



## 1. Project Data

<b>Project ID</b> P164813	<b>Project Name</b> Lao PDR Competitiveness & Trade Project	
<b>Country</b> Lao People's Democratic Republic	<b>Practice Area(Lead)</b> Macroeconomics, Trade and Investment	
<b>L/C/TF Number(s)</b> IDA-63180,WBTF-A9747	<b>Closing Date (Original)</b> 31-Dec-2022	<b>Total Project Cost (USD)</b> 19,362,774.52
<b>Bank Approval Date</b> 27-Sep-2018	<b>Closing Date (Actual)</b> 31-Dec-2024	
	<b>IBRD/IDA (USD)</b>	<b>Grants (USD)</b>
Original Commitment	10,000,000.00	9,500,000.00
Revised Commitment	9,752,235.97	9,491,936.82
Actual	9,870,837.70	9,491,936.82

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## 2. Project Objectives and Components

### a. Objectives

According to the Financing Agreement (p. 5) and the Project Appraisal Document (PAD, p. 15), the project development objective (PDO) was **to simplify business regulations, facilitate trade, and improve firm-level competitiveness.**

For the purpose of this ICR Review, and as parsed here, the project's objectives were to:



- simplify business regulations
- facilitate trade
- improve firm-level competitiveness

The project was restructured twice, in 2021 and 2022. In 2021, additional financing (AF) scaled up existing activities to ensure that benefits from the project responded to needs created by the COVID-19 pandemic, and a Level 2 restructuring revised the results framework and extended the project closing date. In 2022, a second Level 2 restructuring replaced Doing Business (DB) indicators following the discontinuation of the DB report. The ambition of the project's outcome targets either remained the same or increased at the restructurings. As such, a split evaluation was not warranted.

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**b. Were the project objectives/key associated outcome targets revised during implementation?**

Yes

**Did the Board approve the revised objectives/key associated outcome targets?**

No

**c. Will a split evaluation be undertaken?**

No

**d. Components**

The project contained four components (pillars):

**Component 1 (Pillar A): Improving the Business Environment (Approved US\$3.4 million; Revised allocation US\$4.8 million; Actual US\$5.4 million).** This component built on recent support under the Second Trade Development Facility Project (TDF-2, P130512, 2012-2018, US\$15.9 million). The component aimed to improve the transparency and efficiency of the business environment to reduce the costs imposed on enterprises, with emphasis on small and medium enterprises (SMEs) and women-led



enterprises. The subcomponents were: (a) making it easier to start a business, (b) streamlining and publishing operating licenses, and (c) supporting broader business reforms (PAD, p. 19).

- Activities on making it easier to start a business included simplifying Department of Enterprise Registration Management (DERM) and inter-agency processes; automating registration through a new online Business (Enterprise) Registration System and computer terminal helpdesks at DERM and selected Provincial Industry and Commerce Offices (PICOs); moving requirements ex-ante to ex-post for issuance of Enterprise Registration Certificates (ERCs); and facilitating access to information for SMEs and enterprises located outside of Vientiane through the Enterprise system, including a tool for grievance redressal.
- Activities on streamlining and publishing operating licenses included implementation support to streamline business operating license administration and setting up an online portal of business licenses as a public repository (with 30 initial priority licenses having been analyzed with standard-cost models under TDF-2), in particular for sectors with strong participation of women-led enterprises.
- Activities on supporting broader business reforms included assisting the Investment Promotion Department (IPD) at the Ministry of Planning and Investment (MPI) in coordinating business environment reforms and providing Challenge Facility funds to implement additional reforms outlined in the Prime Minister's (PM's) Order to improve the DB ranking. Activities also included setting up and facilitating meetings of technical working groups for each of the relevant indicators to ensure effective inter-ministerial coordination of the reforms. The Bank of Lao PDR and the Ministry of Justice were to submit the first proposals for the Challenge Funds.

**Restructuring No. 1 (2021): Activities** to strengthen reform feedback mechanisms were added. The intermediate results indicator (IRI) Time for women-led enterprises to start an enterprise as a percentage of the time for men-led enterprises was dropped and replaced by a new IRI, Percentage of women-owned enterprises registrations per year, to track more adequately progress in gender equity. Most end target dates and values were updated in line with the scaling up of activities under the AF and the extension of the original project closing date. Baseline values were updated for some indicators due to methodology changes or improved sources of information. The baseline for PDO Indicator 1, Time needed to start a business (days), from the DB 2017 report, changed due to availability of new data, and the target value was updated to capture the new project time frame (see all modifications in Table 1 below). With the revision of this PDO indicator, the target was made more ambitious (from a reduction of 55.2 percent to a reduction of 59.5 percent).

**Restructuring No. 2 (2022):** PDO Indicator 1, Time needed to start a business, and the IRI Time to issue Enterprise Registration Certificate (ERC), replaced the DB data source with an administrative survey of newly registered businesses to be conducted in 2022 and 2024. The ambition of the PDO target remained the same. The IRI Procedures to start a business for women was reformulated as Time needed to start a business owned by a woman as a percentage of time to start a business owned by a man, restoring the original formulation of the indicator. The data source for this reformulated IRI was also to be the newly established firm survey. Baselines and targets for the IRIs Number of new enterprise registrations per year and "Percentage of women-owned enterprise registrations per year" were adjusted.

**Component 2 (Pillar B): Facilitating Trade and Connecting to Markets (Approved US\$2.8 million; Revised allocation US\$3.6 million; Actual US\$3.4 million).** This component aimed to support the implementation of the provisions of the WTO TFA (World Trade Organization - Trade Facilitating Agreement) to reduce trade costs and delays, to increase certainty and reliability of imports and exports,



and to increase trade transparency. Lao PDR was the 18th WTO member to formally accept the WTO TFA (in September 2016). The country had made some progress against the National Trade Facilitation Road Map 2017 – 2022 (TFRM), but its performance in rankings such as the World Bank's (WB's) DB (Trading Across Borders) remained poor. The subcomponents were: (a) supporting the Trade Facilitation Secretariat (TFS), and (b) establishing a Trade Facilitation Agreement Challenge Facility (TFACF) (PAD, p. 20).

- Activities on supporting the Trade Facilitation Secretariat included funding technical advisers, primarily two long-term customs and regulatory experts, for technical assistance (TA) and capacity building of involved line departments for analyzing, prioritizing, and sequencing trade facilitation-related issues, and recommending reform actions for the TFS and its members.
- Activities on establishing a TFACF to carry out additional proposed activities were related to the implementation of the TFA. The Fund was to finance around five proposals aligned with the TFRM and supporting reform measures that could be implemented by multiple agencies.

