Lao PDR – Civil Society Support Programme (CSSP) | UNDP Project Number: 0079384

Mid-term Evaluation Report

of the

Civil Society Support Programme (CSSP)

in Lao PDR

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# Introduction

The Civil Society Support Programme (CSSP) is a project of the government of Lao PDR, with support from UNDP, Swiss Development Cooperation (SDC) and Oxfam-Novib. Programme design began in 2009, with signatured by PACSA in July 2011. Actual implementation began in late September 2011 once PACSA was upgraded to MOHA. The CSSP is managed by the Ministry of Home Affairs (MoHA) and UNDP as far as possible using a programme approach which allows for the entry of new donors at any time. However, current funding arrangements will terminate at the end of 2014.

The coordination of aid in Lao PDR is constantly evolving. The CSSP has its own Board Committee at the beginning; however, the Board Committee was abolished in 2012 and merged to the same Board of NGPAR to make it easy for the MOHA management since then. The NGPAR is coordinated by MoHA. The same MoHA Vice-Minister is Project Board/ Director for NGPAR and the CSSP. MoHA, MoFA, UNDP and SDC are engaged in a range of projects and Working Groups that are related to People’s Participation and governance themes, through which they are connected to all relevant official and donor stakeholders.

**The CSSP Goal is to contribute to greater people’s participation in public policy, local development and nation-building through the CSSP purpose of enhanced capacity of government, Not-for-Profit Associations (NPAs) and INGOs to develop partnerships, share knowledge and deliver services in the public interest towards poverty reduction.**

The CSSP has focused on support to the MoHA in the implementation of Decree No.115 on Associations and Decree No. 149 on Foundations, and support to the Ministry of Foreign Affairs (MoFA) in the implementation of Decree No. 013 on International Non-Government Organisations (INGOs).

The budget of the CSSP is USD 1,300,000 with an additional in-kind government contribution of USD 200,000. Disbursement has been relatively stable; if spending in 2014 is similar to the two preceding years, the remaining funds will be largely disbursed. The analysis by type of expenditure is as follows

|  |
| --- |
| **CSSP: analysis of spending by type of expenditure** |
| **Description** | **USD** | **%** |
| ***TA Salary*** |  154,586.88  | 17% |
| ***International Consultants*** |  14,266.80  | 2% |
| ***Local Consultants*** |  312.30  | 0% |
| ***Service Contracts - Individuals*** |  132,676.69  | 14% |
| ***Workshops/Training events*** |  471,239.25  | 51% |
| ***Equipment*** |  85,567.38  | 9% |
| ***Publication*** |  (99.00) | 0% |
| ***ISS+GMS Charge*** |  45,309.27  | 5% |
| ***Other*** |  24,829.10  | 3% |
| ***Gain/Loss*** |  (2,434.98) | 0% |
| **Total** |  **926,253.69**  | **100%** |

Source: data provided by UNDP, dated 13 November 2013

This mid-term evaluation was commissioned by UNDP on behalf of the MoHA. The consultant carried out a desk review and interviews with a range of stakeholders, including with focus groups of NPAs/foundations and INGOs. Most interviews took place in Vientiane, although a mission to Savannakhet province also took place, in order to obtain the perspectives of government and CSO managers active at the provincial level.

Based on the inception report presented to UNDP in November 2013, the evaluation was structured around eight evaluation questions, designed to ensure a comprehensive analysis of the CSSP, with a particular focus on issues that could be addressed to maximise outcomes and results obtained in the remaining 11+ months of the current phase of implementation. The main findings of the evaluation are presented in the following sections.

# General findings and conclusions

Although the narrative justification of the CSSP and its overall objective touch on a range of issues highly relevant to national development priorities and people’s participation, the implementation of the programme has focused almost exclusively on government implementation of Decree No.115 on Associations and Decree No. 149 on Foundations, and support to the Ministry of Foreign Affairs (MoFA) in the implementation of Decree No. 013 on International Non-Government Organisations (INGOs). In this sense, the CSSP is highly relevant to its goal, **“to contribute to greater people’s participation in public policy, local development and nation-building.”** However, since the CSSP has only addressed the capacity needs of government, and not those of NPAs or INGOs, the activities and results of the CSSP only to a limited extent correspond to theprogramme purpose of **“enhanced capacity of government, Not-for-Profit Associations (NPAs) and INGOs to develop partnerships, share knowledge and deliver services in the public interest towards poverty reduction.”**

The CSSP is well known among donors with an interest in civil society, though (like CSOs) these donors perceive the CSSP as comprising a broader range of activities than is actually the case. Non-GoL respondents interviewed for this evaluation were mostly surprised to discover that the CSSP activities were only intended to support GoL in implementing the decrees, and that the programme had in fact not engaged in a broader range of activities to improve the legislative, regulatory, political and social environment for civil society. In some cases this results in unrealistic expectations of what the CSSP could have or should have delivered to date.

