



Gender Study on Identification of Key Constraints affecting Women-owned and Women-Managed Enterprises Doing Business in Lao PDR



ສະໜັບສະໜູນ ໂດຍ:
Supported by:



June 2021

Gender Study on Identification of Key Constraints affecting Women-Owned and Women-Managed Enterprises Doing Business in Lao PDR

Final Report

**Prepared by
Ms. Lauren E. Clark
International Consultant
Department of Planning and Cooperation
Ministry of Industry and Commerce**

Supported by Lao Competitiveness and Trade Project



June 2021

Table of Contents

Acknowledgements	V
Figures.....	VII
Tables	VIII
Boxes.....	VIII
List of Acronyms	IX
Preamble	XI
1. Executive Summary	1
2. Methodology	3
3. Overview of Key Findings from Literature Review.....	4
4. Phase II Study Findings	10
4.1 Business Registration and Licensing	10
4.2 Tax Policies and Administration	14
4.3 Access to Finance	15
4.4 Land Title Registration and Administration	18
4.5 Access to Commercial Court and ADR	19
5. Recommendations.....	21
Annex 1. Literature Review: Key Constraints Affecting Women-owned and Managed Enterprises in Doing Business in Lao PDR.....	24
Annex 2. Bibliography.....	35
Annex 3. Methodology for Assessment (Phase II) of the study	37
Annex 4. Key Informant Interviews (KII) and Focus Group Discussions (FGD).....	41
Annex 5 List of Participants – Stakeholder Consultation Workshop on the study	44
Annex 6. Terms of Reference (TOR) of the study	52



Acknowledgements

The author is grateful to many stakeholders in government departments and in the private sectors who contributed to this report, especially the Department of Planning and Cooperation, Ministry of Industry and Commerce, Lao PDR, where initially and actively support and facilitate the study.

A special debt of gratitude is owned to Ms. Lauren E Clark, the International Consultant on the Gender Study who actively conducted this report on behalf of the Lao government.

All of the views in this report are the responsibility of the author but all factual corrections or other observations will be welcome.



Figures

Figure 1. Owners' highest level of education	5
Figure 2. Firms in Lao PDR, by size and sex ³	6
Figure 3. Reasons why firm owners started their business, by sex of firm owner	6
Figure 4. Owners' occupation prior to starting business	7
Figure 5. Men-owned informal firms, top five sectors	8
Figure 6. Women-owned informal firms, top five sectors	8
Figure 7. Men-owned formal firms, top five sectors	8
Figure 8. Women-owned formal firms, top five sectors	8
Figure 9. Main reason why firm is not registered with Department of Enterprise Registration (DERM)	11
Figure 10. Perceived benefit from registering with DERM, affirmative responses	12
Figure 11. There is little variation in the interpretation of regulations and compliance requirements by different regulatory officials	12
Figure 12. Regulations are enforced consistently across businesses	12
Figure 13. How day-to-day operations are funded, by sex of informal firm owner	16
Figure 14. How purchases of machinery or equipment, vehicles or other means of transport are funded, by sex of informal firm owner	17
Figure 15. Change in Land Certificates before and after land titling project (percent)	18
Figure 16. Percent of firms citing Access to Land as a Major or Very Severe Constraint, by sex of top manager	19
Figure 17. Percent of formal firms identifying the courts system as a major constraint	20
Figure 18. Lao PDR Population: Rural and Urban	24
Figure 19. Access to Electricity: Rural and Urban	24
Figure 20. Literacy Rates among Major Ethnic Groups by Sex in 2015	26

Tables

Table 1. Indicators on tax administration and firm perceptions, by firm size and sex of manager	14
Table 2. Access to Finance, Formalized firms	17
Table 3. Time use on main activities by sex, hours per day	27
Table 4. Characteristics of Women-Owned and Operated Firms in Lao PDR.....	29
Table 5. Employed Persons 10 and above by Status in Employment by Sex and Region	32
Table 6. Basic Characteristics of KIIs	37
Table 7. Basic Characteristics of FGDs	38

Boxes

Box 1: Female Time Poverty.....	28
Box 2. Key differences between female-owned and other firms (2009 and 2015).....	29
Box 3. Classroom-based BDS work better when complimented with other approaches....	31

List of Acronyms

A2F	Access to Finance
ADB	Asian Development Bank
ADR	Alternative Dispute Resolution
BAF	Business Assistance Facility
BDS	Business Development Services
CEDAW	Convention on the Elimination of all Forms of Discrimination Against Women
COVID-19	Coronavirus Disease 2019
DERM	Department of Enterprise Registration Management (Ministry of Industry and Commerce, LAO PDR)
DB	Doing Business
ES	Enterprise Survey
ERP	Enterprise Resource Process
FAO	Food and Agriculture Organization
FGD	Focus Group Discussion
ICA	Investment Climate Assessment
IFAD	International Fund for Agricultural Development
ILO	International Labor Organization
JC&A	Jacobs, Cordova, and Associates
KII	Key Informant Interview
LCTP	Lao PDR Competitiveness and Trade Project
LECS	Lao Expenditure and Consumption Survey
LSB	Lao Statistics Bureau
M&E	Monitoring and evaluation
MSMEs	Micro, Small and Medium Enterprises
NCAWMC	National Commission for the Advancement of Women, Mothers and Children
NIU	National Implementation Unit
PAD	Project Appraisal Document
SMEs	Small and Medium Enterprises
SSCBT	Small Scale Cross Border Traders
VAT	Value Added Tax
WDI	World Development Indicators

Preamble

Lao PDR experienced impressive economic growth over the last two and a half decades and has made strides in advancing women's role in the economy. Yet, while the country performs well on most legal and regulatory indicators that measure gender equality, due to various factors, women still lag behind men on education, literacy rates, skills endowments, economic participation and entrepreneurial activity.

Research shows that inequalities in women's economic participation can negatively influence economic growth. Recognizing the importance of women's economic participation and their contribution potential, this study looks at ways to support female entrepreneurs – specifically women-owned and women-managed enterprises doing business in Lao PRD.

The purpose of this study was to identify constraints to women-owned and managed enterprises that affect key areas of the business environment including business regulation and licensing; tax policies and administration; access to finance; land title registration and administration; and access to commercial courts and alternative dispute resolutions (ADR). The study then examined ways that specific interventions and complimentary policy changes could be adopted to ameliorate these constraints, as a part of the Lao Competitiveness and Trade (LCT) Project managed by the National Implementation Unit (NIU).

The Ministry of Industry and Commerce (MoIC) is committed to addressing the specific challenges affecting women-owned and managed enterprises through supporting implementation of possible complementary policies and interventions to alleviate these constraints and mitigate potential adverse impacts of increased economic activities on gender equality.

On behalf of MoIC, as well as the President of the Committee for the Advancement of Women (CAW) - Mother and Child, I would like to express my deepest gratitude for your cooperation, participation, and assistance in helping us carry out this research and implementing the findings of this report.



Mr. Somchith Inthamith
Deputy Minister of Industry and Commerce,
The President of the Committee for the
Advancement of Women (CAW) - Mother and Child
at the Ministry of Industry and Commerce,
Lao People's Democratic Republic

1. Executive Summary

Lao PDR has experienced impressive growth over the last two and a half decades. Growth has been driven by a shift from an agrarian economy to more natural-resource based growth, specifically hydropower and to a lesser degree mining and services. Service growth has been driven by tourism, trade and growth in the construction sector. Manufacturing has expanded moderately, although from a low base. With a small private sector and limited domestic competition, firms have had little incentive to invest in technology, innovation and trade – and only about 2.9 percent of firm's export directly (LCT PAD, 2018). Firm productivity is low, due to external costs, as well as management capacity. Labor productivity and capital intensity also remain low.

Lao PDR performs well on gender with respect to most legal and regulatory indicators. According to the Women, Business and Law Report, Lao PDR performs better than many peers, with an overall index of 88.1 in 2020, compared to 78.1 and 78.8 in Thailand and Vietnam, respectively. Further, Lao PDR performs well on indicators of political participation, such as the proportion of parliamentary seats held by women. In 2019, women represented 27.5 percent of parliamentarians in Lao PDR, compared to 26.7 percent and 16.2 percent in Vietnam and Thailand, respectively (WDI). The greatest representation of women in government in Lao PDR is at the legislative and national level, while local and provisional governments tend to be male-dominated (NIU 2020, the United Nations in Lao PDR, 2015).

Lao PDR has strong legal frameworks and systems in place to support Gender Equality. Yet, while laws and policies tend to be gender neutral, they lead to different outcomes between men and women. On average, women in Lao PDR tend to exhibit lower literacy levels and educational achievements. Women tend to marry younger and have more children than peer countries. Time use differs between women and men, and women spend on average 1.5 hours more per day on domestic activities than men. This difference is wider in areas outside of Vientiane.

Women entrepreneurs in Lao PDR tend to be concentrated in smaller firms, be service oriented, vary in representation across regions, and participate in some degree of trade. 45 percent and 53.2 percent of women owned and operated firms, respectively, have fewer than 20 employees; whereas only 4.2 and 5.9 percent of women owned and operated firms, respectively, are classified as large, defined as more than 100 employees (Lao Enterprise Survey 2018). In Vientiane, women owned and operated firms make up 13.2 percent and 20.6 percent of firms, respectively. However, this varies considerably across regions. For example, in Savannakhét, 70.3 and 79.2 percent of firms are women owned and operated, respectively – compared to Luang Prabang where 36.9 and 40.1 percent of firms were women owned and operated, respectively (Lao Enterprise Survey 2018). Men tend to be concentrated more in sectors such as construction, transport and warehouses, and electricity and mining. Women tend to be concentrated in retail and small restaurants. Both women and men seem equally represented in the service sector; however, the share of goods produced by enterprises for export is small – a survey conducted by FinScope and the Bank of the Lao PDR, in 2014, found that 94.4 percent of the production of goods and services is primary for domestic consumption (NIU 2020, National Enterprise Database, FinScope).

The purpose of this study was to identify constraints to women-owned and managed enterprises that affect key areas of the business environment including business regulation and licensing; tax policies and administration; access to finance; land title registration and administration; and access to commercial courts and alternative dispute resolutions (ADR). The study then examined ways that specific interventions and complimentary policy changes could be adopted to ameliorate these constraints.

The study identified several key findings across key areas of the business environment. Business registration for women appears to be constrained by lack of awareness of benefits to registering, lack of information about the process/information on where to register, and time, fees and paperwork.

Women who perceive there to be benefits from firm registration are motivated by better access to finance, better access to materials, less bribes to pay and access to potential customers. Yet, men and women have differing views on the fairness and consistency of business regulations and enforcement. Business licensing was perceived as a greater constraint, due to confusing documentary requirements often overlapping at various agencies. Raising awareness on business registration and licensing could benefit women entrepreneurs, as well as ensuring that line ministries eliminate redundant or conflicting policies/information. Tax policies and administration may affect women more greatly than men due to lower education levels, numeracy, and literacy. Women appeared to prefer the lump sum method to the accounting method, due to limited accounting and bookkeeping skills – as well as tending to operate firms with lower capital. In some cases, women’s lack of awareness of tax policies resulting in them being fined for “non-compliance”. In other cases, small scale traders (perhaps due to being disempowered from lower levels of awareness), were less likely to challenge or negotiate taxes/fees at the border, resulting in higher tax rates that further eat into their already narrow profit margins. Training and awareness approaches could help women entrepreneurs to better navigate tax reporting requirements. Access to finance did not appear as a top constraint to women owned and operated firms, yet women’s update of financial services is behind that of men’s in nearly every dimension. This suggests women could be so unaware of financial products and services available to them, that they are unaware of what they are missing out on. Land titling did not appear to be a major constraint to women in Lao PDR, given reforms over recent years through the land titling project. However, based on findings from ES data, women in the hotel/restaurant sectors do perceive that access to land is a greater constraint than women operating in other sectors. This could be due more to physical access of land, however, rather than land titling and registration. Commercial courts and ADR do not appear to be a major constrain to women, most likely because they tend to be operating smaller firms and firms that are more likely to use commercial courts or, even, ADR, tend to be larger. However, awareness of both topics appears low and educating women entrepreneurs, particularly on ADR, could prove useful.