**Restructuring No. 1 (2021):** Activities to strengthen capacity at national and subnational levels were added, as were activities to develop and implement an integrated risk management framework and joint inspection regime. All IRI targets were updated to match the project extension and AF. The target for PDO Indicator 2, Time to prepare documentary requirements for imports and exports, was made more ambitious to account for the extension and AF.

**Restructuring No. 2 (2022):** PDO Indicator 2, Time to prepare documentary requirements for imports and exports, was replaced with an indicator that was originally an IRI, Mean time to clear imports, exports, and transit through customs. Data for the indicator were to be drawn from the Time Release Study, a World Customs Organization-based instrument, to replace DB data.

**Component 3 (Pillar C): Improving Firm-Level Competitiveness (Approved US\$3.9 million; Revised allocation US\$6.9 million; Actual US\$6.2 million).** This component aimed at supporting private enterprises in accessing business development services through a matching grant facility in order to reduce costs by improving management and innovation. It had one subcomponent: (a) Business Assistance Facility (BAF) (PAD, p. 21).

- Activities under this component built on positive results under the original BAF and supported under TDF-2. It aimed at increasing the provision of direct, free-of-charge advisory services to potential and actual BAF clients and scale up the size of matching grants available to crowd in investments into business development services by private firms and setting targets to ensure that disadvantaged groups (women-led enterprises and firms outside Vientiane) could benefit from these services. The component was to be implemented by an independent contractor.

**Restructuring No. 1 (2021):** It was specified that matching grants were to also support resilience during the COVID-19 outbreak. An IRI on Number of COVID-19-affected firms that seek BAF assistance and receive BAF grants to recover and respond to the shock was added to track fund support to firms.

**Restructuring No. 2 (2022):** No changes.

**Component 4 (Pillar D): Supporting Better and More Inclusive Policies (Approved US\$2.9 million; Revised allocation US\$4.2 million; Actual US\$4.4 million).** This component aimed to support effective project implementation, monitoring, and evaluation, and improved economic analysis and policy making under the leadership of the Ministry of Industry and Commerce (MOIC). It was to support the transparency



agenda for trade and private sector-related regulations and strengthen the Public-Private Dialogue (PPD) in Lao PDR. The subcomponents were: (a) project management and coordination; (b) improving policy making and transparency; and (c) supporting PPD.

- Activities on project management and coordination included supporting the Department of Planning and Cooperation (DPC), and especially the National Implementation Unit (NIU), in project coordination and supervision of implementing departments; undertaking procurement and fiduciary tasks; monitoring implementation progress; and managing the Trade and Private Sector Working Group (TPSWG) as its Secretariat. A national adviser was to assist the NIU with identifying gender-specific constraints leading to observable gender outcomes, and with developing policy reforms to address those constraints.
- Activities on improving policy making and transparency focused on enabling the MOIC and other relevant entities to undertake improved economic analysis in support of evidence-based policy making and public access to trade-related information.
- Activities on PPD included supporting the existing PPD under the annual Lao Business Forum (LBF) to address challenges faced by the private sector, particularly by small, regional, start-up, and women-led enterprises. Only 21 percent of active participants in the LBF-10 in 2017 were women, and microenterprises and start-ups were represented by only one percent of working group members. Activities supported implementation of an inclusiveness strategy developed under TDF-2.

**Restructuring No. 1 (2021):** Activities included coordination with the government, private sector, and civil society to provide relief and recovery from COVID-19 and development of project communication strategies focused on COVID-19 recovery. No changes to indicators.

**Restructuring No. 2 (2022):** No changes.

#### e. **Comments on Project Cost, Financing, Borrower Contribution, and Dates**

**Project cost.** Appraisal cost: US\$13.00 million. Revised cost: US\$19.50 million. Actual cost: US\$19.36 million. At the time of the first restructuring, AF in the amount of US\$6.50 million was approved as part of the government's emergency response to the COVID-19 pandemic. The ICR did not explain the difference between the estimated and disbursed amounts. The project team later explained that there were some inconsistencies due to lags in actual numbers at ICR preparation and exchange rate fluctuations.

**Project financing.** The project was originally financed by an International Development Association (IDA) Credit of SDR\$7.20 million (US\$10.00 million equivalent) and a grant of US\$3.00 million from the Lao Competitiveness and Trade Multi-Donor Trust Fund (LCT-MDTF, TF073096), financed by the Government of Australia-Department of Foreign Affairs and Trade (DFAT), the Irish Government (Irish Aid), and the United States Agency for International Development (USAID).

AF of US\$6.50 million from the LCT-MDTF was approved on June 25, 2021, increasing financing from the trust fund to US\$9.50 million and total project financing to US\$19.50 million. However, the amount effectively provided at the time of the AF was US\$2.72 million, corresponding to available funds, and US\$3.78 million was processed later through an amendment of the AF grant agreement without a need for restructuring.



**Borrower contribution.** No Borrower contribution was anticipated or made.

**Dates.** The project was approved on September 27, 2018, and became effective on December 10, 2018. Its original closing date of December 31, 2022, was extended two years to December 31, 2024, during the first restructuring. The closing date of the LCT-MDTF was extended in June 2021 to match that of the overall project. The project closed on December 31, 2024.

**Restructurings.** The project underwent two restructurings, in June 2021 and October 2022, with no change to the PDO.

*The first restructuring in June 2021 (Level 2), following the project's mid-term review during the COVID-19 pandemic, included an AF grant to ensure that project activities reached more vulnerable firms and workers, scaling up activities across all components (pillars) to improve the resilience of affected firms, accelerating reforms and providing direct support (like matching grants) to help those firms maintain operations and market access. As part of the AF, a Level 2 restructuring was implemented with a revision of the project's results framework, a two-year extension of the closing date, an update of all targets to the new date, and revisions of baselines with new methodologies or data sources. Funding for all components was increased, with 46 percent of the AF assigned to Component 3 (Pillar C) on improving firm-level competitiveness.*

*The second restructuring in October 2022 (Level 2) replaced DB indicators following the discontinuation of the DB report, including two PDO-level indicators and four IRIs, and extended the MDTF closing date to December 31, 2024, to align it with the closing date of the IDA credit. The amount in the grant agreement was increased by the pending US\$3.78 million of the AF, from US\$5.72 million to US\$9.50 million.*

Adjustments to project indicators are presented in the tables below.