## CSOs desire greater dialogue with GoL

The absence of a substantial component of dialogue between GoL and CSOs was cited by most non-government respondents consulted for this evaluation as a weakness of the CSSP. NPAs mostly expressed a desire for greater exchange of information and face-to-face contact with GoL officials. This is perceived as

* Contributing to greater GoL understanding of the role and contribution of CSOs,
* A confidence-building measure that can reduce GoL reluctance to facilitate or to permit CSO activities. It is interesting to note that NPAs consistently attributed instances of GoL opposition or lack of facilitation to the defensive behaviour of local officials, who may be unaware of the Decrees, and therefore reluctant to associate with activities of a new type.
* An opportunity to develop closer relationships with MoHA, gradually facilitating an exchange of perspectives on the future direction of civil society legislation and regulation.
* An opportunity to increase MoHA familiarity with NPAs, so that MoHA may use its good offices to direct donors towards them.

A second gap which many stakeholders and respondents consulted for this evaluation identified concerns capacity development for Lao CSOs. Many respondents felt that without a comprehensive capacity development effort, not necessarily within the CSSP, any improvements in the implementation of the decrees could only bring limited and partial response to the challenges which the CSSP seeks to address.

## CSSP does not significantly engage with CSOs

Although CSOs are an important group of final beneficiaries of the programme, the CSSP does not envisage their participation in the steering committee, even as observers or resource persons.

* MoHA does organise at least three meetings with CSOs every year since 2012 (1.an annual consultation meeting with Lao CSOs, 2. CSO self-selected representatives for RTM, 3. Awareness raising on MDGs targets) also CSOs representatives invited to several thematic seminars during the year, and invited to attend the annual Round Table Meeting.
* In August 2013, MoFA circulated draft implementation guidelines for the INGO decree to INGOs (and DPs) and invited written comments (with a one week deadline).

Otherwise, a relatively low number of meetings and limited range of topics were discussed with CSOs.

One of the more significant expressions of the CSSP’s limited engagement with CSOs is the continued inability of the NPA and INGO communities to obtain – from MoHA and MoFA – legal registration and effective recognition of their representative structures. There is an intermittent de facto cooperation between MoFA and the INGO Network, less so between MoHA and the ‘Learning House’ initiative of NPAs. Greater consultation with the CSOs could have strengthened MoHA and MoFA understanding of these final beneficiaries. It would have improved the feedback that the ministries receive about their work. The CSOs, particularly the INGOs, also have considerable experience in working with government at various levels and even in other countries at similar levels of development as Lao PDR.

The CSOs could also be considered as a valuable source of information and know-how regarding the issues which the CSSP is addressing. The CSSP has not made significant use of this resource, even though the internal resources of MoHA and MoFA are not sufficient to fully implement the CSSP, and their general mandates regarding civil society.

* MoHA has a certain level of contact with INGOs that carry out capacity development for Lao CSOs. MoHA perceives this contact as adequate and satisfactory, and values the work of these INGOs, which is complementary to MoHA’s own mandate to support the Lao CSO sector. This positive appreciation has however not prevented relatively long delays in the negotiation of MoUs and permits for the work of these INGOs, which does not depend on MoHA alone.
* MoHA used the CSSP to SODA, a NPA, to conduct training for civil servants responsible for the CSO agenda in September 2013.

##

## Better GoL coordination of the CSO agenda

MoHA and MoFA have had some success in consolidating their position as the GoL agencies with primary responsibility for the Lao and international CSO agendas. For example, it has been agreed during 2013 that MoHA/MoFA (and their provincial equivalents) will receive CSO annual reports and be responsible for monitoring of CSOs. They would also be the only government agency responsible for issuing support letters to CSOs regarding the visa and residence permits of foreign CSO staff. Only MOHA and provincial governor have the right to officially register Association and Foundation. Line Ministries and line departments are only responsible to give feedback/comments on history check of board committee (step one) and to recommend the registration of a CSOs (step two). In both stages, it is MOHA or the Provincial authorities that give final approval. This potentially ends a long period of ambiguity and the associated delays and administrative burden for all concerned. It also facilitates the possible future engagement of CSSP in supporting the M&E capacity and role of MoHA/MoFA. Since the overall time required for approval depends highly on the time taken for comments/feedback from concerned ministries and line departments, simplification in the inter-agency consultation process is likely to lead to shorter total processing times.

The CSSP is managed by GoL, and consultation across government and coherence with other GoL policies is ensured by MoHA and MoFA. All UNDP projects in Lao PDR have a civil society component, and there is a regular exchange of information and analysis between the various responsible colleagues. There is little direct cooperation between the CSSP and other projects and key actors at the technical level. This would seem to be attributable to the limited human resources of the MoHA and MoFA units; linkages can be observed at the level of donor coordination and programming frameworks, but less so at the technical level of information exchange and networking.

## Challenges of cost-effectiveness

UNDP employs a number of international experts, embedded in GoL agencies as long-term Technical Assistance. Such arrangements are generally perceived as effective by the Lao side and by UNDP. In this particular project, the use of embedded TA was less successful. From 4Q 2013, the CSSP has functioned without long term TA, with the intention to deploy short term TA as and when required.

UNDP provided short-term TA for several months at its own expense during the absence of the long term TA. This represented a considerable financial benefit to the CSSP. The short term TA took the lead in preparation of the MoHA capacity assessment and public awareness strategy documents.

It should be stressed however that while not replacing the long-term TA would reduce some costs of the CSSP, this is by no means an automatically cost-effective measure. The provision for TA was included in the CSSP because of the management, research and reporting capacity limits of the MoHA and MoFA, and unless those functions can be ensured by some other solution (such as the deployment of short term TA), the overall effectiveness and impact of the CSSP may be compromised.