These findings, as well as a comprehensive explanation on the methodological approach, outcomes of key informant interviews and focus group discussions, proposed interventions and policy recommendations, and a comprehensive literature review, inter alia, are presented in the remaining body of this report.

2. Methodology

This study aimed to identify constraints to women-owned and managed enterprises in key areas of the business environment and to develop potential solutions

The purpose of the study was to identify constraints to women-owned and managed enterprises that affect key areas of the business environment including business regulation and licensing; tax policies and administration; access to finance; land title registration and administration; and access to commercial courts and alternative dispute resolutions (ADR). The study then examined ways that business development services (BDS), specific interventions and complimentary policy changes could be adopted to ameliorate these constraints.

The study involved a literature review, a series of Key Informant Interviews (KIIs) and Focus Group Discussions (FGDs) in Vientiane and Luang Prabang, and analysis of existing formal and informal enterprise survey datasets. The main findings of the qualitative and quantitative research were then compared against best practices and international case studies, which were used to inform final suggestions and recommendations.

Seven key informant interviews were conducted with industry associations: five in Vientiane Capital and two in Luang Prabang Province. In Vientiane, this included the Lao Businesswomen's Association, Lao Furniture Association, Lao Garment Industry Association, Young Entrepreneurs Association, Lao Association of Travel Agents. In Luang Prabang, this included the Hotel, Guesthouse and Restaurant Association and the Young Entrepreneurs' Association.

Nine focus group discussions were conducted: six in Vientiane and three in Luang Prabang. In Vientiane, this included a group of four women working in the accommodation and restaurant sector, a group of six male entrepreneurs working in the accommodation and restaurant sector, a group of four women working in wholesale and retail trade, a group of three male entrepreneurs working in wholesale and retail trade, a group of three women entrepreneurs working in the manufacturing sector (food and beverage, apparel and furniture), and two male entrepreneurs working in the manufacturing sector. In Luang Prabang, this included one FGD with two men working as entrepreneurs in the wholesale and retail trade and one FGD with two men working in accommodation and restaurants, and one group of four women entrepreneurs working in accommodation, retail, and wholesale. For further information on the entities involved in KIIs and FGDs, please see Annex 4. For background information on the methodology/approach used in selecting KIIs and FGDs, as well as guiding discussion questions, please see Annex 3.

Challenges encountered

The research was constrained by the remote nature of the assignment, due to the COVID-19 pandemic, which affected the consultant's ability to travel and caused a temporary lock-down across the country during the duration of the assignment. Despite the excellent support and guidance from the NIU, in-person research would have been helpful, particularly for capturing some of the nuances from FGDs/KIIs that may not emerge as clearly from video-based discussions. It is noted that FGD/KII participants may have been reluctant to openly

voice some business constraints, and at times may have felt a need to present an optimistic/positive outlook, whereas hearing unfiltered constraints would have been more helpful in diagnosing possible interventions. Lastly, a number of the participants of the FGDs/KIIs did not speak/feel comfortable discussing topics in English, which required real-time translation during the meetings that may have diluted some of the information collected during the discussions.

In terms of quantitative information, sex-disaggregated historical data (and data in general) is rather sparse in Lao PDR, which created some limitations.

Approach to overcome/mitigate challenges

While historical data may be lacking, Lao PDR does benefit from having two fairly recent enterprise surveys – one that was conducted in 2018 using the standard enterprise survey template and another, which was conducted in 2019, that surveyed informal enterprises. These data provided additional insight into the constraints faced by female and male firm owners and operators in Lao PDR, which were used to supplement gaps encountered during the Phase II of the report.

Areas for further research

Support for developing more comprehensive economic data for Lao PDR, more broadly, as well as sex-specific data would be highly beneficial in order to enable further research. In addition, upcoming surveys conducted in Lao PDR would benefit from continued inclusion of sex-specific data, as well as including additional enterprise survey questions that reach beyond the standard enterprise survey template.

3. Overview of Key Findings from Literature Review

Lao PDR has made remarkable progress over the recent decades...yet gender gaps remain in several metrics

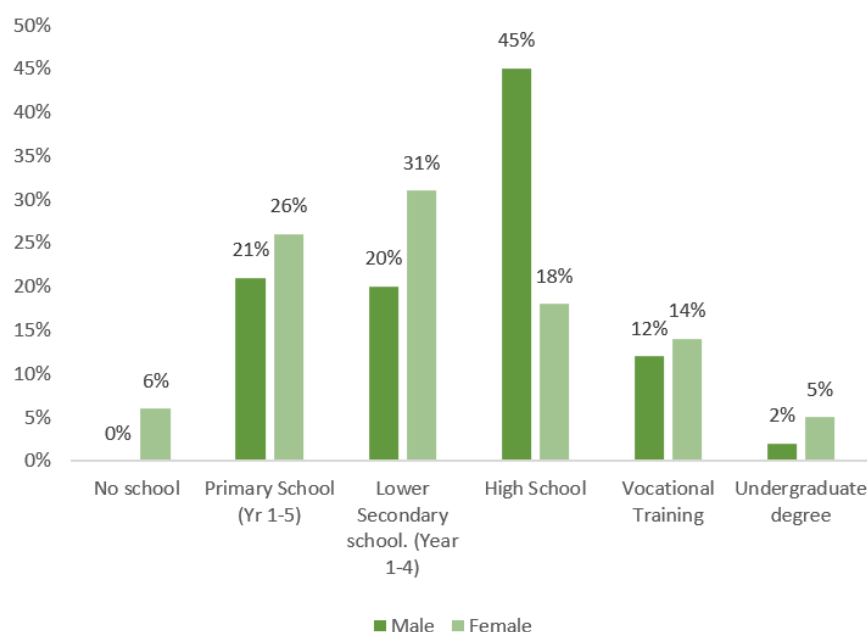
While remarkable progress has been made on economic achievements in Lao PDR, gender gaps remain on several indicators – particularly education, literacy rates and business participation. The contributing factors are complex and likely due to de facto rather than de jure constraints – in fact, Lao PDR performs well on most legal and regulatory indicators and most laws are gender neutral. Nevertheless, women and men tend to be concentrated in different sectors, endowed with different educational levels and skills, have varying access to networks and information, and separate cultural/family responsibilities, which tend to lead to different levels of economic participation between women and men.

Cultural preferences, education, and family responsibilities may be a factor

In Lao PDR, women tend to take on family responsibilities at an earlier age than found in peer countries, with more than one third of women married by the age of 18¹ and likewise tend to have more children than peer countries. As such, young women are more likely to have family responsibilities affect their higher education decisions, as well as career and entrepreneurial choices. Not surprisingly, women have more household responsibilities than men (1.5 hours per day longer) and there are strong cultural expectations for both child and elder care (Lao Women's Union, 2018).

1. Latest data available is from 2012.

Figure 1. Owners' highest level of education



Source: Author's calculation based on Lao Informal Enterprise Survey (2019)

Education and literacy rates differ between sexes

Wide gaps exist in Lao PDR between women and men on educational achievements and literacy rates. As of 2015, there was a 10-percentage point gap between adult literacy rates for women and men in Lao PDR and this difference is wider in rural areas. As a result, adult females have less education to put them on an equal footing with male entrepreneurs, and likewise this may affect their ability to inform themselves and access information on business registration, tax regulations, access to finance, land title registration/administration, and access to commercial courts/alternative dispute resolution (ADR).

Educational differences are observed between men and women operating in the informal sector

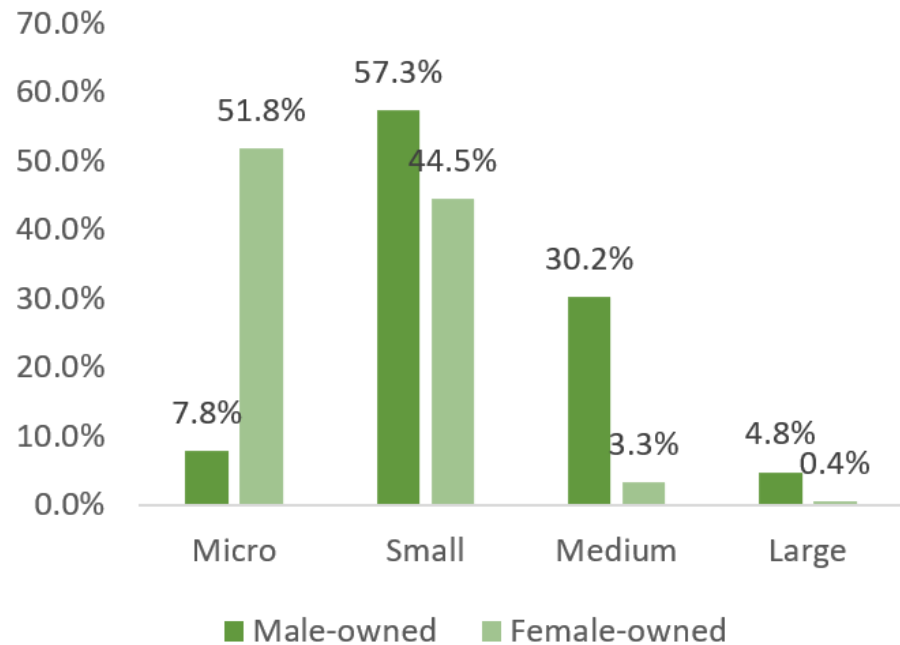
Not surprisingly, educational backgrounds of informal firm owners differ by sex². A larger percentage of men than women held a high school diploma, whereas more women than men had no schooling, primary schooling, or completed only lower secondary school. While outside of the scope the project, women's education and promoting gender equitable outcomes in educational attainment should be elevated as a policy goal.

Women are more active in the informal sector and formalized women-owned firms tend to be smaller

In Lao PDR, women tend to be more active in the informal sector and formalized, women-owned firms tend to be smaller. Amongst informal firms, based on survey data from 2019, 73 percent of firms indicated that the owner was female compared to only 27 percent of firms owned by men. For formal firms, women-owned firms tend to be smaller with few women owning medium and large sized enterprises. Based on the Lao ES 2018, 52 percent of female-owned were micro-sized, compared to 8 percent of male-owned firms; 57 percent of male owned firms were small and 45 percent of female firms were small; and 30 percent of male-owned firms were medium, compared to only 3 percent female-owned firms. Among large firms, there was virtually no representation of female ownership.

2. Data on education levels of formal firm owners (or managers) were not included in the last formal enterprise survey.

Figure 2. Firms in Lao PDR, by size and sex³

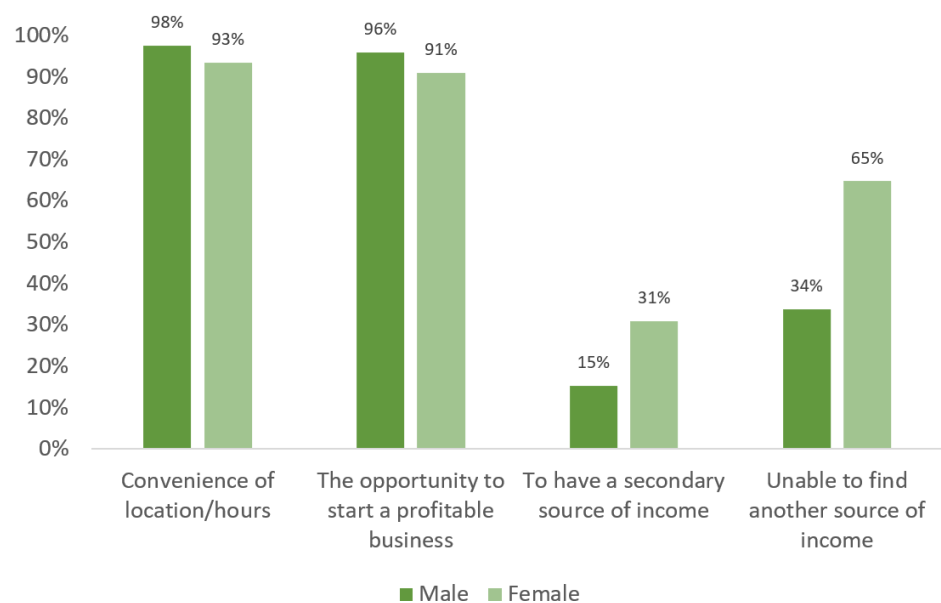


Source: Author's calculation based on Lao Enterprise Survey (2018)

**Reasons to start a business differ by sex
Owners' occupations prior to starting businesses differ between women and men**

Reasons for starting an informal business vary slightly by sex. While most informal sector firms are driven to start their business due to convenience (98 percent and 93 percent of male and female firm owners, respectively) and the opportunity (96 percent and 91 percent of male and female owners, respectively), substantially more women than men are driven to open businesses due to necessity – either because they need a second source of income (31 percent of women vs only 15 percent of men) or because they are unable to find another source of income (65 percent of women vs only 34 percent of men) (Figure 3).