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Adjustments to project indicators are presented in the tables below.

**Table 1. PDO Indicators**

Current Indicators	Original Baseline	Original Target	Modification at first (2021) restructuring	Baseline 2021	Target 2021	Modification at second (2022) restructuring	Baseline 2022	Target 2022
<b>PDO 1: Simplify business regulations</b>								
<i>PDO Indicator 1: Time needed to start a business (Days).</i>	67	30	Baseline changed due to new data availability after the Doing Business (DB) 2017 report. Target value adjusted to capture new project timeframe.	173	70	Replaced DB data with administrative survey of newly registered businesses. Survey was to be conducted at least twice before the end of the project, in 2022 and 2024	173	70
<b>PDO 2: Facilitate trade</b>								
<i>PDO Indicator 2: Time to prepare</i>	216	108	Target value adjusted to capture new	---	48	Replaced with IRI “Mean time to clear	37.17	18.59



documentary requirements for imports and exports (Hours).			project timeframe. Orig. baseline from DB report 2017. DB report 2020: Documentary compliance time to import/ export is 60 hours each way. This indicator captures the average time taken for documentary compliance for imports and exports.			imports, exports, and transit, through customs.” Computed as the weighted average of time to prepare documentary requirements for imports and exports combined.		
<b>PDO 3: Improve firm-level competitiveness</b>								
<i>PDO Indicator 3: Sales growth in BAF-supported firms compared to non-supported firms (Percentage/ Ratio in 2nd. Restructuring).</i>	0	20	Target value adjusted.	---	30	Baseline and target to be reported as a ratio of the sales growth rate of BAF supported firms over the sales growth rate of non-supported firms.	1 (equivalent to a 0% difference)	1.2 (equivalent to a 20% difference)

**Table 2. Intermediate Results Indicators (IRI)**

Current Indicators	Original Baseline	Original Target	Modification at first (2021) restructuring	Baseline 2021	Target 2021	Modification at second (2022) restructuring	Baseline 2022	Target 2022
<b>PDO 1: Simplify business regulations</b>								
<b>Component 1 (Pillar A). Improving the business environment</b>								
<i>IRI 1.1: Time to obtain ERC</i>	14	5	Baseline based on	60	10	Replaced DB data with	60	10



from DERM (Days).			DB2017 retroactively corrected 60 and given the change in the baseline, the end target was adjusted to capture new project timeframe.			administrative survey of newly registered businesses. The survey was to be conducted at least twice before the end of the project, in 2022 and 2024		
<i>IRI 1.2: Time for women-led enterprises as percent of men-led enterprises (Percentage).</i>	100	100	<b>Removed</b> and replaced with indicator 1.7 because there were no legal impediments that were different for women and men-led businesses to start a business.					
<i>IRI 1.3: Number of operating licenses streamlined (Number).</i>	0	30	Target changed to reflect DERM's new focus solely on operating licenses to advance the move to an ex-post regime. Consulting firm JC&A recommended 9 operating licenses; target was set to 20 due to the extension of the project.		20	No changes.		20



<p><i>IRI 1.4:</i> Number of operating licenses streamlined in sectors of particular interest to women (Number).</p>	0	10	<p>Target reduced based on changes to indicator 1.3. Forty-five percent of the streamlined operating licenses under indicator 1.3 will be in sectors of particular interest to women.</p>		9	No changes.		9
<p><i>IRI 1.5:</i> Procedures to start a business (women) (Number).</p>	8	6	<p>Baseline increased to reflect the retro-active change in DB data. Target unchanged.</p>	9	6	<p><b>Dropped</b> and replaced with new indicator "Time to start a business owned by a woman as a percentage of time to start a business owned by a man"</p>	9	6
<p><i>IRI 1.5:</i> Time to start a business owned by a woman as a percentage of time to start a business owned by a man (Percentage).</p>		100%			100%	<p><b>New</b> Indicator replacing IRI 1.5 "Procedures to start a business (women)". Data will be from administrative survey of newly registered businesses.</p>		100%
<p><i>IRI 1.6:</i> Number of new enterprise registrations per year (Number).</p>	6,707	7,713	<p>Target increased due to extension of the project and increase in business</p>	14,096	15,000	<p>Baseline and target adjusted due to changes in the information</p>	9,127	11,000



			registration numbers.			provided to DERM by some companies in addition to the newly registered companies.		
<i>IRI 1.7: Percentage of women-owned enterprises registrations per year (Percentage).</i>			<b>New indicator</b> (replaced IRI 1.2) to capture share of women owned enterprise registration per year.	43%	46.6%	Baseline and target adjusted for the same reason in IRI 1.6.	43%	45%
<b>PDO 2: Facilitate trade</b>								
<b>Component 2 (Pillar B). Facilitating trade and connecting to markets</b>								
<i>IRI 2.1: Commitments under the Trade Facilitation Agreement implemented by Lao PDR (Percentage).</i>	21	60	Target updated due to project extension and AF.		80	No changes.		80
<i>IRI 2.2: Technical Trade Facilitation Secretariat meetings with Private Sector Participation (last 12 months) (Number).</i>	0	4	Target updated due to project extension and AF.		6	No changes.		6
<i>IRI 2.3: Mean time to clear imports, exports, and transit, through customs (Hours).</i>	9.4	6	Target updated due to project extension and AF.	---	3	Replaced PDO indicator 2. Computed as simple average of time to clear imports, exports, and	5.12	4.09



						transit through customs from truck arrivals to cargo release.		
<b>Component 4 (Pillar D). Supporting better and more inclusive policies</b>								
<i>IRI 4.1: Lao Business Fora held per year (Number).</i>	1	1	No changes.			No changes.		
<i>IRI 4.2: Issues captured and actioned through the Lao Business Forum that have been raised by women-led enterprises (Percentage).</i>	33.30	40	No changes.			No changes.		
<i>IRI 4.3: Perception of Lao Business Forum's effectiveness (Text).</i>	Very effective 31 percent	40	No changes.			No changes.		
<i>IRI 4.4: Hits on the Lao Trade Portal (Number (Thousand))</i>	370.60	400	No changes.			No changes.		
<b>PDO 3: Improve firm-level competitiveness</b>								
<b>Component 3 (Pillar C). Improving firm-level competitiveness</b>								
<i>IRI 3.1: Total number of grants disbursed (Number).</i>	0	300	Target updated due to project extension and AF.		500	No changes.		500
<i>IRI 3.2: Grants to women led enterprises (Percentage).</i>	0	40	Target updated due to project extension and AF.			No changes.		
<i>IRI 3.3: Number of</i>			<b>New indicator to</b>	0	100	No changes.	0	100



Covid-19 affected firms that seek BAF assistance and receive BAF grants to recover and respond to the shock (Number).			monitor number of firms adversely impacted by COVID-19 and assisted by BAF.					
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### 3. Relevance of Objectives

#### Rationale

**Country/Sector Context.** At appraisal, growth had slowed in the Lao PDR’s economy and was further impacted by the COVID-19 pandemic and shocks to key trading partners. Despite export growth of 27 percent over the five years before appraisal, export diversification had been limited, and an initial reform drive after accession to the WTO in 2013 had slowed. Investors noted the high cost of doing business and the absence of a transparent and streamlined business regulatory environment.