The cost-benefit ratio of certain activities cannot be established from project documentation and the evaluator has requested additional information from MoHA and MoFA.

* The cost of English language training seems to be 20 000 USD per year. This seems expensive (need to establish an hourly rate per person trained).
* It would be advisable to verify the list of participants and programme of all study visits financed under the programme against the CSSP project logic.
* Training event costs seem high even where a considerable proportion of participants are Vientiane based. Some trainings were organised in Vientiane Province, which triggers payment of per diem and travel for participants from Vientiane Capital. It would be advisable to verify that training events involving significant numbers of Vientiane-based participants were not organised outside the capital region unless this was explicitly and convincingly justified.
* Progress reports identified number of participants in various events. However, it is not clear how many and what type of civil servant or civil society representative benefited from MoFA outreach at the provincial level. This should be verified by examination of the mission reports. These may not have been systematically provided to UNDP.

While both MoHA and MoFA are strongly convinced that face-to-face outreach meetings with civil servants in other ministries and at the provincial level are the most effective way of transmitting information, there would seem to have been a high turnover of staff in these positions, negating any impact of the CSSP. A less costly but more permanent solution, such as the distribution of written materials, and central provision of a help-desk function, could have provided a greater benefit, at a lower cost.

Capacity development seems to mostly take the form of expensive one-off training events. Less attention has been given to other forms of capacity development, such as development of written training materials, and coaching. A combination of different types of capacity development is generally considered as more effective and efficient than an exclusive reliance on training.

## Delays and administrative challenges

The Programme is implemented by two GoL Ministries, and staff working on the project and the majority of beneficiaries of training and outreach activities are civil servants at the national and provincial level. Some respondents said that transfers of civil servants, sometimes outside their original ministry, have been so frequent as to disrupt knowledge transfer and institutional memory.

Several respondents have also pointed to delays that are within the scope of the project management, and which have caused significant delay to CSSP activities

* The international TA was supposed to start in July 2011 but only started in May 2012.
* MoHA required nearly 10 months to approve the capacity needs assessment
* The rate of approval of NPAs has declined sharply in 2013. Different stakeholders put forward different explanations for this. MOHA notes for example that many applicants did not revise and resubmit their applications after receiving requests for clarification/revision, in a context where many initial applications are of very low technical quality.
* More than three months after inviting consultation with INGOs and Development Partners, MoFA is not in a position to give any response to the consultation.

A greater use of CSSP resources, such as short-term Technical Assistance, could have enabled MoHA and MoFA to reduce or avoid these delays. Better communication regarding delays could also have reduced frustration among stakeholders and among CSOs.

Following these general findings and conclusions, we now look in more detail at each component of the CSSP in turn, starting with the component managed by MoHA.

# Findings and conclusions for Component 1 (MoHA)

The administrative structure of the component managed by MoHA has changed considerably since the CSSP was designed in 2009, signed in 12 July 2011 and began implementation in September 2011 after PACSA became MOHA. The CSSP was initially implemented by the Department of Public Administration and Civil Service (PACSA) of the Prime Minister’s Office. Responsibility was transferred to the newly-created MoHA in August 2011.

***The objective of Output 1 is as follows:*** The capacity of MoHA Civil Society Department (CSD) to fulfil its duties under the NPA and Foundations decrees has increased resulting in an effective legal framework, information management system and coordination mechanisms.

***The intended results of Output 1 are as follows:***

* Target 1.1 MoHA-CSD structures, systems and overall capacity are reviewed and targets for capacity development interventions are agreed and coordinated.
* Target 1.2 The overall capacity of MoHA - CSD to implement the NPA and Foundations decrees is increased
* Target 1.3 MoHA-CSD has completed and operationalised the legal framework for NPA registration through capacity development and awareness raising at national, provincial and capital levels.
* Target 1.4 The relevant legal documents related to the Decree on Foundations have been finalised and MoHA has developed and operationalised the legal framework for Foundations registration through government capacity development and awareness raising at national, provincial and capital levels
* Target 1.5 Decrees that have an impact on civil society have been jointly reviewed by MoHA and MOFA

## Registration of Lao CSOs

Through the CSSP, MoHA has carried out a range of activities that have the potential to increase civil society contribution to national development priorities and the MDGs. MoHA has focused its CSSP efforts on implementation of the Decree No. 115 on Associations and the Decree no.149 on Foundations. Training and information distribution activities have supported the development of a network of CSO contact points within each Ministry and Provincial Governor’s office, as well as disseminating information to broader circles of civil servants.

A significant number of CSOs, almost all of them Non-Profit Associations (NPAs) have been registered at the provincial and national levels. As the following graphic shows, at the national level there was a significant increase in registrations in 2012, since when the rate of registration has slowed. In April 2014 registration at the central level was suspended, in anticipation of the issue of revised decrees on NPAs and Foundations. During the period of the CSSP, the waiting list (‘pending’ applications) is has remained high and relatively constant, with only a slight decline over time. At the provincial level, there has been a steady increase in registrations.

Source: Data provided by MoHA

The majority of NPAs are registered at the provincial level, and the proportion of NPAs registered at this level is gradually increasing. The slow-down in registration from the last quarter of 2012 has affected the central level more than the provincial level. This trend is illustrated in the following graph.