Figure 3. Reasons why firm owners started their business, by sex of firm owner



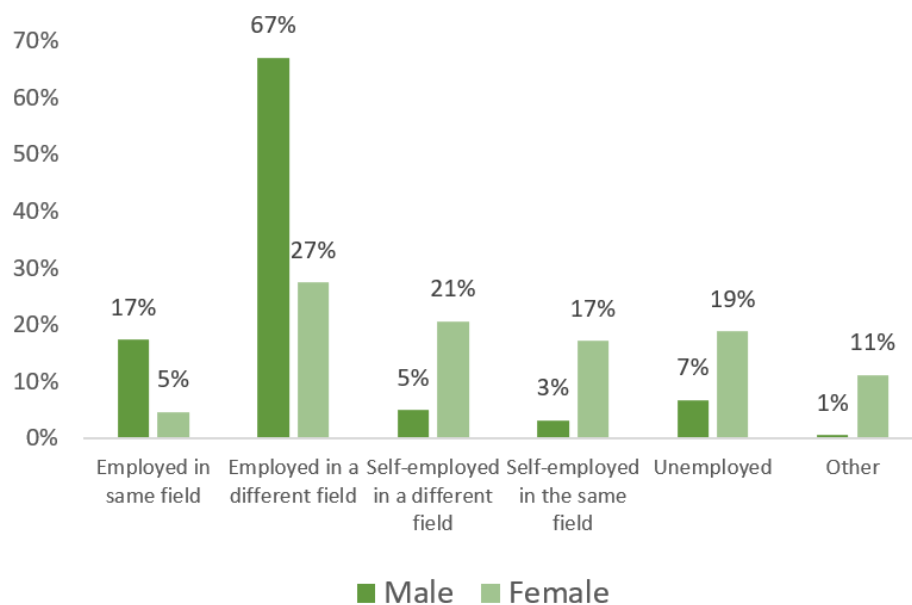
Source: Author's calculation based on Lao Informal Enterprise Survey (2019)

3. Firm size definitions: Micro (<5), Small (>=5 and <=19), Medium (>=20 and <=99), and Large (>=100)

Owners' occupations prior to starting businesses differ between women and men

Firm owners' occupations prior to starting their businesses also varied by sex. While the majority of entrepreneurs of both sexes were previously employed in a different field, a much larger percentage of men had jumped, or "crossed-over" into a new field to start their business - 67 percent of male firm owners were previously working in a different field, compared to only 27 percent of female firm owners. Previously mentioned factors such as education levels or male hubris/ female humility may contribute to this finding. Seventeen percent of men (and five percent of women) were previously employed in the same field prior to starting their business. A much larger percentage of women than men started their business after being previously unemployed – 7 percent of men compared to 19 percent of women identified as previously unemployed (Figure 4).

Figure 4. Owners' occupation prior to starting business



Source: Author's calculation based on Lao Informal Enterprise Survey (2019)

Women in Lao PDR tend to be concentrated in specific sectors

Across both informal and formal firms, sector selection varies between women and men (Figure 5, Figure 6, Figure 7, and Figure 8) and men tend to diversify more into a variety of sectors. Amongst informal firms, the top five businesses activities for men include manufacturing household items (35 percent), repair of motor vehicles (18 percent), reselling of food or groceries (11 percent), and reselling "other" and manufacturing "other" (6 and 5 percent, respectively). Whereas, women in the informal sector are more concentrated in reselling of food or groceries (77.4 percent) with 3-5 percent dispersed between manufacturing of clothes or shoes, hairdressers or barber shops, manufacturing of handicrafts and re-selling of "other" goods.

Among formalized firms, men-owned firms likewise tend to range more widely by sector. The top five sectors of men-owned firms include hotels and restaurants (22 percent), wholesale (17 percent), retail (15 percent), construction (10 percent) and food (9 percent). For female-owned firms, they include retail (56%), hotels and restaurants (24 percent), wholesale (8 percent), food (4 percent), and construction (3 percent).

Figure 5. Men-owned informal firms, top five sectors

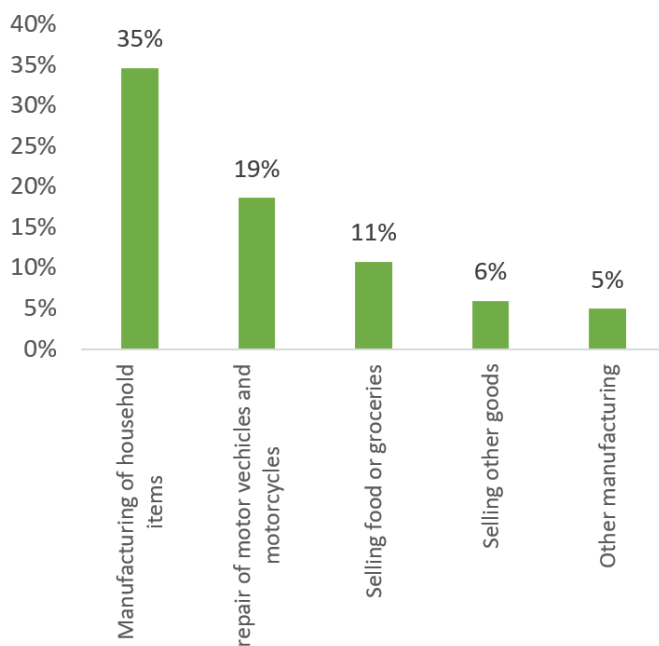
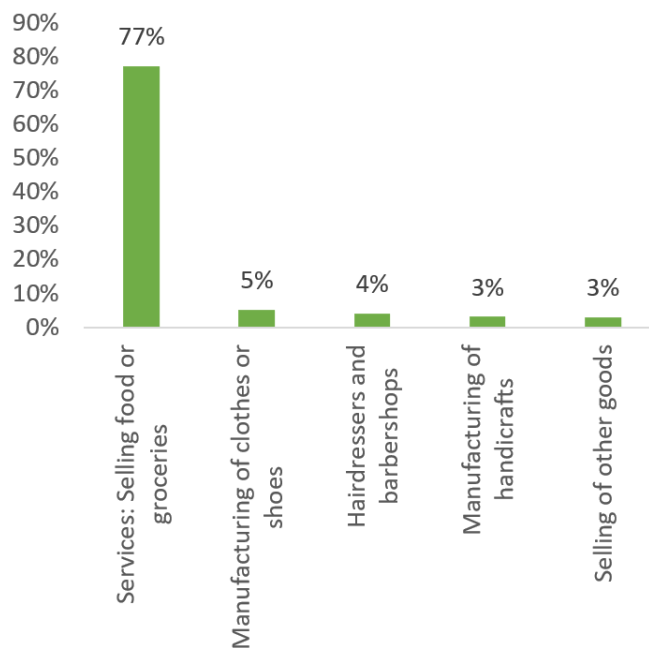


Figure 6. Women-owned informal firms, top five sectors



Source: Author's calculations based on Lao Informal Enterprise Survey (2019)

Figure 7. Men-owned formal firms, top five sectors

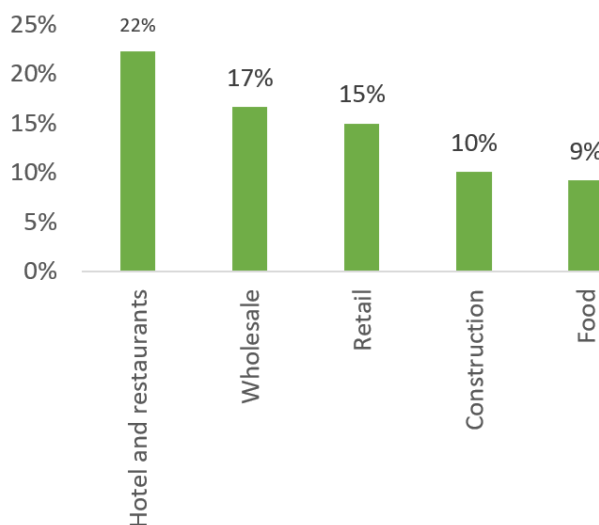
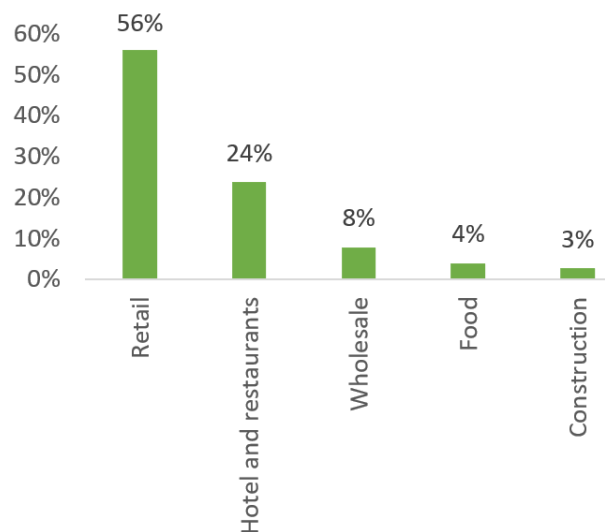


Figure 8. Women-owned formal firms, top five sectors



Source: Author's calculations based on Lao Enterprise Survey (2018)

Sector segregation was found to explain some earnings gaps in other countries

Similarly, sector segmentation or sector segregation is found across many countries world-wide. Sector segregation poses a major challenge to narrow the gender gaps in business outcomes as women-entrepreneurs are consistently more likely to be operating in less profitable sectors. While a host of factors contributes to lower profitability of women businesses compared to their male counterparts, sector segregation remains a consistent contributing factor (Hallward Driemeier, 2011; Bardasi, Sabarwal and Terrell, 2011; Costa and Rijkers, 2012) and in some cases, is the sole significant explanation for the male-female gap in business earnings (De Mel, McKenzie and Woodruff, 2009). In Uganda, for example, the average monthly profit of salons and catering companies, where

women tend to specialize, is \$86 and \$148, respectively. Conversely, metal fabrication and electrical firms tend to earn \$296 and \$371 in monthly profit, respectively (Campos et al, 2015). This amounts to a difference of nearly \$200 per month, between salons and electrical firms. However, in another study, conducted on micro-entrepreneurs in Sri Lanka, it was found that mean returns to capital differed between male- and female-dominated sectors, and in some cases female returns were lower than male returns even for females working in the same industries as men – which may be attributed to capital allocation differences (de Mel, McKenzie, and Woodruff (2008)).

Sector segregation is often influenced by cultural and social factors

Sectoral segregation can persist through explicit legal constraints but more often is seen through cultural and social factors that limit or shape the preferences of women's participation in certain industries. The Women Business and the Law report (2016) found cross-country evidence suggesting that the gender wage gap is likely to be correlated with job restriction: in countries with no job restrictions, the estimated earned income (female-to-male ratio) was 64 percent versus 52 percent in countries with at least 1 job restriction. Nevertheless, as legal restrictions are often correlated with other cultural and social factors, it is not evident that restricting women's economic sectors and occupations alone is responsible for sector segregation and women being relegated to lower-paying industries. Another strand of thought suggests cultural and physical issues affect women's work choices. One such example is the comparative advantage in "brain versus brawn" (Rendall, 2011). Another interpretation is that the role of women, as primary caregivers in the family, interacts with and limits the types of jobs they can work (Becker, 2015; Hundley, 2000 and Lombard, 2001; Amin and Islam, 2014). Some research (Goldin 2014) has shown that the gender wage gap in the US is caused to a large part by women's time constraints and in sectors where working short and irregular hours are not penalized, the wage gaps has been disproportionately narrowed.