The project aimed to address these gaps and enhance transparency and efficiency through a holistic reform agenda that supported simplification of business regulations, trade facilitation, and firm-level competitiveness. The AF further aimed to assist the government’s efforts to reduce COVID-19 pandemic’s impact on firms, support their recovery, and preserve vulnerable jobs.

**Alignment with the government’s national strategy.** At appraisal, the project was fully aligned with the government’s Eighth National Socio-Economic Development Plan (NSED 8, 2016-2020), which stressed the need for strong economic growth and lower vulnerability as one of three key objectives. Achieving this objective required a diversification of the economy away from natural resource sectors toward a broader economic base. The PM’s Orders No. 2 and No. 3 called for deeper reforms to improve the business environment and demonstrated commitment to such reforms, calling for significant improvement in the DB indicators.

After restructuring, the project remained highly relevant to the government’s priorities. The AF was consistent with the government’s policy approach to COVID-19 relief and recovery. It also supported Outcome 1 of the NSED 9 (2021-2025), which included reforms to foster investment quality and effectiveness and sought to strengthen digitalization of services.

**Alignment with WBG Country Partnership Framework (CPF).** At appraisal, the project was aligned to the CPF FY2017–2021 for the Lao PDR, specifically its pillar on “supporting inclusive growth” and Objective 1.2 on “making it easier to do business.” It was also aligned with the CPF’s cross-cutting theme on strengthening institutions to establish a rules-based environment. The project’s AF was further aligned with the WBG’s Country Program Adjustment Responding to COVID-19 (Annex 1), which included a summary of the government’s approach to the pandemic and the agreed WB responses by sector. Moreover, the AF activities were meant to ensure that the private sector would play a critical role in



generating inclusive and strong growth, keeping the project aligned with the WBG's goals of ending extreme poverty and boosting shared prosperity.

At project closure, the project's objectives remained highly relevant to the new CPF (2023-26). Fostering inclusive growth remained as one of three reform areas; strengthening governance and institutions through better institutional quality and efficient public services was listed as a cross-cutting issue; and Objective 3, enhancing firm-level competitiveness, included specific reform areas covered under the project. The project's gender focus remained aligned to the CPF's gender action plan.

**Previous sector and country experience.** The project built on past and ongoing engagements by the WBG. Improvements in processes to start and operate a business built on two advisory service projects with the MPI as well as the TDF-2. The direct support to enterprises built on the successful BAF matching grants under TDF-2. Trade facilitation reforms built on significant improvements at customs supported by the Lao PDR Customs and Trade Facilitation Project (P101750, 2008-2017, US\$11.5 million). Support to other areas of the business environment built on TA provided under the Financial Sector Development Advisory Services and Analytics (ASA) (P160715).

In summary, the project was highly relevant to country context, the government's reform strategies, and WB strategy. The PDOs were appropriately situated within the context of previous and ongoing WB support in the sector. Relevance is therefore rated **High**.

**Rating**  
High

#### 4. Achievement of Objectives (Efficacy)

##### **OBJECTIVE 1**

###### **Objective**

Simplify business regulations

###### **Rationale**

The project aimed to simplify business regulations measured by the number of days needed to start a business (PDO Indicator 1). This outcome was to result from implementing a series of activities to make it easier to start a business, streamline and publish operating licenses, and adopting broader business reforms (PAD, p. 19).

- Making it easier to start a business was to be achieved by activities such as simplifying and automating the enterprise registration process and management through an online system and computer helpdesks at DERM and in some PICOs. Simplification included revising, eliminating, or moving procedures ex-ante to ex-post for issuance of the registration certificate (ERC) and facilitating access to information, in particular for SMEs and enterprises located outside of Vientiane, including setting up a tool for grievance redressal.



- Streamlining and publication of operating licenses was to be achieved by setting up an online portal of business licenses as a public repository with 30 initial licenses, a reduction in the number of business registration procedures and a shift to ex-post regulatory compliance. Sectors with strong participation of women-led enterprises were to be prioritized.
- Support for broader business reforms was to be achieved by activities such as providing technical support to relevant line ministries and agencies to develop and implement specific reforms, in particular, providing Challenge Facility funds to implement reforms from the PM Order to improve the Doing Business ranking. Activities also were to include setting up technical working groups for each of the relevant indicators to ensure effective inter-ministerial coordination of the required reforms.

The causal links between project outputs, intermediate outcomes, and intended outcomes were clear. Project-supported activities would plausibly and logically have led to reduced time and costs to start and operate a business, which was an appropriate indicator of simplified business regulations.

However, business regulations are also influenced by factors not considered in the PAD's presentation of the theory of change but that could be inside the project's attributable influence. Governance aspects such as local autonomy and provincial discretion could lead to reintroduction of informal procedures, even when those informal procedures have been removed or modified at the central government level. Therefore, additional institutional capacity and interagency coordination activities and indicators could also have been included. Finally, factors outside the scope of the project could affect observed outcomes. For example, enabling infrastructure (connectivity and access) is needed to achieve expected results, given that limited broadband, unreliable power, and device affordability (especially outside Vientiane) are factors that could impede uptake of the electronic business registration system (eBRS). On this issue, the project team noted that uptake has been strong based on the current walk-in approach, but that online applications have lagged due to technical integration of the eBRS to FINLINK, a third-party application that falls outside of project support.