Registered NPAs are entitled to engage in a wide range of development activities, depending principally on the motivation of the citizens involved, their ability to form constructive relationships with state structures, and their ability to mobilise human and material resources, internally and from foreign INGOs and donors.

The existing NPAs cover a wide range of sectoral interests, corresponding to most of the MDGs. A number of NPAs have recently collaborated with a number of INGOs to produce public information materials highlighting the contribution of Lao CSOs to national development.

Interestingly, a significant proportion of NPAs are professional or business associations rather than the development service delivery ‘NGOs’ that some observers expected to be the main beneficiaries of the two decrees. The establishment of professional associations of hotel and guesthouse operators, and of passenger and goods transporters has been welcomed by the relevant authorities, because of its potential to consolidate economic development and improve planning and dialogue concerning the private sector.

However, several GoL respondents have expressed concern that a certain number of NPAs, particularly at the provincial level, seem to be commercial, for-profit organisations, which should have been registered under the Decree on Cooperatives. A number of these are in the passenger and goods transport sectors. The Transport Department, Ministry of Public Works and Transport (MPWT) intends to revise its own procedures to discourage future registration of transport cooperatives as NPA, and to encourage any for-profit transport associations to de-register as NPA and re-register in an appropriate category. At the central level, MoHA does not perceive a similar trend; only NPAs representing commercial interests have been registered (one for coffee producers, another for traders) and both have a non-profit vocation.

## Institutional and organisational capacity

To a certain extent, the CSSP has also supported development of institutional and organisational capacity of the MoHA and (to a lesser extent) DoHA structures responsible for the CSO agenda.

* Despite the limited staff of the MoHA department, a large majority of CSOs consulted for this evaluation stated that MoHA staff were responsive and helpful. Several CSOs praised MoHA staff for proactively assisting them, for example by warning them of common mistakes. Most CSOs expressed a desire for greater interaction with MoHA, including site visits by MoHA staff. CSOs often expressed the hope that such greater awareness could increase MoHA ability to facilitate contacts with other government agencies, necessary for the implementation of CSO projects and activities.
* The time taken to register a Lao CSO at the national level does not seem to be shortening, and at 18-24 months the registration procedure remains the longest and most administratively complicated in the region.
* Lao CSOs provide annual narrative and financial reports to MoHA in a standard format. MoHA does not yet make full use of this information for monitoring and statistical purposes.
* A detailed Capacity Assessment Report and Capacity Strengthening Plan were produced in late 2012 using short term technical assistance. These provided realistic recommendations in a range of areas. MoHA approved the reports only in October 2013, leaving little time to implement the recommendations before the end of the current phase of the CSSP. The report also included a recommendation to wait until MoFA conducted a similar assessment before proceeding with many of the recommended capacity development activities.
* A Public Awareness Strategy was produced in late 2012 using short term technical assistance, and approved in October 2013.
* DoHA staff in Savannakhet Province were positive about support provided to them by MoHA through CSSP.

Provincial authorities are responsible for the registration and supervision of CSOs working only at the provincial level. The capacity of provincial authorities is considerably lower than for central institutions; this is analysed in the MoHA capacity needs assessment produced with support from the CSSP. MoHA does not collect detailed information about CSOs registered at the provincial level, as this is fully within the competency of DoHA. Nevertheless, CSSP has responded appropriately to the evolving allocation of competencies and responsibilities of different levels of government. MoHA has developed information distribution, training and networking activities to support colleagues working at the provincial level (DoHA).

The Capacity Strengthening Plan developed during 2013 has identified needs and proposed responses for the further strengthening of MoHA and DoHA civil society interface at three different levels:

* At the individual level, GoL officials expressed a need for competency based management and professional development training. (soft competency and technical training, professional development)
* At the institutional level, some aspects of coordination between Ministries at the central level, and between central and provincial levels could be improved. The registration process for NPAs could be reviewed and where possible simplified and streamlined. The MoHA Civil Society Division appears understaffed given the breadth of its mandate. Monitoring and Evaluation functions should be strengthened, within MoHA and in collaboration with line ministries and provincial officials, and based on constructive cooperation with the CSOs concerned.
* At the level of the overall enabling environment, there appears to be a need for increased public awareness, increased information and knowledge sharing among stakeholders; and possibly re-visiting of the NPA decree and guidelines, based on experience in the first two and a half years of their implementation.

## Dialogue between state and civil society

The large majority of Lao CSOs consulted for this evaluation said that they face only occasional lack of understanding or outright opposition from civil servants, compared to a very common lack of understanding about the rights, responsibilities and role of CSOs several years. The dissemination of information about the decrees by MoHA, would seem to be effective.

While the majority of respondents perceive the MoHA team implementing the CSSP as committed to implementation of the Decrees and generally supportive of civil society, some respondents expressed concern that senior GoL decision-makers are only weakly supportive of the CSSP. Respondents noted that on a number of occasions, senior GoL representatives have not attended meetings on CSO themes to which they were invited. Mid- and senior civil servants have on occasion shown a willingness to revise draft policies, legislation and regulation following consultation with civil society, but respondents stated that on a number of occasions such revisions were reversed when the documents are reviewed and finalised by higher levels of decision-makers.