Lack of information about sectors and associated earnings could explain sector selection

Preliminary evidence suggests that one potential reason for sectoral clustering is due to women's lack of access to information about profitability. Campos et al (2015) study why women-entrepreneurs tend to self-select into certain sectors that are often less profitable than male-entrepreneurs in Uganda. In a study of 735 entrepreneurs in Uganda, female firms who "crossed over" into male-dominated sector were studied, as a way to capture factors associated with shifting into male-dominated sectors. Factors which were not correlated with crossing over included skills and abilities; and human and financial capital. Several tests were used for working memory, problem solving abilities, entrepreneurial characteristics, and level of education, and entrepreneur "cross-overs" were not uniformly higher than non-crossovers. Further, despite the higher capital requirements of male-dominated sectors, the study found this to not be a consideration when selecting their sector. The study found that those interviewed were unaware that they could be making more money in male-dominated sectors; in fact, about 75% incorrectly believed they were making the same or more. Likewise, it was found that many crossover entrepreneurs had role models in the sector that helped them. In fact, some had male role models (20-28%), including fathers and male

relatives, who influenced them or provided professional guidance or financial support. Non-crossovers were associated with female role models who reinforced gender stereotypes, and especially teachers, suggesting that the education system reinforces sector segregation.

Another reason for sector selection could be related to perceived ability to balance work between household/domestic responsibilities. In a study conducted by Choudhury et al (2018), that looked at neighboring country Vietnam, the study found that women are more willing to give up higher salaries in favor of better hours, leave, insurance and more secure contracts. It was found that a factor affecting these preferences was the unequal distribution of household/domestic responsibilities, since in Vietnam women allocate 14 hours more per week than men on household/domestic work. The report suggests that two types of interventions could be beneficial – interventions that enable women to balance between home and work-related responsibilities, such as making childcare services more available and affordable, and two, interventions that support sharing of household/family responsibilities such as making parental leave more gender neutral or helping to shift attitudes and opinions around men contributing to household work.

4. Phase II Study Findings

Phase II of the study aimed to provide a more comprehensive picture of the constraints faced by women-owned and operated firms

Phase II of the study aimed to supplement the literature review findings, through focus group discussions, key informant interviews, and in-depth survey analysis, with the purpose of examining ways the Lao PDR Competitiveness and Trade Project (LCT) could be strengthened to support women-owned and operated firms with respect to business registration and licensing, tax policies and administration, access to finance, land title registration and administration, access to commercial courts/alternative dispute resolution.

4.1 Business Registration and Licensing

The study looked at ways to top-up existing support to business registration and licensing, specifically for women

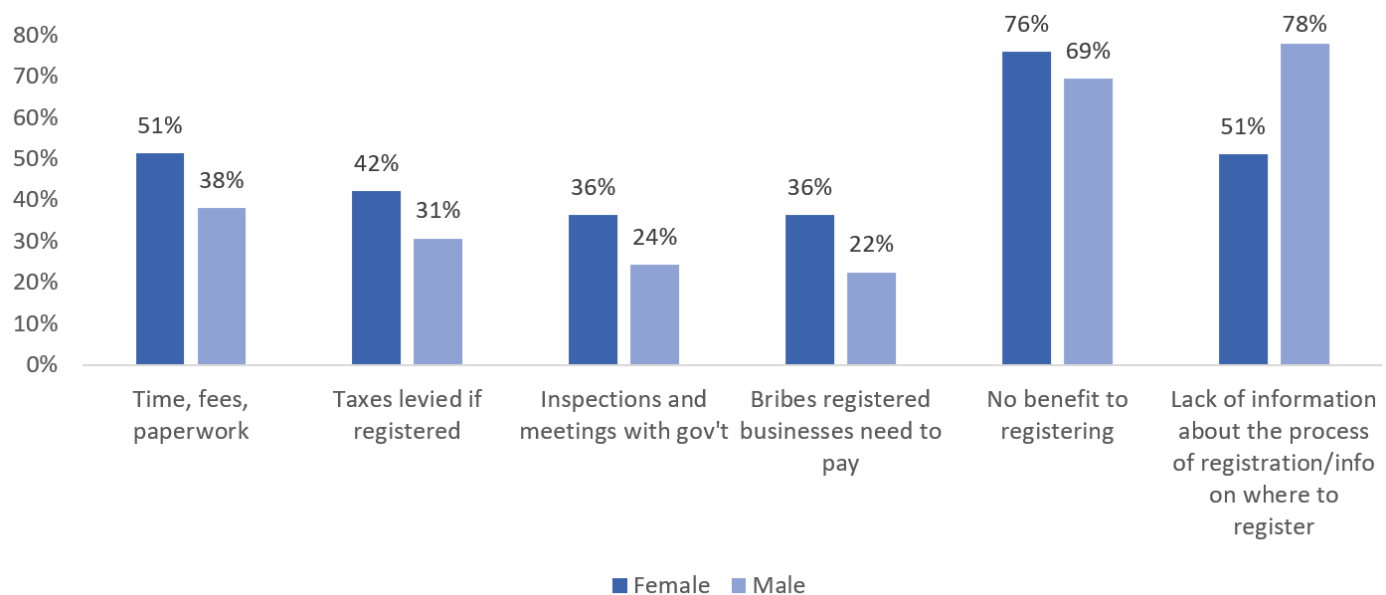
The LCT Project aims to improve the business environment in Lao PDR by making it easier to start (and operate) a business, including promoting improved registration procedures and administration for obtaining licenses to operate a business. The ongoing project has been working to improve procedures for all businesses, in sectors where women tend to be concentrated or in sectors where improvements in business registration/licensing could ease entry barriers for women.

Most women-owned firms remain unregistered with DERM due to no perceived benefit, followed by lack of information about the process and time, fees and paperwork

Data from informal firms, collected through the Lao Informal Enterprise Survey (2019), suggest that the majority of women-owned firms that remain unregistered with DERM do so because of no perceived benefit (76 percent), lack of information about the process of registration/information on where to register (51 percent) and anticipated time, fees, and paperwork required to become registered (51 percent). Interestingly, “time, fees and paperwork” was a category where substantially more women perceived this as the main constraint to registration compared to men. The latter

finding is echoed in the JC&A report on Business Regulations, which found that some of the requirements and qualifications, as well as the reasoning behind certain documents needed for an application, were “difficult, expensive or even infeasible to meet by some applicants, especially SMEs” at the start of their operations. Further, some of the documents required should already be help by the requesting authority or another governmental authority, thus making the applicant act as a “go between” among various government entities (Jacobs, Cordova, and Associates, 2018).

Figure 9. Main reason why firm is not registered with Department of Enterprise Registration (DERM)

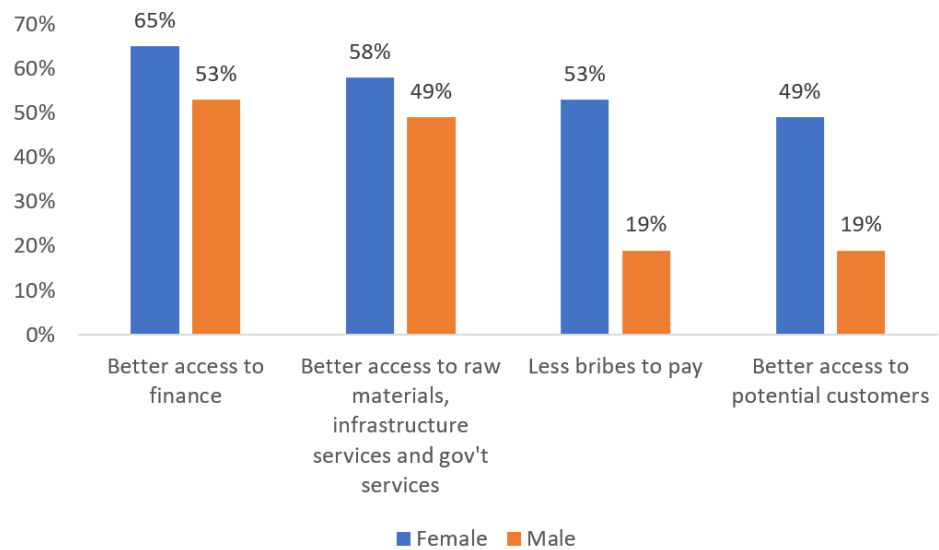


Source: Author’s calculations based on Lao Informal Enterprise Survey (2019)

Perceived benefits to registering with DERM for women included better access to finance, access to materials and services, less bribes, and potential customers access

Among women, the perceived benefits to registering with DERM include better access to finance (65 percent), followed by better access to raw materials, infrastructure services and government services (58 percent), less bribes to pay (53 percent) and better access to potential customers (49 percent). While the first two responses were shared by male counterparts, interestingly there is a fairly wide gap between women and men on bribes and access to potential customers, suggesting that women in the informal sector may be more constrained/affected by these issues (Figure 9).

Figure 10. Perceived benefit from registering with DERM, affirmative responses



Source: Author's calculations based on Lao Informal Enterprise Survey (2019)

Men and women have differing views on the fairness and consistency of business regulations and enforcement

Additionally, men and women have differing views on the fairness and consistency of business regulations and enforcement. Men appear to view regulations and compliance requirements as uniformly applied, with consistent enforcement. Seventy-nine percent of men surveyed indicated that they perceived little variation in the interpretation of regulations and compliance requirements, compared to only 56 percent of women. Similarly, 91 percent of men agreed that regulations are enforced consistently across businesses, while only 64 percent of women shared the same belief (Figure 11 and Figure 12).

Figure 11. There is little variation in the interpretation of regulations and compliance requirements by different regulatory officials

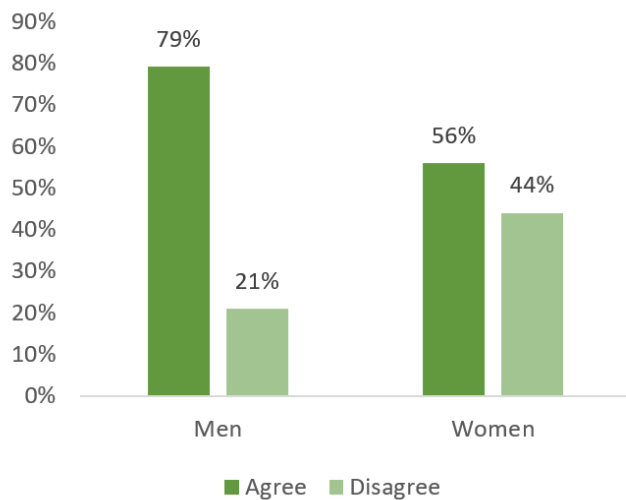
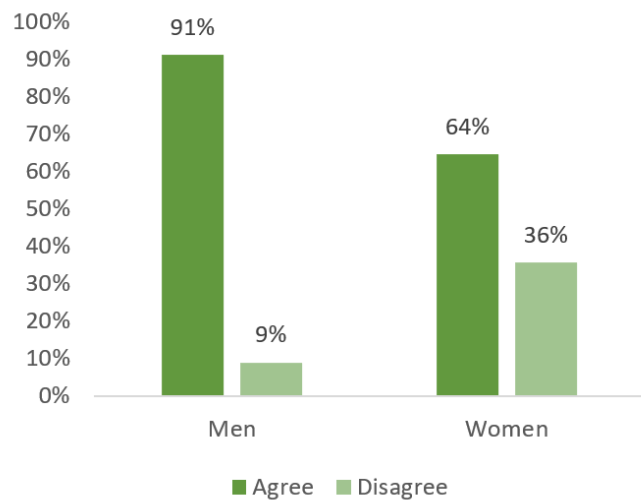


Figure 12. Regulations are enforced consistently across businesses



Source: Author's calculations based on Lao PDR – Enterprise Survey (2018)

Women's lower education and literacy rates may create further challenges with business registration and licensing

As women tend to have lower education and literacy levels than male business owners, they may be more likely to be hampered by lack of knowledge of the formalization process. Therefore, awareness campaigns on business registration and licensing could have overall positive effects, and may lead to a greater positive effect for women.

FGD participants felt that raising awareness of business registration/licensing would be beneficial

Lack of information was echoed by FGD participants, and this constraint is likely more exacerbated outside of the capital and/or for young women entrepreneurs. Some participants felt that the Enterprise Law was not well-known by entrepreneurs and that lack of knowledge of how to register their businesses discouraged entrepreneurs from translating their business idea into an operationalized business plan. While FGD participants overall felt that the registration system has been improving, it was suggested to use social media, particularly Facebook, to conduct awareness campaigns. Given the finding that no "perceived benefit" was associated with formalization, by both men and women, it could be advantageous to couple business registration and licensing information with possible rewards of formalization, such as greater access to finance – or for government support, for instance access to COVID-related assistance programs.