## Outputs

The project delivered the following key outputs:

- Seven of nine procedures were shifted from ex-ante to ex-post/optional:
  - Eliminated: taxpayer identification number (TIN) certificate (2019), value-added tax (VAT) registration (2021)
  - Now ex-post: registration of articles of association (2019), tax obligation induction (2021), Social Security Organization registration (2022)
  - Now optional: seal-related permits, company signage approvals (2024)
- ERC and TIN were merged in 2020; TIN is now auto-issued with ERC via the Tax Revenue Information System (TaxRIS) and serves as the sole tax ID. Businesses can start operating without optional or ex-post steps.
- New registrations rose annually post-streamlining of ERC process: 14,400+ in Jan–Oct 2024 (10 months) vs. 14,300 in 2023.
- eBRS has been live since Dec 9, 2024, supporting enterprise registration.
- A business licensing inventory was published online: [http://www.bned.moic.gov.la/en/activity\\_sectors](http://www.bned.moic.gov.la/en/activity_sectors).
- A tourism business database was created, and businesses can apply for licenses online: <https://etmd.com/tour/>.
- Six challenge proposals were approved (three proposals on Ease of Doing Business and three proposals on business licensing reform), but only three of these proposals were completed at project



closing. The three proposals fully implemented were (i) registering property (land), (ii) establishing a manufacturing database, and (iii) improving tourism service licensing. The three partially completed proposals were (i) enforcing contracts, (ii) addressing insolvency, and (iii) improving construction permits.

The ICR did not mention results related to several planned interventions noted in the PAD: setting up computer terminal helpdesks at DERM and selected Provincial Industry and Commerce Offices (PICOs), facilitation of access to information for SMEs and enterprises located outside of Vientiane through the Enterprise system, or the tool for grievance redressal, all of which were part of the theory of change at appraisal. The project TTL (TTL interview) confirmed that training on helpdesks was provided by the software supplier to DERM and PICOs. However, as the system was in live operation only from December 9, 2024, just before the project closed on December 31, 2024, DERM was equipped internally to respond with any necessary troubleshooting of the system. DERM is committed to fulfilling this function. Two rounds of training were provided to PICOs and district commerce and industry offices (DICO) in support of SME access to the system. Due to delays in online payment integration with the FINLINK system of the Ministry of Finance (MOF), the public online application remained on hold at project closing, and DERM has been working with the MOF before making the online application public. The ICR did not include information about the activities or effectiveness of the planned technical working groups to support business reforms.

### Intermediate Results

Of the six IRIs, four exceeded their targets, one RI partially achieved, and one did not achieve its target.

- **IRI 1.1:** Days to obtain ERC from DERM. Baseline (2021): 60. Target: 10. Actual (2025): 2.66. An electronic Business Registration System (eBRS), was launched in December 2024, leading to improvement in process efficiency, likely attributable to digitalization and process streamlining. The data were drawn from system-generated timestamps. **(IRI 1.1: Exceeded).**
- **IRI 1.2:** Time for women-led enterprises to obtain ERC as a percentage of the time for men-led enterprises. Replaced in first restructuring (2021) by IRI 1.7.
- **IRI 1.3:** Number of operating licenses streamlined. Baseline (2018): 0. Target: 20. Actual (2024): 16. **(IRI 1.3: Partially Achieved).**
- **IRI 1.4.** Number of operating licenses streamlined in sectors of particular interest to women. Baseline (2018): 0. Target: 9. Actual (2024): 11. The PAD did not specify which sector or sectors were of interest to women. However, the project targeted non-natural resource sectors that traditionally engage more women. **(IRI 1.4. Achievement: Exceeded).**
- **IRI 1.5.** Time to start a business owned by a woman as a percentage of time to start a business owned by a man. Baseline (2021): 100. Target: 100. Actual (2024): 114. The final survey on starting a business (SAB) was completed in December 2024. According to the project team, most women-owned businesses are SMEs. With the discontinuation of DB, the MOIC conducted its own survey covering much larger samples that included many SMEs with high representation of women-owned businesses, reflecting more constraints in starting a business (TTL interview). **(IRI 1.5. Achievement: Not Achieved).**
- **IRI 1.6.** Number of new enterprise registrations per year. Baseline (2021): 9,127. Target: 11,000. Actual (2024): 14,315. Data points covered January 2024 through December 2024. **(IRI 1.6. Achievement: Exceeded).**
- **IRI 1.7.** Women-owned enterprise registrations as percentage of all enterprise registrations. Baseline (2021): 43. Target: 45. Actual (2024): 49. This reported result is based on the final SAB survey, and it



is higher than the data from administrative sources (41.5 percent). **(IRI 1.7. Achievement: Exceeded).**

### Outcomes

PDO Indicator 1. Days needed to start a business. Baseline (2021): 173. Target: 70. Actual (2024): 23. The final SAB survey was completed in December 2024. **(PDO Indicator 1: Exceeded).**

The 2024 SAB survey also collected data on average time for ex post procedures (ERC and TIN), with 57 percent of surveyed firms registered with the National Social Security Agency (NSSA) reporting an average of 28.6 days for these processes. Combined with ex-ante procedures, the total time to start a business and register an employer and workers was 57 days, within the 70-day target.

The ICR noted some shortcomings. Despite the reforms, there were variations in the time needed to start a business according to government level and gender of the applicant entrepreneur. Provincial and district authorities lagged the national level in adopting streamlined business registration processes. An updated online Inventory of Business Licenses (IBL) was set up but not consistently updated. Only 20 of a total of 399 licenses were targeted to be streamlined. Overall, according to the ICR (p. 9), licensing remains burdensome.

Indicators under this objective were generally valid and robust for measuring the simplification of business regulations, especially in terms of process efficiency, regulatory burden, and gender inclusivity. However, their interpretation should be contextualized, and complementary qualitative or impact assessments would enable more robust understanding of the effects of supported reforms, particularly for women entrepreneurs and the broader business ecosystem. Some indicators had shortcomings in validity. IRIs 1.3 and 1.4 were quantitative but did not assess the impact or quality of streamlining (e.g., whether the most burdensome licenses were targeted). IRI 1.4 was dependent on accurate identification of sectors of interest to women and did not measure whether the reforms led to increased participation or improved outcomes for women entrepreneurs.

Due to shortcomings in meeting some intermediate targets and in the validity of some indicators, achievement of this objective is rated **Substantial**. The ICR rated the achievement of this objective as Moderately Satisfactory; however, that rating scale is not correct.

### Rating

Substantial

## OBJECTIVE 2

### Objective

Facilitate trade

### Rationale

The project aimed to facilitate trade measured by the mean number of hours to clear imports, exports, and transit through customs (PDO Indicator 2). This outcome was to result from reductions of costs and delays in obtaining trade documents and clearance for imports and exports, an increase in certainty and reliability of imports and exports, and an increase in trade transparency. These intermediate outcomes were to be



achieved through support for the Trade Facilitation Secretariat (TFS) and establishment of a Trade Facilitation Agreement Challenge Facility (TFACF) (PAD, p. 20).