Some CSOs were able display their activities and results in presentation stands of the Sector Working Groups during the December 2013 High Level Round Table. This was the first time such a high level event had included this type of presentation of the contribution of CSOs to Lao PDR national development. It follows earlier positive encouragement by MoFA and MoHA staff for NPAs and INGOs to work together to prepare such materials. Further development of the legislative and regulatory framework for Lao CSOs

The CSSP could potentially support the Lao authorities in consolidating and completing the legislative and regulatory framework for civil society. No significant activities have been undertaken so far, but several activities are under discussion for implementation in 2014.

* MoHA has begun a revision of the two decrees, with the goal of combining them into a single decree. While MoHA does not identify any major problems with the two decrees, their revision and merger is hoped to address a range of issues
	+ Only a handful of Foundations have been registered, with almost all CSOs registering as NPAs.
	+ The role of DoHAs in NPA registration is not clear (because the NPA Decree pre-dates the establishment of DoHAs). It could be reformulated along the same lines as for Foundation registration (which is clear, since the Foundation Decree was adopted after the establishment of DoHAs. Both Association and Foundation decrees were adopted before the establishment of MOHA and DOHA.
	+ Improve coordination mechanism among government organisations by clearly define the roles and functions of concerned organisations at both central and local level.
	+ Some commercial organisations have been able to register as NPAs. Many NPAs seem to represent professional or commercial interests. Some greater clarification of the role of such associations, and the definition of profit-making and non profit-making organisations may be required.
	+ Several minor ambiguities in the formulation of the decrees can be corrected.

The efficiency and impact of the CSSP were constrained by the complex and time-consuming procedures contained in the Decrees, as well as other relevant Lao legislation and regulations, and in implementing guidelines. For example, as is analysed in the capacity assessment report, the procedure for registering a Lao CSO is long and complex, requiring input from several government agencies, sometimes on several different occasions. The capacity assessment report included recommendations for streamlining the process. In late 2013 and early 2014, MOHA responded to the recommendation of the Capacity Assessment Report by revising and in fact combining the two decrees. This process is likely to simplify the process of registration of CSOs, and provide clarification in some areas where ambiguities may have contributed to delays in processing. It is not clear at this point to what extent the number and variety of authorisations will be reduced during this process.

It should be noted that, despite the complexity of the registration procedure and the wide consultation within the GoL that this entails, a number of commercial organisations have been able to register as NPAs at provincial level. Although NPAs do not receive formal tax exemptions under Lao law, such registration may entail a lower level of commercial supervision and therefore a potential loss of tax revenue to the country. Such organisations were also relatively common among those CSOs that operated before Decree 115/PM. These actors probably have more experience in administrative process and in negotiation with government officials than the non-profit social benefit organisations within civil society. If the time-consuming and administratively complex procedures do not adequately distinguish between profit-making and non-profit making associations, then their complexity, and the level of control they provide, would seem questionable. A simplified procedure with ex-post (retrospective) control would seem to be a potentially more effective solution.

## Recommendations to MoHA

MoHA could implement key elements of the Capacity Development Strategy. The recommendation in the Capacity Development Strategy to wait until MoFA carries out its own capacity assessment should be discarded, since it seems unlikely that such a study will be carried out, and there is less than one year remaining in the current phase of the CSSP.

MoHA could adopt the average time taken to register a NPA as an indicator of success in implementing Decree No. 115, and make concerted efforts to reduce this indicator by the end of 2014.

Future MoHA outreach to civil servants at the provincial level could incorporate some of the information materials produced by NPAs highlighting their contribution to national development.

In its outreach to civil servants in other ministries and at the provincial level, MoHA could place a greater relative reliance on written resources, and on a helpdesk function within MoHA CSD. The currently preferred strategy of meetings as a way of disseminating information should only be maintained if MoHA is confident that the outcomes of such activities are effective, efficient and sustainable.

MoHA could consider using short-term technical assistance for institutional strengthening in areas such as:

* monitoring
* drafting of remaining interim and final reports

MoHA could also consider using technical assistance in a range of new activities which would complement the existing workplan, including

* Identification of gaps and ambiguities in the existing Decrees and Operating Guidelines, to facilitate a stakeholder consultation and make recommendations for the merger of the decrees and guidelines
* A study identifying ambiguities and unresolved issues in the work of Lao CSOs and making recommendations for the elaboration of a new or revised decree and/or operating guidelines to address these.
* A study identifying possibilities for streamlining or simplifying the registration procedures for Lao CSOs
* A study of CSO registration at the provincial level and the capacity development needs of civil servants at this level.

These studies could benefit MoHA directly during the current phase of the CSSP. They would also provide valuable information and analysis for the formulation of any future phase of the CSSP.

MoHA could reinforce its dialogue with Lao CSOs

* Giving the annual meeting with NPAs more prominence and communicating its outputs to other stakeholders
* Facilitating the establishment of a representative network of Lao CSOs.

MoHA could take measures to improve communication and information sharing

* To reduce unrealistic expectations (of donors)
* To identify areas of common interest and intensify dialogue on CSO issues (given the lack of a CSSP Steering Committee)
* To capitalise on outputs of the programme, particularly information about Lao CSOs

MoHA could produce and distribute to stakeholders some analysis of the Lao CSO community based on the outputs of the CSSP. This would support stakeholders in their work with Lao civil society, and contribute to overall aid coordination efforts. Such analysis could include:

* An updated list of CSOs registered at the national level , with contact details
* Tables analysing the distribution of CSOs by sector and by province of intervention
* A table analysing the distribution of CSOs registered at the provincial level.

