ILO's employment intensive infrastructure programme.
<b>Targeted users / Beneficiaries</b>	Project team /CTA/ ILO specialists
<b>Challenges /negative lessons - Causal factors</b>	The project CTA who was based in Lao attempted to reach out to WB and other development partners and NGOs, but these was unsuccessful. It was said that these agencies were not enthusiastic whereas the project team did not follow up them sufficiently. As a result, no synergies happened. The output was not met and the project missed the chance to have these agencies replicate the models.
<b>Success / Positive Issues - Causal factors</b>	
<b>ILO Administrative Issues (staff, resources, design, implementation)</b>	Planning for synergies



## ILO Lesson Learned

**Project Title:** National Rural Employment Strategy in Lao PDR towards increasing opportunities for decent and productive employment in rural areas

**Project TC/SYMBOL:** LAO/16/01/CHE

**Name of Evaluator:**

**Date:** April 2021

LL Element	Text
<b>Brief description of lesson learned (link to specific action or task)</b>	A strong MEL system that generates technically adequate information is essential to proper project management. It is equally important that the project and the project partners review project logframe at the beginning of the project to clarify the objectives, outputs and strategy with stakeholders so that all stakeholders have clear and common understanding of what are to be achieved under the project.
<b>Context and any related preconditions</b>	<p>The NRES project aimed to demonstrate effective working strategies, and to advocate/sensitize the government, constituents and development partners to use its approaches and modalities to promote rural employment in Lao PDR. Strong evidence of successes are required to develop strong business cases.</p> <p>Unfortunately, the project did not have a strong M&amp;E and learning system in place. While the project does not have an M&amp;E Officer who could help establish and maintain an MEL system and data management system, M&amp;E and data collection training were not provided to field staff who was assigned to collect data. Data collection tools and definitions are not standardized across the two project provinces, the data from two project sites could not be aggregated.</p> <p style="color: red;">Apart from these, while the Project's Development Objective (DO) requires the NRES to get implemented, the evaluation team viewed that there was no awareness among the project management and national stakeholders, with regard to implementation of the NRES. This indicates that that logframe should be reviewed at the beginning of the project to clarify the objectives, outputs and strategy with stakeholders and in order for them to develop a good M&amp;E plan.</p>
<b>Targeted users / Beneficiaries</b>	Project, donor

<p><b>Challenges /negative lessons - Causal factors</b></p>	<p>The project did not have M&amp;E officer and it failed to set up a robust MEL and data management system. As a result, data collection was unguided and inconsequently the project suffered from poor data quality. Issues found included accuracy of data points and double counting. These affected data analysis to inform project impact on the ultimate beneficiaries. As there is no centralized and standardized database, it was not easy to even retrieve the project’s performance data. The data were not readily available, and the staff would only know progress only when they need to do report to donor. It is recommended that MEL should have a dynamic function for the Project and its stakeholders, MLSW, and the PAC and DACs.</p> <p>Introduction of the MEL system should be carried out as a process to engage Project Partners with the logframe. Stakeholders should be engaged and have some ownership of MEL system.</p> <p>The project should organize M&amp;E and annual work plan meetings where stakeholders are engaged to develop M&amp;E plan and annual work plan. Project logframe should be used to guide annual work planning.</p>
<p><b>Success / Positive Issues - Causal factors</b></p>	
<p><b>ILO Administrative Issues (staff, resources, design, implementation)</b></p>	<p>M&amp;E</p>