The incentive curve to formalize may be affected by size and profitability

Another approach is that if women-owned firms increased profitability and size, they could move up along the incentive curve where formalization becomes a rational choice, supported through less burdensome business registrations and policies. Based on findings of the 2018 ES, women owned firms tend to be smaller (96 percent of women-owned firms are defined as "small" – having less than 20 employees, compared to only 72 percent of men-owned firms). As women owned firms grow and expand, the incentive to formalize may grow, as such programs to support women's firm growth could be beneficial.

Size was also brought up by FGD participant

Size was also echoed by FGD participants – who felt that smaller businesses would struggle more to register, particularly those in Luang Prabang and other provinces outside of Vientiane. Registration at the district and national level authorities was thought to be unclear and FGD participants felt that there could be inefficient lines of communication between the registration authorities. Smaller firms were mentioned to have fewer resources to deal with registration and licensing requirements, paperwork, and time.

However, most FGD participants felt that there has been improvement in business registration in recent decades

Broadly, FGD participants did not voice detailed complaints about the business registration process; and felt that the registration process had improved in recent years. FGD participants who had registered their businesses many years ago cited complaints, but felt the process had improved substantially. In some cases, women entrepreneurs hired a third party to assist with the process, and have more time to devote to their business operations.

Business licensing, on the other hand, remains a challenge

However, business licensing is still perceived as a challenge to women entrepreneurs. Women entrepreneurs described challenges caused by confusing requirements for obtaining business licenses, often times having to visit various departments in order to obtain

one license. In some cases, a third party was hired in order to assist with the required paperwork and facilitate the licensing process – particularly in the manufacturing sector. In other cases, women entrepreneurs described needing to figure out on their own which documents were required to obtain a business license without and clear guidance from an authority.

4.2 Tax Policies and Administration

Tax policies and administration do not appear to be the greatest constraint to women-owned/operated firms

Based findings from the 2018 enterprise survey data, tax is not perceived as a major constraint to women-managed firms. Only 8.1 percent of women-managed firms identified taxes as a major constraint to business. Women-managed firms spent less than 1 percent of their time dealing with the requirements of government regulation and women-managed firms were less likely to have been visited or required to meet with tax officials their male counterparts (74.5 percent of female managers had vs 93.5 percent).

Table 1. Indicators on tax administration and firm perceptions, by firm size and sex of manager

	Senior management time spent dealing with the requirements of government regulation (%)	Percent of firms visited or required to meet with tax officials	If there were visits, average number of visits or required meetings with tax officials	Percent of firms identifying tax rates as a major constraint	Percent of firms identifying tax administration as a major constraint
Top manager is female	0.7	74.5	3.2	8.1	2.3
Top manager is male	0.9	93.6	2.6	7.9	9
Small (5-19)	0.7	81.4	2.9	7.9	7.5
Medium (20-99)	1	97.5	2.6	9.2	1.4
Large (100+)	1	100	2.7	1.3	2.7

Source: Lao PDR – Enterprise Survey (2018)

However, ES results may miss some nuances – for instance related to the two tax reporting methods

Businesses in Lao PDR can utilize two different tax reporting mechanisms. For enterprises with capital under 1 billion LAK, the enterprise is allowed to pay a “lump sum” tax annually. For enterprises with registered capital more than 1 billion LAK, the enterprise is required to declare their actual income and pay tax based on the accounting system. The different tax categories are based on the firms registered capital with the tax authority. Some participants described paying a negotiated “lump sum” amount, while some others

District and village level differences create additional confusion

used the accounting system method. For the most part, among women entrepreneurs, the accounting system method appeared to be perceived as was too burdensome for small businesses. Training programs to support women-owned and -operated businesses could assist businesses in being able to adopt better accounting methods, and benefit better from the accounting system.

However, women, especially small-scale traders, may be less likely to negotiate taxes – and thus pay higher rates

In the wholesale and retail sector, female FGD participants indicated that some tax policies were unclear, particularly between the district and village level. At times, this resulted in the female business owner receiving a fine due to “non-compliance”, although the business owner expressed that they thought that they were abiding by the correct rules. Ensuring that district and village level authorities coordinate, and likewise provide clear information about the reporting requirements could be helpful.

Amongst small-scale cross border traders, women are less likely to negotiate taxes and fees at the border, which is likely driven by their time-constraints and desire to minimize time spent at the border (Seror, Record, and Clarke, 2017). Seror, Record and Clarke (2017) found that women pay higher taxes and are more likely to face a tax wedge that prevents them from upgrading to more profitable small-scale cross border trade (SSCBT) activities. Female SSCBTers were less likely to negotiate taxes and fees at the border, which may be driven by women’s desire to minimize the time they spend at the border.

4.3 Access to Finance

When ranking constraints, A2F is not at the top of constraint perceived by women-managed firms, yet women lag male counterparts on uptake of financial products/ services

Women-managed firms tended to identify access to finance as a constraint to business at a lower rate than their male counterparts – 27.9 percent of women-managed firms identified access to finance as the biggest obstacle to doing business, compared to 40.8 percent of men-managed firms (Lao Enterprise Survey, 2018). Yet, women-managed firms tend to have fewer bank accounts (36.5 percent of women-managed firms had a checking or savings account, compared to 68.5 percent of men); 9.9 percent of women-managed firms had a bank loan/line of credit (compared to 40.1 percent of men); 22.7 percent of women-managed firms had a loan application that was rejected (compared to 1.1 percent of men); 4.2 percent of women-managed firms were using banks to finance investments (compared to 11.1 percent of men); and a whopping 95.7 percent of women-managed firms financed investment internally, compared to 85.3 percent of men (Lao Enterprise Survey, 2018). Due to various factors, women tend to take out loans in their husbands’ names or access credit from other sources including informal savings schemes, money lenders or through microfinance (Leahy, Lunel, Grant, and Willetts, 2017). Further, while more men-managed firms than women-managed firms identified access to finance as the biggest constraint, 19.3 percent of women-owned firms identified access to finance as a major constraint, compared to 16 percent of male-owned firms (Lao Enterprise Survey, 2018).

Uptake of financial products and services is lower amongst women-managed firms (Lao Enterprise Survey, 2018). Women may tend to use financing to maintain, rather than expand their businesses

(2016a). Interestingly, Lao’s last Investment Climate Assessment found that women-owned businesses tended to have better access to credit than their male counterparts – 30 percent of women-owned businesses compared to 24 percent of male-owned businesses (ICA, NIU 2020). Some banks, such as Banque Franco Lao, offer special loans with lower interest rates to women (NIU 2020).

There are a number of donor-funded projects to support A2F

A number of bilateral and multilateral donor programs exist to support women’s access to finance. Through the Business Assistance Facility (BAF), the LCT project is providing matching grants to improve firm-level competitiveness and to provide matching grants for business development services and enable firms to scale up to improve trade. A target of 40 percent of the total grants is allocated for women owned and operated firms (NIU 2020).

In a study conducted by Seror, Record, and Clarke (2017), women engaged in SSCBT were not found to have a statistically significant difference in startup capital than their male counterparts. Both cohorts relied most heavily on own savings; however, women SSCBTers were found to obtain capital from a wider variety of sources than male traders (Figure 15 and Figure 16). The authors suggested that this may signal that women have capital constraints in the sense that it may be more difficult to take a loan from relatives, and therefore they are forced to search for alternative lenders from a variety of sources.

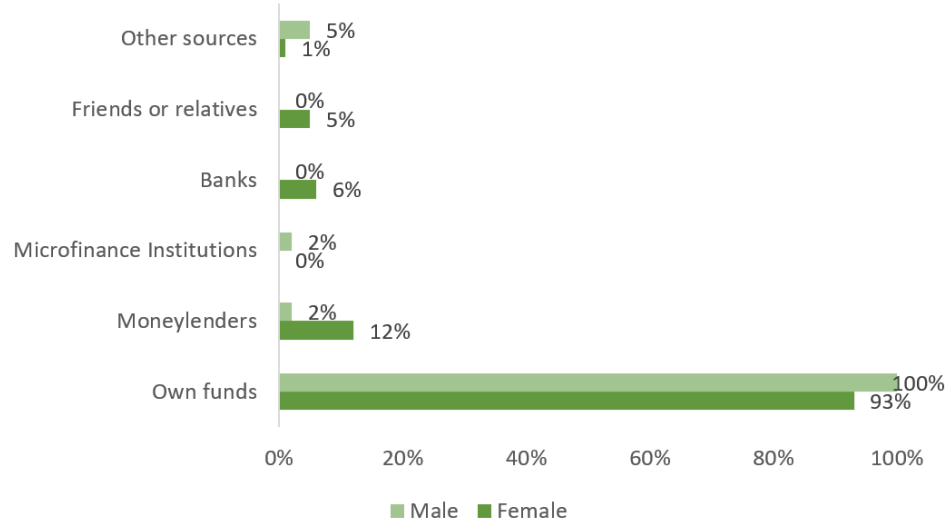
Among informal firms, very few keep financial records

Less than 8 percent of informal firms keep written records and business activity is not always accounted for separately from household spending (Lao Informal Enterprise Survey, 2019). About 84 percent of informal firms do not keep a written budget.

...and most remain self-funded

Not surprisingly, the vast majority of both male and female run informal businesses are self-funded. Female firm owners are slightly more diversified with 12 percent citing having funded day-to-day operations from moneylenders and 6 percent indicating they used bank loans to finance day-to-day lending.

Figure 13. How day-to-day operations are funded, by sex of informal firm owner

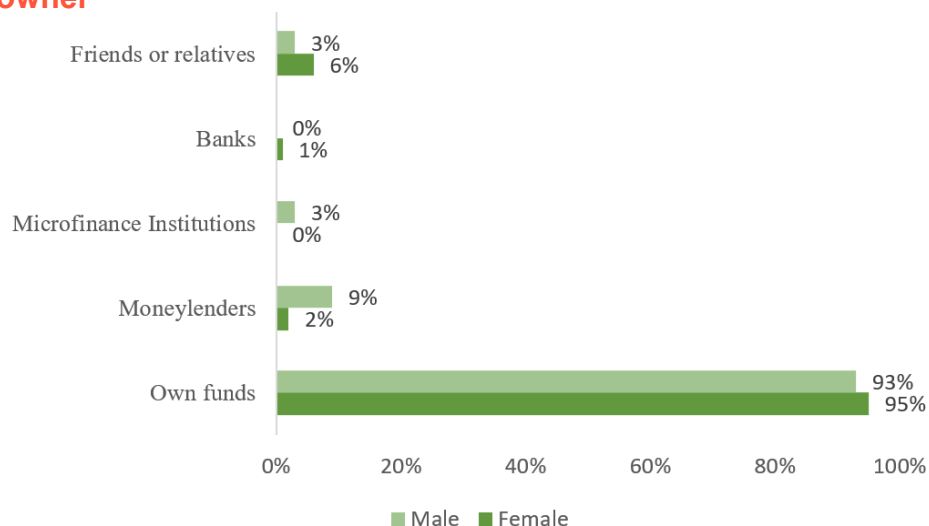


Source: Author’s calculations based on Lao Informal Enterprise Survey (2019)

Despite being self-funded, most stated they don't need a loan

Across both male and female groups, more than 90 percent of informal firm owners do not have bank accounts (Lao Informal Enterprise Survey, 2019). Yet, the majority of respondents did not perceive that they had a need for a loan.

Figure 14. How purchases of machinery or equipment, vehicles or other means of transport are funded, by sex of informal firm owner



Source: Author's calculations based on Lao Informal Enterprise Survey (2019)

Table 2. Access to Finance, Formalized firms

	Percent of firms with a checking or savings account	Percent of firms with a bank loan/line of credit	Percent of firms whose recent loan application was rejected	Percent of firms identifying access to finance as a major constraint
Top manager is female	36.5	9.9	22.7	19.3
Top manager is male	68.5	40.1	1.1	16

Source: Lao PDR – Enterprise Survey (2018)

FGD participants appeared to echo some of these same sentiments. Awareness of loan programs, particularly subsidized interest rates, seemed prevalent – however participants cited a difference between advertised interest rates and the final rate that was proposed when they looked into obtaining a loan. Interest rates were cited as a deterrent from borrowing. While, in other cases lack of a need for a loan appeared prevalent and enterprises were self-funded. In other cases, enterprises expressed interest in obtaining financing to expand their businesses, but halted business expansion plans due to the COVID-19 pandemic.