In any future project, MoHA could consider existing on a management structure that ensures regular and direct contact with the donors concerned, and possibly also a consultative role for NPAs themselves.

# Findings and conclusions for Component 2 (MoFA)

***The Objective of Output 2 is as follows:*** *The capacity of MOFA Department for International Organisations (DIO) to fulfil its duties under the INGO decree has increased resulting in effective legal frameworks, information and coordination mechanisms*

**The Intended Results of Output 2 are as follows:**

Target 2.1 MOFA DIO has increased technical and infrastructural capacity to implement the decree and provide support to ministries, line agencies and INGOs on fulfilling their obligations under the new decree

Target 2.2 Decrees that impact on civil society have been jointly reviewed by MoHA-CSD and MOFA DIO.

The MoFA has also carried out some activities with CSSP support, principally in outreach to civil servants at the provincial level regarding implementation of Decree 013 on INGOs. The variety and intensity of activities within this component is less than for the component managed by MoHA, and there is a greater gap between the results actually achieved and the intended results and objective. CSSP progress reports do not contain sufficient information to support an assessment of MoFA dissemination of the decree. The following remarks should be interpreted in that light.

* MoFA is able to provide MFI with accurate statistical analysis of the sectoral and geographic allocation of foreign funds disbursed in Lao PDR by INGOs.
* MoFA chose not to carry out a capacity assessment using CSSP resources, despite receiving feedback from a range of stakeholders about delays and ambiguities experienced by INGOs when dealing with MoFA and DoFAs, and weaknesses in MoFA reporting under the CSSP.
* MofA has not made any proposals for use of the TA facility within the CSSP.
* Provincial authorities are engaged in the approval of project level activities of INGOs. The CSSP has responded appropriately to the evolving allocation of competencies and responsibilities of different levels of government. MoFA has developed an extensive programme of outreach lectures, and to a much lesser extent other forms of information distribution, training and networking activities to support colleagues working at the provincial level (DoFA). This evaluation included a field visit to Savannakhet Province, and DoHA officials there were positive about support provided to them by MoFA through CSSP. At the time of this evaluation, MoFA believed that the continued application of this approach in those southern provinces not yet addressed in the outreach lecture programme could be the most effective way to reach the objective of this component.
* In August 2013 MoFA invited Development Partners and selected INGOs to comment on draft INGO Decree Implementation Guidelines, with a 1 week delay. More than three months after soliciting INGO and Development Partner comments on draft INGO Operating Guidelines, MoFA indicated that it was still in the process of translating the comments received into Lao.
* At the time of this evaluation, MoFA stated there will be two step process to discuss and amend the guidelines. Firstly a technical meeting open to all INGOs will be held (indicatively in early March 2015). MoFA stated that a revised English version of the guidelines will be circulated in advance. Comments received during this meeting will be incorporated into a final version of the guidelines, which will be formally presented at another meeting, later in 2014.

There is a gap in perception between MoFA-DIO and most INGOs consulted for this evaluation. The majority of these INGOs do not perceive MoFA as facilitating their work. They complain that MoFA/DoFA is increasingly conservative in its interpretation of the existing guidelines. They also expressed concern about a more systematic enforcement of some existing legislation that INGOs find problematic, notably MoFA’s right to select each INGO’s country director from a shortlist presented by the INGO. The majority of INGOs consulted for this evaluation believe that they face greater administrative burdens than several years ago - before the CSSP. Only one INGO consulted for this evaluation indicated that it had received useful support from MoFA/DoFA in obtaining the various permits necessary to carry out its activities in Lao PDR. Many INGOs stated that they would welcome the opportunity to discuss their projects and their overall mission in Lao PDR with MoFA, in the hope that this could lead to some facilitation of their work. However, none of these respondents believed that such an interest existed on the part of MoFA.

Taking into consideration the relatively limited range of activities that have been developed with CSSP support, the lack of information regarding this component in the CSSP progress reports, and the concerns expressed by the large majority of INGOs consulted for this evaluation, we conclude that it is not clear if the dissemination of information about the decree by MoFA has contributed significantly contributed to the CSSP objectives. It is too early to observe any results of the consultation with INGOs and DPs regarding the INGO Decree Implementing Guidelines. However, if it is carried out conscientiously and in a spirit of consultation in pursuit of shared national development goals, this activity, although late in the implementing period, may nevertheless produce positive results for this component of the CSSP.

## Recommendations to MoFA

MoFA is advised to focus on consolidation of outcomes already achieved, identification of best practice and dissemination of information on its existing activities. Other activities should only be considered if they are based on proven methodologies, and highly likely to be completed before the end of 2014. In particular:

MoFA should consider suspending its provincial level outreach activities until it has completed an analysis of the outcomes and impacts obtained so far and a cost-benefit analysis of these activities. Less costly and more sustainable approaches such as the dissemination of written materials, provision of a help-desk facility and a train-the-trainers approach should also be considered in the preparation of any future provincial level outreach.

MoFA could reinforce its efforts to continue with the consultation and revision of the INGO Decree 013. CSSP resources could be used for example to support the following:

* Translation of recommendations received into Lao and MoFA response into English
* One or more meetings with INGOs and possibly Development Partners at the technical level, to discuss options and formulate pragmatic consensus proposals to senior decision-makers.