- Supporting the TFS was to be achieved by activities such as funding technical advisers to the TFS to strengthen TFS and involved line departments in analyzing, prioritizing, and sequencing trade facilitation-related issues and recommending reform actions.
- Establishing a TFACF was to be achieved by activities such as financing around five proposals throughout the project's lifetime to support a number of reforms prioritized according to their alignment with the TFRM (National Trade Facilitation Road Map 2017 – 2022) action plans.

Overall, these activities would plausibly lead to reduced time to import and export, which would contribute to achievement of the objective to facilitate trade.

## Outputs

The project delivered the following key outputs:

- Commodity and initial company risk profiles were created and loaded into ASYCUDA (automated customs data system), and joint inspection standard operating procedures were developed by the Food and Drug Department, Ministry of Agriculture and Forestry, and Department of Agriculture.
- A Dashboard and Alert System were developed and enhanced to guide risk-based inspections and support compliance analysis/refinement of risk profiles for importers.
- The 2nd National Trade and Transport Facilitation Conference (NTTFC) was held, chaired by the Deputy Prime Minister. All trade ministries and private sector representatives attended. 38 of 55 noted private sector issues were considered resolved.
- A formal NTTFC mechanism was established for public consultation and regulatory impact assessment of new non-tariff measures prior to implementation.
- 2024 Time Release Study (TRS) data collection was completed and results analyzed.
- Laos PDR Trade Portal (LTP) usage grew from 27,000 users/428,000 page views (2018) to 269,000 users/992,000 page views (2024), demonstrating continued value to traders.
- A draft Trade and Transport Facilitation Strategy was circulated to key stakeholders for comments.

## Intermediate Results

Of the six IRIs (excluding IRI 2.3, as explained below), targets were exceeded by five and achieved by one.

- **IRI 2.1:** Percentage of commitments under the Trade Facilitation Agreement implemented by Lao PDR. Baseline (2017): 21. Target: 80. Actual (2024): 88.7. Results data were based on the WTO TFA database. **(IRI 2.1: Exceeded).**
- **IRI 2.2:** Number of Technical Trade Facilitation Secretariat meetings with private sector participation (last 12 months). Baseline (2018): 0. Target: 6. Actual (2024): 9. In 2024, the result included one national NTTFC meeting and other technical meetings of the NTTFC Secretariat. **(IRI 2.2: Exceeded).**
- **IRI 2.3:** Hours to prepare documentary requirements for imports and exports. Baseline (2020): 37.17. Target: 18.59. Actual (2024): 18.45. This indicator was listed as an IRI in the ICR (p. 19), but it was originally a PDO indicator, replaced (as noted below) by Mean time to clear imports, exports, and transit, through customs (Hours). The project team explained that the revised indicator changed the



source of information from Ease of Doing Business (EBD) to the World Customs Organization-based Time Release Study (TRS). The IRI included pre-importation and exportation processes or behind-the-border processes that are not captured by the new PDO indicator; these processes fell outside the influence of the project, and therefore the new PDO indicator is a more relevant measure of project impact. For this reason, this Review does not consider IRI 2.3 in its assessment but acknowledges that it was achieved. **(IRI 2.3: Achieved).**

- **IRI 4.1:** Number of Lao Business Fora held per year. Baseline (2017): 1. Target: 1. Actual (2024): 1. The 15th Lao Business Forum was held on April 2, 2024, chaired by the Prime Minister. Of 20 issues held over from the 14th LBF in 2023, six were resolved in 2024, 11 were designated as in progress, and three were still under discussion. **(IRI 4.1: Achieved).**
- **IRI 4.2:** Issues captured and actioned through the Lao Business Forum that have been raised by women-led enterprises, as a percentage of all raised issues. Baseline (2017): 33.30. Target: 40. Actual (2024): 53. **(IRI 4.2: Exceeded).**
- **IRI 4.3:** Percentage of surveyed enterprises participating in the Lao Business Forum rating it very effective. Baseline (2017): 31 percent. Target: 40 percent. Actual (2024): 49.45 percent. **(IRI 4.3: Exceeded).**
- **IRI 4.4:** Number of hits (thousands) on the Lao Trade Portal. Baseline (2017): 371. Target: 400. Actual (2024): 992. **(IRI 4.4: Exceeded).**

## Outcomes

PDO Indicator 2. Mean hours to clear imports, exports, and transit through customs. Baseline (2020): 5.12. Target: 4.09. Actual (2024): 3.19. **(PDO Indicator 2: Exceeded).**

The selected indicators collectively provided a valid and balanced framework for measuring achievement of the objective. They covered both process (meetings, forums, portal hits) and outcomes (TFA implementation, time reduction, issues resolved) dimensions, and they included attention to inclusivity and stakeholder perceptions. However, several limitations should be noted. IRI 2.1 measured the number of commitments implemented, but not the depth or effectiveness of implementation. Some commitments may be easier to implement than others, and the indicator does not capture partial or qualitative progress. IRI 2.2 could have been supplemented with measures of meeting outcomes (e.g., issues resolved, reforms adopted). IRI 4.1 is a valid process indicator, but it could have been paired with outcome indicators (e.g., issues resolved, reforms adopted). The number of forums does not reflect the quality or impact of discussions. IRI 4.2 did not specify the nature or significance of issues resolved. IRI 4.3 was a useful supplementary indicator but should be interpreted with caution, as perceptions may be influenced by external factors or limited sample sizes. IRI 4.4 was a valid indicator for stakeholder engagement, but portal hits do not directly measure trade facilitation outcomes. This indicator had some shortcomings in measuring quality of use, as it did not capture whether users found the information useful or acted on it. The PDO indicator was a highly valid indicator for trade facilitation, but reductions in time may result from broader reforms or external factors, not solely project interventions.

The time to clear customs was reduced, indicating that trade was facilitated. The project's interventions plausibly contributed to this outcome. However, achievement of this objective is rated **Substantial** rather than High due to attribution, quality versus quantity, data consistency, and complementarity shortcomings in the selected indicators, despite all indicator targets having been met or exceeded. In addition, although the project strengthened TFS capacity to implement reforms, the ICR highlighted that coordination



remains difficult due to the large number of stakeholders and lack of a formal enforcement mechanism. The ICR rated the achievement of this objective as Satisfactory; however, that rating scale is not correct.