Of the FGD participants that expressed concern over access to finance, aside from interest rates, some expressed concern over loan requirements such as the requirement for presenting their business plan – since many entrepreneurs lacked proper documentation.

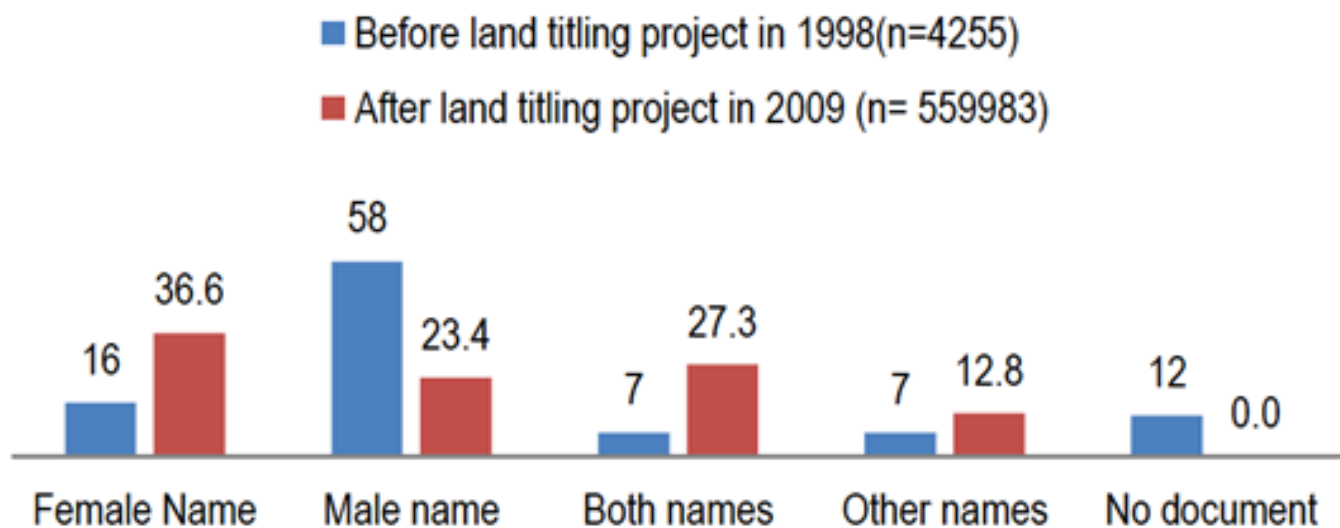
4.4 Land Title Registration and Administration

Progress achieved to date

Women and men have equal rights with respect to land tenure, property ownership and inheritance under the law in Lao PDR (Lao Women’s Union, 2018). However, Lao PDR has the lowest number of land titles issued by the government compared to neighboring countries (NIU, 2020). Further, although the national Property Law specifies that married couples should list both husband and wife on land titles, in rural areas this is not practically enforced. Therefore, women cannot use land titles to obtain access to finance (NIU, 2020). Further, some women may not be aware that they can use their land titles as collateral (Leahy, Lunel, Grant, and Willetts, 2017; World Bank & ADB, 2012).

Progress has been made with individual and joint land titling, particularly since the Government of Lao began implementing a Land Titling Program through two projects (Figure 15). However, rights to land that is communal or collectively owned are still vulnerable (Lao Women’s Union, 2018). Land tenure and inheritance varies widely across ethnic groups. Further, in most rural areas, traditional succession practices are prevalent across ethnic groups (Lao Women’s Union, 2018).

Figure 15. Change in Land Certificates before and after land titling project (percent)

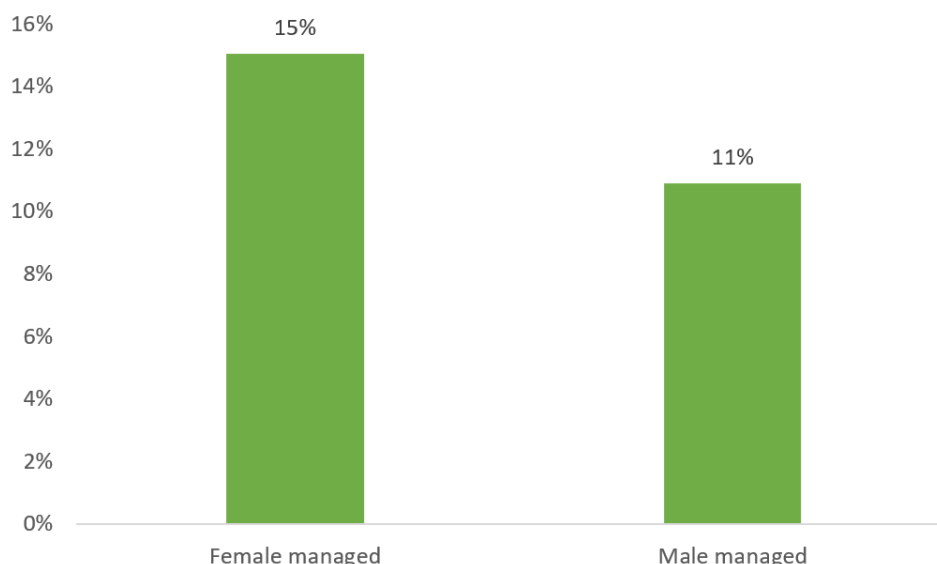


Source: GRID, 2999; NLMA, 2009; Lao Women’s Union, 2018

Women in the hotel/restaurant sectors appear to perceive land as a greater constraint

Despite progress achieved since the land titling project, it does appear that it is slightly more of a constraint for women firm managers, compared to their male counterparts albeit marginal (15 percent of female managed firms cited access to land as a major or very severe constraint compared to 11 percent of male managed firms) (Figure 16). When looking at firm sector, firms in the “other services” sector perceive access to land as a greater constraint (22% of women-managed firms) and this appears to be driven by firms operating in the hotel and restaurant sector (31% of women-managed firms in this sector perceive access to land as a major or very severe constraint).

Figure 16. Percent of firms citing Access to Land as a Major or Very Severe Constraint, by sex of top manager



Source: Author’s calculations based on Lao PDR – Enterprise Survey (2018)

However, most FGD participants did not perceive land as a major issue of concern

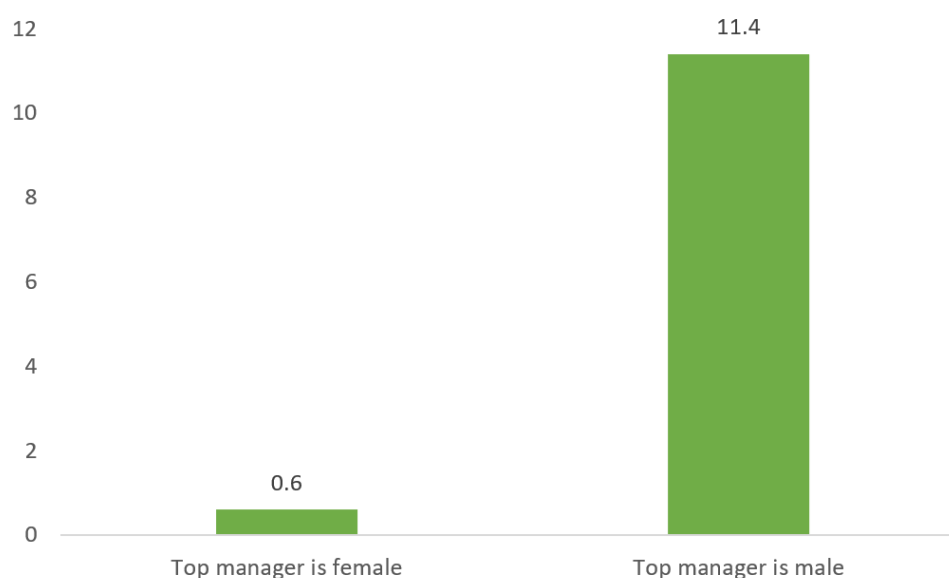
For the most part, FGD participants did not express any concern with land titling. In some cases, FGD participants indicated that they had used a relatives land titles, through a notarized letter authorizing them to do so, yet they did not express that this was a major concern. However, FGD participants could represent a higher economic status of women entrepreneurs, thus not picking up some constraints that could be prevalent for women operating lower revenue/profit firms.

4.5 Access to Commercial Court and ADR

Courts were identified as a major constraint more often by male firm managers

Based on findings from ES analysis, KII and FGDs, commercial courts and alternate dispute resolution (ADR) were not identified as a major constraint by women owned and operated businesses. Findings from the last enterprise survey suggest that this is a greater constraint by male managed firms (Figure 17).

Figure 17. Percent of formal firms identifying the courts system as a major constraint



Source: Author's calculations based on Lao PDR – Enterprise Survey (2018)

Awareness of these services may be missing

However, this could also be that women are not aware of opportunities provided by commercial arbitration or ADR, due to lack of information, being less connected, or having lower literacy levels. Even during FGDs, which tended to include women who represent more educated women, who were able to take time to come to the Ministry to participate in the discussion, many were unaware of the services and had little knowledge or opinion about them.

Since women tend to operate smaller firms, they may benefit less and utilize ADR/ Commercial courts to a lesser degree

Female FGD participants expressed that they had not utilized commercial courts or ADR, nor had interest in pursuing arbitration or ADR. In one case, a woman business owner encountered a dispute with a customer, however this was reconciled with the district level authorities. FGD participants indicated that commercial courts and ADR were used mostly by large corporations and not smaller firms where women tend to operate.

5. Recommendations

Recommended Action	Responsible Entity	Level of Priority	Proposed Mitigation	LCTP Entry Point
Simplify procedures affecting women owned and operated firms	MoIC (and MoH, MAF, MPWT, and MoICT)	High (already largely addressed by project)	<ul style="list-style-type: none"> Simplify registration procedures (already identified in Pillar A – 6. Reducing procedures to start a business for women). Improve coordination between various governmental entities regarding licensing, to avoid duplicative efforts (already identified in 5. Number of operating licenses streamlined and 5.1 Number of operating licenses streamlined in sectors of particular interest to women). Extend working hours or windows that are open during lunch several times per week, to accommodate women who are balancing care activities with workload. Explore decentralizing business licensing requirements to the provincial level. With respect to taxes, ensure coordination between district and village level authorities. 	LCT Pillar A
Develop women-friendly business services and products	Facilitated by NIU and across all relevant ministries	Medium	<ul style="list-style-type: none"> Create user guides geared for and marketed to women on business registration, tax regulations, access to finance, land title registration/administration, and access to commercial courts/alternative dispute resolution (ADR). When registering land titles, support registration requirements that ensure that both spouses names are included on the registration. Ensure there are women staff available to help with women customers at various ministries that provide services to women firm owners and operators. 	LCT Pillar A/D
Develop awareness raising campaigns to compliment ongoing work with LCTP project	NIU (and possibly business associations)	High (already partially addressed by project)	<ul style="list-style-type: none"> Expand use of social media as a tool to raise awareness, particularly Facebook and WhatsApp (which remain popular in Lao PRD at the time of writing). This can be accomplished by creating Facebook group pages or WhatsApp distribution lists, encouraging women to join, and sharing information in an interactive way. Couple business registration and licensing information with facts about the rewards of formalization, such as greater access to finance – or for government support, for instance access to COVID-related assistance programs. Formalized businesses also benefit from VAT waivers for inputs or VAT refunds. (However, effectiveness of the awareness raising will be subject to effective administration tax system in the country.) 	LCT Pillar A