MoFA could use CSSP Technical Assistance to carry out a range of activities complementary to its core activities, such as:

* A comprehensive capacity development assessment and capacity development strategy.

Otherwise, considering the difficulties MoFA has faced so far in designing, implementing and reporting on CSSP activities, we do not advise launching any new activities.

# Findings and conclusions for Component 3 (Coordination)

***The Objective of Output 3 is as follows:*** *MoHA CSD and MoFA DIO have better knowledge and skills to support the enabling environment for civil society.*

**The intended results of Objective 3 are as follows:**

Target 1: Specific training for MoHA CSD and MoFA DIO to acquire skills and knowledge to support the enabling environment for civil society in Lao PDR;

Target 2: Improved information and coordination of civil society initiatives within MoHA and MoFA;

Target 3: Increased knowledge sharing and harmonisation among development partners.

Under Component 3, the Programme has tried to support a coordination between MoHA and MoFA to help with the regulatory and information system. Most stakeholders consulted for this evaluation believe that while a minimum level of operational communication has been maintained, efforts towards greater coordination and communication have not brought the expected results. In this respect, it should be noted that both MoFA and MoHA have indicated that in any future phase of the CSSP they would prefer to report separately to the UNDP and donors.

The UNDP and the contributing donors have extensive direct contact with the civil servants responsible for the Programme. A long term TA (and her interim replacement) was embedded in the MoHA for part of the project. This provided a certain amount of management support and may have facilitated coordination between the MoHA and the UNDP. However, the long-term TA position was terminated from 4Q 2013. Except for this Mid-term evaluation, no other use of TA is currently envisaged for the remainder of the CSSP.

UNDP acts as an interface between the Ministries and the donors. This ensures institutional support and coaching feedback in a range of project management and financial and administrative management areas. Nevertheless, project management seems to have been a challenge. This was noted in the Capacity Needs Assessment, which made a number of practical suggestions for improvement in this regard. Significant examples of weaknesses in project management are:

* MoHA required almost 10 months to approve the Capacity Needs Assessment, Capacity Development Plan and Communication Strategy.
* The time taken to register an NPA is not being reduced, while the rate of approval has fallen sharply in 2013.
* Although the long-term TA position was abolished from 4Q 2013, no specific short term TA requirements were identified during the transition period, even though CSSP managers had been provided with a draft capacity assessment report and recommendations in late 2012. MoHA did not identify any need for short term TA was deployed between the departure of the long term TA and the conclusion of this evaluation in January 2013. However, as agreed between MOHA and UNDP. UNDP office provided substantial support in these two months including designing and facilitating this forward looking evaluation exercise. This may prove to be a missed opportunity to implement remaining activities, and to implement some of the recommendations of the capacity assessment report.
* Project documentation does not provide a detailed overview of MoFA action under the CSSP.
* MoFA requested INGO and DP comments on draft INGO Decree Implementation Guidelines with a one week deadline, but for more than three months after this period was not able to respond to these, beyond the statement that the received comments were in the process of translation into Lao.

## Management and review

The project is implemented as part of the UNDP country programme. This is implemented on the basis of the UN’s National Implementation Modality (NIM), meaning that GoL approval is needed for any UNDP engagement with non-state actors under the CSSP.

The CSSP does not have its own project steering committee, meaning that the donors are effectively engaged primarily at the level of NGPAR. Each project is subject to a single annual review. This provides SDC and Oxfam-Novib with little opportunity for input and discussion. One donor representative characterised their effective involvement in CSSP as “every six months, one opportunity to ask one question.” The collaborative and confidential nature of the PSC provides an opportunity for an open discussion and informal exchange of views which is often difficult to achieve in the broader donor-GoL cooperation structures. It should be noted that both SDC and Oxfam-Novib have considerable know how and experience in this sector in other countries, and have a range of engagements in Lao PDR. A greater role for them in the CSSP could have provided MoHA and MoFA with valuable insights, feedback and opportunities for broader discussion on relevant issues. It should however be noted that many donors that support governance programming in Lao PDR have only a limited presence and human resource capacity, and that the senior management staff of the Lao counterpart agencies are also highly solicited; there is an inevitable trade-off between simplified coordination and detailed engagement.

Starting in late 2013, NGPAR moved towards a system of annual review of each project by a project board; for the CSSP this could provide SDC and Oxfam-Novib with up to two occasions for a detailed discussion of the project with the implementing partners and UNDP.

## Monitoring and reporting

Progress towards results is presented in rather general terms. This is not fully adequate to measure progress towards results.

* the extended delay in approving the Capacity Needs Assessment, Capacity Development Plan and Communication Strategy is presented in each of the 2013 quarterly progress reports as an ongoing process of revision. Each progress report gives the impression that this process is completed.
* priorities for the coming period are listed in each work plan but not prioritised. To a significant extent, the same list is presented in each work plan.
* There is an absence of performance indicators for the MoHA and MoFA units’ core business – registration of CSOs.
* There is no mention in project interim reports that the time taken to register an NPA is not being reduced, while the rate of approval has fallen sharply in 2013.
* The project logic does not include objectively verifiable indicators of outputs and outcomes. Such indicators could easily have been identified, for example the time required to register a CSO or to carry out some other administrative procedure, the registration of CSOs in a range of provinces and sectors, the number of meetings between CSOs and MoHA/MoFA to discuss issues of mutual interest. It should be noted that the majority of non-GoL respondents consulted for this evaluation do in fact use indicators such as the time required to register an NPA and the time required to obtain a MoU for an INGO project in assessing the quality of the legislative and regulatory environment for civil society in Lao PDR.