## Rating

Substantial

## OBJECTIVE 3

### Objective

Improve firm-level competitiveness

### Rationale

The project aimed to improve firm-level competitiveness as measured by sales growth in BAF-supported firms compared to sales growth in non-supported firms (PDO Indicator 3). This outcome was to result from support to private enterprises in accessing business development services through a matching grant facility (Business Assistance Facility, BAF) to reduce costs internal to firms and to help COVID-19 affected firms recover and respond to the shock.

- Supporting the BAF was to be achieved by building on positive results under the original BAF, supported under TDF-2 (P130512). Activities included hiring an independent contractor and increasing the provision of direct, free-of-charge advisory services to potential and actual BAF clients, scaling up the amount of matching grants, and setting targets for women-led enterprises and firms outside Vientiane.

The causal links between project activities, outputs, and intermediate outcomes were clear. Project interventions were to lead to sales growth, which would lead to achievement of the objective of improved firm-level competitiveness.

### Outputs

The project delivered the following key outputs:

- 2,325 counseling sessions were delivered, providing upstream advisory and firm-level growth diagnostics to 635+ firms.
- 98.7 percent of the US\$3.1 million grant envelope was disbursed.

### Intermediate Results

Targets were exceeded for all three IRIs.

- **IRI 3.1:** Total number of grants disbursed. Baseline (2019): 0. Target: 500. Actual (2024): 557. Of 592 approved grants, 557 grants were implemented and reimbursed, accounting for 98.7 percent disbursement of the total grant fund of US\$3.1 million. **(IRI 3.1: Exceeded).**
- **IRI 3.2:** Percentage of grants to women-led enterprises. Baseline (2019): 0. Target: 40. Actual (2024): 66. **(IRI 3.2: Exceeded).**



- **IRI 3.3:** Number of COVID-19 affected firms that seek BAF assistance and receive BAF grants to recover and respond to the shock. Baseline (2021): 0. Target: 100. Actual (2024): 378. Since February 2021, 179 approved matching grants were to COVID-19 impacted firms. The project team clarified (TTL interview) that 378 of 460 total grants (82 percent) were to companies impacted by COVID-19, of which 179 were for business development services activities in direct response/recovery. **(IRI 3.3: Exceeded).**

**Outcomes**

PDO Indicator 3. Ratio of sales growth in BAF-supported firms compared to non-supported firms. Baseline (2018): 1. Target: 1.20. Actual (2024): 1.85. **(PDO Indicator 3: Exceeded).**

Achievement of this objective is rated **High**, with all indicator targets exceeded. Funds from the BAF led to sale growth, an indication of improved firm-level competitiveness. The ICR rated the achievement of this indicator as Highly Satisfactory; however, that rating scale is not correct.

**Rating**  
High

**OVERALL EFFICACY**

**Rationale**

With two objectives rated Substantial and one rated High, overall efficacy is rated **Substantial**.

**Overall Efficacy Rating**

Substantial

**5. Efficiency**

**Economic efficiency.** There was no economic and financial analysis at appraisal or closing, given the project's emphasis on technical assistance, capacity building, and regulatory reforms. By the time of the mid-term review in February 2021, 55 percent of the original US\$13 million had been disbursed, before the June 2021 AF was approved. The project closed on time and disbursed all funds. A 2024 impact assessment for the BAF matching grant scheme (which accounted for one-third of the project's financing) reported average firm revenue growth between 2021 and 2023 that, while not entirely attributable to the project, had already matched the funding provided. The overall economic return is therefore expected to be high, considering the boost to business development service providers and additional jobs created (ICR, Annex 4).

**Implementation and administrative efficiency.** The ICR concluded that the project was implemented efficiently despite its complexity and the number of implementing agencies as well as COVID-19 slowdowns.



The project's fourth component/pillar was central to project management and assistance to inter-agency coordination, aided by the National Implementation Unit established in TDF/TDF-2. However, heavy reliance on consultants raised costs relative to using civil servants. About seventeen percent of total project funds were spent on project administration, above the appraised estimate of 13.8 percent. The ICR also reported that consistent implementation across all government levels remained a challenge, and that costs for maintaining the new information and communication technology infrastructure may offset some of the positive financial returns (ICR, Annex 4).

With implementation largely proceeding according to expectations, project resources were used wisely and achieved good value for money, with some shortcomings in administrative efficiency. Efficiency is therefore rated **Substantial**.

### Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

\* Refers to percent of total project cost for which ERR/FRR was calculated.

## 6. Outcome

The overall outcome of the project is **Satisfactory**. This is based on a **High** rating for relevance of objectives, a **Substantial** rating for overall efficacy, and a **Substantial** rating for efficiency, as outlined in the table below.

Criteria	Rating
Relevance of Objectives	High
Efficacy of Objective 1: Simplify business regulations	Substantial
Efficacy of Objective 2: Facilitate trade	Substantial
Efficacy of Objective 3: Improve firm-level competitiveness	High
Overall Efficacy	Substantial
Efficiency	Substantial

### a. Outcome Rating

Satisfactory



## 7. Risk to Development Outcome

The risk of sustaining the project's development outcomes is substantial due to macroeconomic and fiscal fragility and institutional volatility. Persistent deficits and high public debt could limit resources to sustain the implemented reforms. Implementation by technical departments remains uneven, even as the central government's commitment to the business environment and trade facilitation remains strong. Although the PDOs aligned with the Five-Year Plan and PM Orders No. 2 and 3, the abolition of the Investment Promotion Steering Committee, recent cabinet reshuffles, and a planned 2025 merger of six ministries into three may disrupt departmental capacity and workflows. In addition, growing global trade protectionism could tighten border controls and lengthen clearance times, eroding hard-won trade facilitation gains.

Sustaining platforms such as the NTTFC and LBF is critical to monitoring reforms, resolving bottlenecks, and preserving momentum, especially for simplified business entry and operations, joint border risk management and inspections via the Dashboard and Alert Mechanism, and the ongoing review of non-tariff measures. Operational risks also persist at DERM, as the cloud-hosted eBRS could regress to manual processing without stable financing. DERM needs a durable, legislation-compliant cost-recovery model to fund hosting and maintenance, aligned with national data storage rules.

## 8. Assessment of Bank Performance

### a. Quality-at-Entry

The project was well aligned with national development priorities and benefited from strong WB–International Finance Corporation (IFC) collaboration. The team coordinated with the IFC's Investment Climate staff to provide the necessary dialogue, evidence, and persuasion to advance reforms. The theory of change was clear and included proven international tools (for example, the trade portal) with measurable PDO and intermediate indicators. Important risks, including technical risks (multi-agency execution), institutional risks (capacity constraints), and stakeholder risks (uneven reform appetite), were identified up front, and mitigation measures were put in place (such as the Challenge Facility).