			<ul style="list-style-type: none"> • Develop programs to raise awareness of tax requirements at the district and village level. • Develop awareness campaigns for women owned and managed firms on the benefits of financial products, since it appears that women may be so unaware of financial product offerings that they may not know what tools they are missing out on. 	
Expand capacity building/training programs for women owned and operated firms, as well as aspiring entrepreneurs	NIU	Medium/High	<ul style="list-style-type: none"> • Foster business development services that support women's understanding of and skills needed for tax adherence, including helping women improve their record-keeping, accounting methods, and overall understanding of tax regulations. • To address sector selection issues: <ul style="list-style-type: none"> * Training and sensitization programs for teachers, due to the gender-segregation reinforcing role that many teachers play * Providing exposure for women to traditionally male-dominated sectors, perhaps through youth mentorship and internship programs. Continuing to support this exposure through apprenticeships or work-experience programs. • Strengthen existing business development services and provide 	LCT Pillar A
Strengthen networks	NIU and existing or new industry and business associations	Medium/High	<ul style="list-style-type: none"> • Link existing networks/associations to international channels to expand access to export markets. • Building on Lao PDR's already established associations focused on women, utilize these platforms to help women gain knowledge and understanding of their commercial rights and ADR techniques. • Support network formation and opportunities for women in male-dominated sectors through business organizations. 	LCT Pillar B/C
Expand collection and availability of gender disaggregated data	DERM, World Bank (Enterprise Survey)	Medium/High	<ul style="list-style-type: none"> • Currently, DERM is developing a new tracking approach to include sex-disaggregated statistics on business registration, however this could be expanded to include business licenses, which are managed by various ministries and line agencies. • In Lao's next formal Enterprise Survey, additional questions could be added to Questionnaire Section A: General Information. The data can then be analyzed by looking at differences in responses by sex of owner or top manager. The data can also be compared more directly to the Lao Informal Enterprise Survey (2019), which includes such questions. Potential questions include: 	LCT Pillar D

			<ul style="list-style-type: none"> * Did the owner start this business or activity? (Yes/No) * How did the owner acquire ownership of this business or activity? (Purchased an existing business/Joined an existing family business/Joined an existing non-family business/Inherited) * Please indicate if any of the following were reasons the owner started this business or activity: (Convenience of location and/or hours/The opportunity to start and develop a profitable business/To have a secondary source of income/Unable to find another source of income) * Please indicate if any of the following were reasons why owner joined this business or activity: (Convenience of location and/or hours/The opportunity to start and develop a profitable business/To have a secondary source of income/Unable to find another source of income) * What was owners occupation prior to this business or activity? (Employed in the same type of business or activity/employed in a different type of business or activity/self-employed in a different type of business or activity/self-employed in the same type of business or activity/unemployed/other) * Owner's (or top manager's) age? * How many years of experience working in this industry or activity does the owner (or top manager) have? * What is the highest level of education of the owner (or top manager)? * Is the owner (or top manager) the primary income earner of the household? 	
--	--	--	---	--

Annex 1. Literature Review: Key Constraints Affecting Women-owned and Managed Enterprises in Doing Business in Lao PDR

Lao PDR has achieved impressive growth, yet some challenges remain

Lao PDR has experienced impressive growth over the past two and a half decades. Growth has been driven by a shift from an agrarian economy to more natural-resource based growth, specifically hydropower and to a lesser degree mining and services. Service growth has been driven by tourism, trade and growth in the construction sector. Manufacturing has expanded moderately, although from a low base. With a small private sector and limited domestic competition, firms have had little incentive to invest in technology, innovation and trade – and only about 2.9 percent of firms export directly (LCT PAD, 2018). Firm productivity is low, due to external costs, as well as management capacity. Labor productivity and capital intensity also remain low. The cost of connectivity is high; Lao PDR was ranked 152 out of 160 in the 2016 Logistics Performance Index, which is driven by Lao PDR being landlocked (LCT PAD, 2018).

Lao PDR includes 18 provinces and is a landlocked, mountainous country with much of the population living in rural areas – although population trends are shifting (Figure 18). Based on WDI data, 64.4 percent of the population was living in rural areas in 2019. Although rural areas have traditionally faced greater challenges with infrastructure and access to markets and continue to be constrained particularly with access to markets and transportation, some indicators – such as access to electricity – have greatly improved in recent years (Figure 19).

Figure 18. Lao PDR Population: Rural and Urban

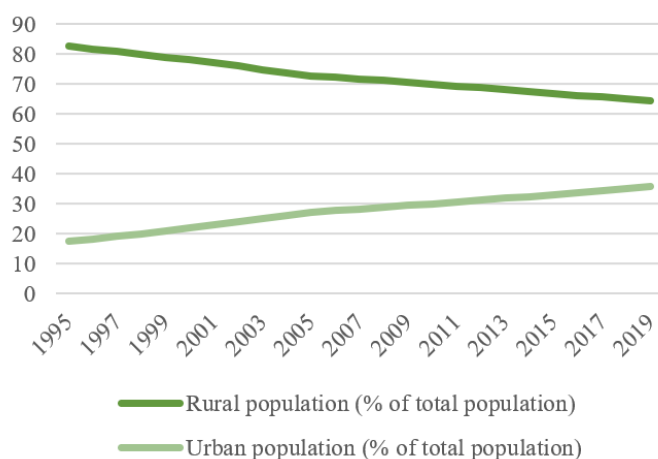
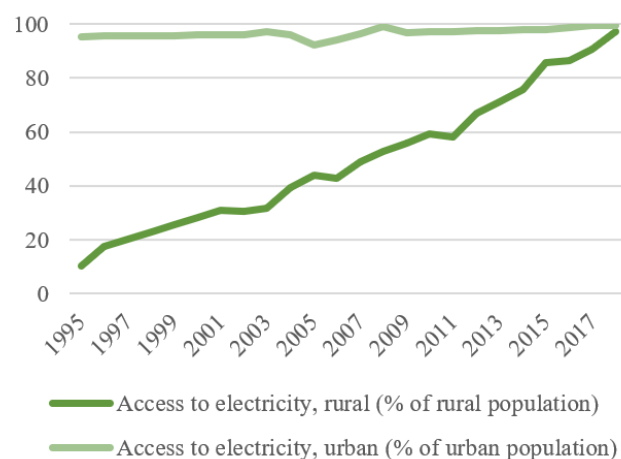


Figure 19. Access to Electricity: Rural and Urban



Source: WDI database

The country is ethnically and culturally diverse

Lao PDR is an ethnically diverse country with varying gender dynamics across ethnic groups. Lao has over 50 different officially recognized ethnic groups and over 100 subgroups. The Constitution declares that all ethnic groups are equal in the eyes of the law, in terms of dignity and equal rights (NIU 2020). There are four main ethnolinguistic groups: Lao-Tai, Mon-Khmer, Mhong-Lu Mien and Chinese-Tibetan. Lao-Tai is the official language; however, it is not spoken fluently by all ethnic groups in remote areas (NIU 2020). Gender dynamics vary across ethnic groups. For example, some groups such as the Lao Loum, practice matrilineal residence, matrilineal inheritance and bilineal descent and kinship. However, most non-Lao-Tai groups practice patriarchal inheritance (NIU 2020).

Lao PDR performs well on gender and most legal and regulatory indicators.

According to the Women, Business and Law Report, Lao PDR performs better than many peers, with an overall index of 88.1 in 2020, compared to 78.1 and 78.8 in Thailand and Vietnam, respectively. Further, Lao PDR performs well on indicators of political participation, such as the proportion of parliamentary seats held by women. In 2019, women represented 27.5 percent of parliamentarians in Lao PDR, compared to 26.7 percent and 16.2 percent in Vietnam and Thailand, respectively (WDI). The greatest representation of women in government in Lao PDR is at the legislative and national level, while local and provisional governments tend to be male-dominated (NIU 2020, the United Nations in Lao PDR, 2015).

There are a number of dynamic and active women's institutions in Lao PDR.

Women's institutions include the National Commission for the Advancement of Women, Mothers and Children (NCAWMC), which supports research and strategies for women's promotion, and helps implement policies on gender equality; the Women's Caucus, also known as the Commission's Secretariat, is an organization for women parliamentarians and helps the National Assembly in promoting gender equality. It assists in research strategies, planning and projects related to gender equality, helps implement CEDAW, and carries out training, coordination and M&E activities. The third major women's institution is the Lao Women's Union, which advises the Party on issues related to the rights of women and children.

Lao PDR has strong legal frameworks and systems in place to support Gender Equality

Lao PDR adopted the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) in 1981. The Constitution, through articles 22, 24, and 27, legally guarantee equal rights in politics, the economy, culture, society and the family and the Labor Law (2004), Article 39, requires non-discrimination and equal pay for work of equal quantity, quality and value (NIU 2020). Throughout the years, Lao PDR has adopted a number of strategies to advance women and promote gender equality, recently including the Second National Strategy for the Advancement of Women, the Five-Year Plan of Action for Gender Equality (2016-2020), and the National Strategy for Gender Equality (2016-2025). Further, a new enterprise registration system that was introduced in 2011 helped a large number of women to register and formalize their businesses, which opened access to services and markets (Leahy, Lunel, Grant, and Willetts, 2017).

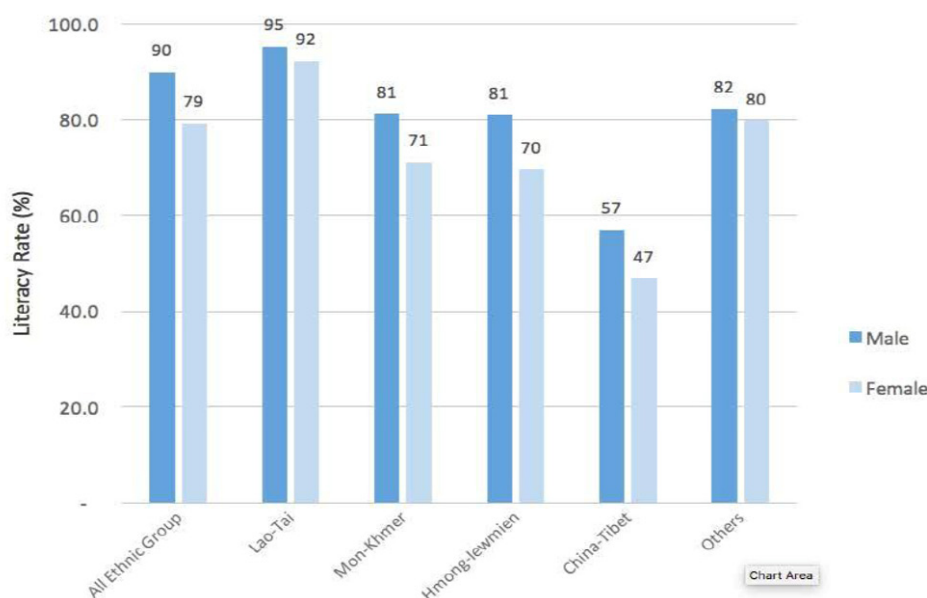
.... Yet, while laws and policies tend to be gender neutral, they may lead to different outcomes between men and women.

On average, women in Lao PDR tend to exhibit lower literacy levels and educational achievements.

Other barriers such as social norms and responsibilities, may be holding back women from participating in firm management and entrepreneurship. Further, because of specific social gendered structures, different outcomes may result for women and men. These constraints may affect women from participating in trade, entering the formal labor force, setting up a business, and owning land or assets. It appears that there are differences in social, political and economic outcomes due to differences in education, geographic issues and remoteness, ethnicity and cultural norms (NIU 2020). Cultural norms differ across the numerous ethnic groups in Lao. For instance, some groups such as the Lao Loum practice matrilineal residence and matrilineal inheritance; however, other groups vastly differ, specifically the non-Lao-Tai groups which practice patriarchal inheritance (NIU 2020). These differences in cultural norms may lead to differences in economic outcomes for women.

For instance, while the literacy rate for adult females increased dramatically between 2011 and 2015 from 49.7 percent to 79.3 percent (WDI database), in 2015 there still was a 10-percentage point gap between adult males and adult females. In neighboring countries, for example Vietnam and Thailand, this gap was only about three percentage points difference for similar years. Disparities also exist across geographic areas and ethnic groups. The gender gap in schooling is high, especially among non-Lao speaking girls and boys in remote areas (World Bank, 2012). For example, 92 percent of Lao-Tai ethnic group females are literate in the Lao language, compared to only 47 percent of China-Tibet ethnic group (Figure 3). Overall literacy rates and gaps between men and women vary dramatically across ethnic groups – with the highest rates among the Lao-Tai group and the lowest among the China-Tibet group (Figure 20). Women between the ages of 17 and 25 were also less likely to continue schooling than men (Leahy, Lunel, Grant, and Willetts, 2017), which could be due to family and reproductive responsibilities.