## Recommendations regarding Output 3

Given that neither MoHA nor MoFA have identified high benefits from the activities under this component, and given that both ministries have indicated that they would prefer to interact directly with donors in any successor project, we recommend that the CSSP move away from a focus on an integrated approach involving both MoHA and MoFA, and to focus instead on the optimal support to each ministry considered in the relatively short time remaining.

**UNDP** could improve its communication regarding the CSSP

* To reduce unrealistic expectations (of DPs, INGOs) regarding the programme, and UNDPs role.
* To capitalise on outputs of the programme, particularly information about Lao CSOs

Since there is no CSSP steering committee, **SDC and Oxfam-Novib** could explore possibilities for more regular discussion with project managers at MoHA and MoFA. The preparation of the 2014 workplan, the discussion of this mid-term evaluation report, and discussion of any further report-type outputs of the CSSP would seem to offer opportunities for formal and informal exchange between the key stakeholders of the CSSP.

# Key conclusions and recommendations

The previous pages have presented key findings associated with the eight agreed evaluation questions. This has not told the whole story of the CSSP. Rather, we have identified the main successes and some weaknesses of the CSSP, as observed at the end of 2013. Since there is a little less than one year remaining for implementation of the current phase of the CSSP, the programme managers, UNDP, SDC and Oxfam-Novib have the opportunity at this point to adjust certain activities, so as to maximise the results achieved and value for money, and so as to establish strong pre-conditions for a future phase of cooperation between GoL and development partners in support to the legislative and regulatory environment for civil society.

Donor funding beyond 31 December 2014 is not at all guaranteed, and a more consistent and detailed communication of outputs and outcomes achieved could be a major factor in securing continued resources for this area of work.

### Key Conclusions

Implementation of the CSSP has focused on the implementation of Decrees 115 and 149 by MoHA-CSD and implementation of Decree 013 by MoFA DIO. Activities have essentially targeted civil servants; CSOs are only indirect beneficiaries of the project.

MoHA CSD has made progress in registration of CSOs, and in informing civil servants in line ministries and at the provincial level about the role and responsibilities of CSOs under Decrees 115 and 149. However, registration is still a slow and complex process. Registration accelerated in the early years of the CSSP but has slowed considerably since late 2012. Most Lao CSOs consulted for this evaluation reported an improvement in their relations with GoL, reflecting a greater awareness of the Decrees and of the role that national CSOs can play in national development.

MoFA DIO has made only limited use of the CSSP, mostly to carry out information activities targeting DoFA and other provincial officials regarding the role and responsibilities of INGOs under Decree 013. While MoFA and DoFA express satisfaction with progress so far, most INGOs consulted for this evaluation identified numerous challenges that they believe MoFA is not addressing. A consultation with INGOs and DPs regarding the INGO Decree Operating Guidelines may result in improved relations and an improved coordination and operating environment by the end of the CSSP implementation period.

Coordination and management has been satisfactory, although weaknesses in time and process management, identified relatively early on, do not seem to have been adequately addressed. UNDP has provided responsive support, particularly to MoHA-CSD. The donors (SDC and Oxfam Novib) would have preferred a more regular and detailed engagement with the implementing ministries. Both implementing ministries would prefer to work separately on any successor project.

### Key Recommendations

The recommendations at the end of each of the previous chapters are intended to focus CSSP on the maximisation of outcomes that are clearly linked to Outputs 1 and 2. Given the difficulties in timetabling and in reporting identified in the previous section, the main thrust of these recommendations is to consolidate existing outcomes rather than launch new activities, and to make extensive use of CSSP resources, particularly short-term technical assistance, in the limited time remaining in phase 1.

MoHA could implement key elements of the Capacity Development Strategy, and consider a greater deployment of TA to address weaknesses in implementation of the Decrees, notably the long and complex registration procedure for NPAs. MoHA may benefit from an extension of the implementation period of this component, to carry out activities that can be realistically achieved and to consolidate results achieved so far.

MoFA could consider suspending its provincial outreach activities and focusing instead on the consolidation and documentation of outcomes already achieved, and on the successful completion of the consultation and revision of the Implementing Guidelines for Decree 013 on INGOs.

UNDP could improve its communication regarding the CSSP, and facilitate a greater engagement of the donors and the implementing ministries.

# Annex 1: Data on NPA registration

|  |  |  |
| --- | --- | --- |
| **Date** | **National level** | **Provincial level** |
| **Fully registered** | **Temporary registered** | **Pending** | **Fully registered** | **Temporary registered** | **Pending** |
| 2011 December | 12 | ? | ? | 48 | ? | ? |
| 2012 October | 32 | 17 | 49 | 70 | ? | ? |
| 2013 October | 38 | 19 | 47 | 84 | 1 | 2 |
| 2014 April | 44 | 21 | 45 | 96 | ? | ? |

Source: data provided by MoHA