The design of the project benefited from past successful reforms and lessons (TDF-2 and BAF-I matching grants). It also benefited from government commitment under the WTO TFA and Prime Minister Orders No. 2 and No. 3, but these added complexity to the project's design because they encompassed a broad reform program with multiple stakeholders and partners. This led to several risks related to the project's coordination and implementation capacity of the provincial governments. The review agrees with the ICR's consideration that additional capacity should have been funded under the AF, because the project proposed ambitious activities at a moment when the pandemic hit the country and the government was under financial distress.

**Quality-at-Entry Rating**  
Satisfactory



## **b. Quality of supervision**

The WB team provided effective support to implementation agencies and managed risks, including through the COVID-19 pandemic. Supervision was rigorous, supported by WB financing and the trust fund under the LCT-MDTF, with aide-memoires and Implementation Status and Results Reports issued about every six months and annual progress reports prepared for MDTF donors. The project also benefited from a Laos-based task team leader (TTL) with macroeconomic expertise, paired with a national co-TTL with local knowledge which, according to the ICR, enabled effective, timely engagement with government authorities. The ICR did not provide information on the number of TTLs associated with the project.

The WB team and IFC Investment Climate staff maintained high-quality policy dialogue to advance reforms. The mid-term review was used strategically to revise baselines and targets under the AF. The AF expanded activities across all pillars and financed BAF-II matching grants to help SMEs mitigate COVID-19 impacts, sustaining momentum and widening project benefits. However, this review considers that supervision during the first restructuring could have flagged needed changes in the results framework to complement several of the indicators that were weak, to focus the PDO indicators, and to call attention to shortcomings in institutional coordination.

### **Quality of Supervision Rating**

Satisfactory

### **Overall Bank Performance Rating**

Satisfactory

## **9. M&E Design, Implementation, & Utilization**

### **a. M&E Design**

The formulation of the PDOs was somewhat broad, but the monitoring framework included outcome indicators for each PDO that were specific, measurable, and linked to expected outcomes from the proposed activities. Targets were appropriately strengthened in ambition during the project restructurings. The intermediate indicators were in line with project activities and were suitable to monitor progress made towards the PDOs. However, the project's results framework lacked adequate monitoring of coordination between provincial and central-level agencies and between central agencies, and there was no centrally managed monitoring and sanction mechanism on those who did not follow designated procedures, allowing for instances of inconsistent implementation.

### **b. M&E Implementation**

The National Implementation Unit (NIU) systematically tracked results and outputs. A public-facing dashboard made implementation progress transparent. Throughout implementation, the government and donors had real-time access to indicators, milestones, and achievements. When the Doing Business (DB) indicators were discontinued, the team undertook substantial revisions to the results framework. Through a Level 2 restructuring under the 2021 AF, baselines and end targets for DB-related PDO and



intermediate indicators were updated to reflect methodological changes and improved data sources. Although firm surveys were infrequent, the team triangulated progress using alternative data. For instance, while the enterprise registration indicator was intended to be measured via DB-consistent surveys, interim verification relied on time records from government systems to track reform implementation and outcomes.

### **c. M&E Utilization**

Progress toward indicator targets was consistently reported and reviewed with stakeholders, using the dashboard as a focal tool during supervision missions, informing adjustments to implementation and to the results framework. A time release study further assessed achievements and highlighted remaining bottlenecks. To replace the discontinued Doing Business data source after 2020, SAB surveys were introduced to maintain measurement continuity. Gender-related insights—particularly concerns raised by women-owned firms through the Laos Business Forum and provincial meetings—were systematically tracked and monitored under the second component.

### **M&E Quality Rating**

Substantial

## **10. Other Issues**

### **a. Safeguards**

The project was classified as Category C, requiring no safeguard policies or instruments, as no environmental or social issues arose during design, implementation, or restructuring. The project mandated compliance with a Code of Conduct for all contractors, ensuring adherence to environmental, social, health, and safety standards (ICR, p. 14).

### **b. Fiduciary Compliance**

Financial Management performance was consistently rated Satisfactory (ICR, p. 14). The NIU met all reporting requirements on time, including project closing tasks. It submitted semiannual interim financial reports and timely annual audits that received unmodified opinions, with only minor issues (e.g., delays in advance settlement and document edits). The final audit was completed and submitted in April 2025.

Procurement performance was initially rated Moderately Satisfactory but improved to Satisfactory by project closing (ICR, p. 14). Early challenges included frequent errors and poor-quality submissions that triggered multiple WB returns. Performance improved after procurement training and the designation of focal points in MOF and MPI.



**c. Unintended impacts (Positive or Negative)**

The project carried a gender tag at appraisal and included strong intermediate outcome indicators to track women’s benefits from reforms. It mainstreamed gender across agencies, establishing gender focal points in 28 institutions and embedding gender considerations in training, communications, and service guidelines. A trade and gender study informed a project-specific gender action plan. MOIC and NIU also led an Association of Southeast Asian Nations (ASEAN) gender conference and multiple trainings during Lao PDR’s 2024 ASEAN chairmanship. The project strengthened institutional capacity, laying the groundwork for more gender-responsive policies.

**d. Other**

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**11. Ratings**

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	

**12. Lessons**

This review agrees with the lessons provided in the ICR, especially on the need for early, enforceable coordination mechanisms to govern multi-agency reforms, and further highlights the importance of strategic prioritization and early assessment of local capacities to drive effective project implementation.

**13. Assessment Recommended?**

No

**14. Comments on Quality of ICR**

The ICR presented a clear, coherent, and well-organized overview of the project. Its analysis provided sufficient evidence for assessing project performance. The report was concise, followed most of the guidelines, and was



focused on results. The ICR's lessons were useful and logically flowed from the data and analysis provided in the main text of the ICR. The evidence provided was aligned with the messages outlined in the ICR.

However, there were some minor shortcomings. The ICR did not note issues with the validity of some intermediate indicators. It rated the achievement of PDOs using a rating scale that did not follow established guidelines. It did not contain information on the implementation (or dropping) of some activities that were noted as planned in the PAD, such as setting up computer terminal helpdesks, a grievance redressal tool, and technical working groups to support business reforms, leaving gaps in reporting.

**a. Quality of ICR Rating**  
Substantial