Figure 20. Literacy Rates among Major Ethnic Groups by Sex in 2015



Source: Population and Housing Census (2015), Lao Women’s Union (2018)

Women tend to marry younger and have more children than peer countries.

In Lao, women tended to marry earlier – with about 35.4 percent of women married by age 18⁴, compared to 10.6 percent in Vietnam and 22.5 percent in Thailand⁵. This suggests that women in Lao PDR tend to take on family responsibilities at an earlier age, which may in turn impact economic decisions and opportunities. Women in Lao PDR also tend to have larger families – in 2000, women in Lao PDR had on average 4.3 children, compared to 2.0 and 1.7 in Vietnam and Thailand, respectively. This figure decreased slightly by 2018 to 2.6 in Lao (and 2.0 in Vietnam; 1.5 in Thailand), but still suggests that women in Lao PDR may have more time constraints and responsibilities within the home. Lao PDR performs well in terms of maternity benefits – with 105 days fully paid by the government mandated by Labor Law Article 98⁶, however women engaging in entrepreneurship would not be covered by such provisions.

Table 3. Time use on main activities by sex, hours per day

Activity	LECS 4/2008			LECS 5/2013		
	Male	Female	All	Male	Female	All
Income generating activities	4.7	4.0	4.3	4.7	3.9	4.3
Work as employed	0.8	0.3	0.5	1.1	0.6	0.9
Own business work	0.4	0.7	0.6	0.6	0.9	0.7
Agricultural work	2.3	2.1	2.2	2.1	1.8	2.0
Collecting	0.2	0.4	0.3	0.1	0.2	0.2
Hunting/fishing	0.7	0.1	0.4	0.6	0.1	0.3
Construction	0.1	0.0	0.1	0.1	0.0	0.1
Handicraft	0.1	0.3	0.2	0.1	0.3	0.2
Household work	0.5	2.4	1.5	0.3	1.8	1.1
School	1.2	0.9	1.0	1.1	0.9	1.0
Sleeping, eating, leisure	15.9	15.2	15.5	16.2	15.4	15.8
Travel, others	1.7	1.5	1.6	1.5	1.2	1.4

Source: LSB, LECS 4, LECS5; Lao Women’s Union (2018)

Time use differs between women and men, particularly outside of the capital

Women in Lao PDR have greater time-constraints than their male peers, which may affect their ability to invest as much time in their businesses. Although demands have declined slightly between 2008 and 2013, women on average spend 1.8 hours dedicated to household work per day, compared to 0.3 hours for men. Across Lao PDR, 60.7 percent of women’s employment status is as an unpaid family worker, compared to 25.9 percent who classified at own account workers. In rural areas, particularly rural areas without roads, these figures were even more dramatic – 83.5 percent of women were unpaid family workers, while 13.3 percent were own account workers (Table 3). There are strong cultural and societal expectations that women are responsible for childcare, elder care, and household chores, which can affect their ability to invest their time in business, as well as mobility, which could affect access to markets

4. Latest data available is from 2012.

5. Latest data available for Vietnam is from 2014 and Thailand is from 2015.

6. Women, Business and the Law database. 2020

and broader opportunities away from the home (Leahy, Lunel, Grant, and Willetts, 2017). Societal expectations for caregiving may be stronger for certain ethnic minority groups within Lao PDR. Further, women entrepreneurs identify more challenges than men when starting a business, specifically due to limitations on their mobility and household responsibilities (Lao Women's Union, 2018).

Preference exists for government and banking jobs, over entrepreneurship

Individuals with higher levels of education appear to prefer more stable jobs in the public sector and banking. Qualitative information suggests that women with higher levels of education prefer working in the government and banking, and less in manufacturing and other sectors. Although the banking sector has been growing, banking and government cannot absorb all of the labor force with a higher

Box 1: Female Time Poverty

The presence of rigid gender roles in rural societies severely constrains women's choices regarding how they allocate their time among different paid and unpaid productive and household activities, giving rise to the incidence of time poverty. Domestic activities that are time-intensive and physically arduous (e.g. fetching water and fuel) are generally the domain of female household members and are exacerbated in areas lacking basic infrastructures such as running water and electricity. The effects of this domestic burden on women's economic opportunities are damaging and predictable but often neglected in policies aimed at increasing female participation in productive paid employment. First, the time burden of rural women's domestic unpaid work and the lack of substitutability of female labor in household work by men serve to limit women's choices with regards to accessing paid employment. Second, female time poverty contributes to unequal education outcomes which, in turn, hinder women from competing with men for more skilled, better-paid jobs. When men do not substitute for women in domestic labor, female children are often called on to share this burden. Boys are generally sent to the fields, but they have fewer working hours. This contributes to lower school enrollments and attainments for girls and reinforces girls' weaker position in the labor market.

Taken from Lao Women's Union, 2018

Source: FAO, IFAD, ILO, Gender Dimensions of Agricultural and Rural Employment: Differentiated pathways out of Poverty

Women entrepreneurs in Lao PDR tend to be concentrated in smaller firms, be service oriented, vary in representation across regions, and participate in some degree of trade.

level of education (2016a). Therefore, improving the perception of working in other sectors – perhaps through awareness campaigns, could be beneficial.

Forty-five percent and 53.2 percent of women owned and operated firms, respectively have fewer than 20 employees; whereas only 4.2 and 5.9 percent of women owned and operated firms, respectively, are classified as large, with more than 100 employees (Lao Enterprise Survey 2018). In Vientiane, women owned and operated firms make up 13.2 percent and 20.6 percent of firms, respectively. However, this varies considerably across regions. For example, in Savannakhét, 70.3 and 79.2 percent of firms are women owned and operated, respectively (Lao Enterprise Survey 2018). Men tend to be concentrated more in sectors such as construction, transport and warehouses, and electricity and mining. Women tend to be concentrated in retail, small motorcycle repair and small restaurants. Both women and men seem equally represented in the service sector,

including documentation services, education, healthcare and financial services. However, the share of goods produced by enterprises for export is small – a survey conducted by FinScope and the Bank of the Lao PDR, in 2014, found that 94.4 percent of the production of goods and services is primary for domestic consumption (NIU 2020, National Enterprise Database, FinScope).

Table 4. Characteristics of Women-Owned and Operated Firms in Lao PDR

		Firms with majority female ownership (%)	Firms with a female top manager (%)
SECTOR	All	35.5	43.1
	Manufacturing	15.7	25.5
	Services, All	39.7	46.9
	Services, Retail	67.5	76.4
	Services, Other	24.2	30.7
FIRM SIZE	Small (5-19)	45	53.2
	Medium (20-99)	5.7	12.2
	Large (100+)	4.2	5.9
LOCATION	Champasak	45.1	54.4
	Khammouane	16.3	23.1
	Luang Prabang	36.9	40.1
	Savannakhét	70.3	79.2
	Vientiane	13.2	20.6
EXPORT STATUS	Direct exports are 10% or more of sales	33.3	52.4
	Non-exporter	34.7	41

Trends in female-owned firms over time have remained

Earlier enterprise survey results suggest similar differences between female-owned firms and male owned firms. Female-owned firms have tended to be smaller, more likely to operate in the retail sector, use less technology and have a top manager with a lower education level (Box 2).

Box 2. Key differences between female-owned and other firms (2009 and 2015)

- The Female Owned Firms (FOF) are smaller than Non-Female Owned Firms (NFOF) – they have fewer employees and far less turnover (2.5 times less turnover).
- FOF more likely to operate in the retail sector, less likely to be part of a larger group of companies and less likely to be foreign-owned.
- FOF employ more female workers, use less technology, and their top managers are not as well educated as those in NFOF.

- FOF less likely to have a bank account overdraft or credit line. Greater collateral is required for FOF that do have a credit line.

Taken from Lao Women's Union, 2018

Source: Simon Davies and Richard Record (2010) "Gender and Entrepreneurship in the Lao PDR: Evidence from the 2009 and 2015 Enterprise Survey", World Bank.

Access to market information is a constraint across Lao PDR.

Lower levels of literacy among women, especially in the Lao language, may also make it harder for women firm owners and managers to access market information, register a business or access credit (Leahy, Lunel, Grant, and Willetts, 2017; World Bank & ADB 2012).

Lao businesswomen tend to have low levels and awareness of financial literacy and skills and business planning

Not surprisingly, business planning and skills remain low, along with the need to separate household from business finances. Understanding of credit – for instance between the need for credit and a lack of funds – is limited and exacerbated by the lack of separation of funds between the household and the firm (NIU 2020).

MSMEs in Lao PDR tend to lack awareness of and technical skills in internal administration and accounting systems

As seen across most developing countries, MSMEs tend to also make cash-based transactions, which makes creating financial histories more of a challenge (NIU 2020). Across all firms in Lao PDR, benefits may be obtained from financial literacy and management training, but women owned and operated firms may benefit more greatly due to a lower baseline. Further, Lao businesses tend to have family-oriented decision making, which may hinder business planning activities and decision making related to investment in firm capacity or capital goods (NIU 2020).

Women-managed firms tended to introduce less innovative practices

Women-managed firms tended to introduce less innovative practices than male-managed firms, but this may be correlated with the sectors in which they operate. For example, 14.8 percent of women-managed firms introduced a new product/service to the market, compared to 27.4 percent of male-managed firms. Five and a half percent of women-managed firms introduced a process innovation, compared to 31.3 percent of male-managed firms (Lao Enterprise Survey 2018).

Limited knowledge/exposure to innovative practices could constrain growth

Across most countries, growth-oriented entrepreneurs represent only a small percentage of entrepreneurs – estimates range from 3 to 10 percent – and this also holds true in Lao PDR. Growth-oriented entrepreneurs, sometimes referred to as “gazelles”, face a number of constraints. Constraints to growth-oriented entrepreneurship for women in Lao PDR includes limited knowledge/exposure to innovative practices that could assist in product differentiation, limited opportunities to upgrade business practices and technical skills and to network outside of family and friends, lack of capital for expanding, and low level of confidence to take risks (Webb, Thewarapperuma, and Sawers, 2014).

Role models are key

Women tend to lack role models, who can provide support and advice (2016a). Therefore, more avenues for networking and mentorship could help women firm owners and operators to succeed.

Box 3. Classroom-based BDS work better when complimented with other approaches

Classroom-based only business development services often do not provide a direct benefit to entrepreneurs. In one pilot initiative, the Mekong Women’s Entrepreneurship Challenge (MWEC), growth-oriented women entrepreneurs were provided with a combination of peer-to-peer learning, technical seminars on topics selected by participants, motivational lunches with successful entrepreneurs, and one-on-one coaching, and a handful of small grants awarded to select participants. Preliminary evidence from the pilot suggests that across the participating countries, 90 percent of participants considered launching new products or services or addressing new markets; 82 percent of participants had significantly changed their business plans; 97 percent rated an improvement in their confidence levels; improved networking benefits (Webb, Thewarapperuma, and Sawers, 2014).

As a result, women-managed firms tended to experience lower growth
Sector selection appears to be correlated with gender

In 2018, women-managed firms experienced lower real annual sales growth, employment growth, and labor productivity growth. Women-managed firms’ real annual sales growth was -7.9 percent (compared to male-managed firms, which were -0.1 percent). Women-managed firms’ annual employment growth was -2.6 percent (compared to male-managed firms: 3.4 percent). Women-managed firms’ annual labor productivity growth was -9 percent, compared to male-managed firms which had an annual labor productivity growth of -2.8 percent (Lao Enterprise Survey 2019). This is consistent with other research, for example Leahy, Lunel, Grant, and Willetts (2017) found that, in addition to women’s business being smaller, women’s businesses tend to have lower turnover – approximately 2.5 times less than men’s.

T Sector selection appears to be correlated with gender

Women tend to work in specific sectors and allocate more hours per day between work and domestic obligations. Women in the labor force are typically concentrated in accommodation and food service (67 percent), wholesale and retail trade (65 percent), and social work (60 percent) (Table 5). Further, women and girls tend to work more hours per day on average compared to males. LECS 5 data suggests that income generating work and household work take up 5.7 hours per day of female household members, compared to 5 hours per day for male household members (Lao Women’s Union, 2018).

Women entrepreneurs and firm owner may self-select into “routine” sectors with lower productivity. Anecdotal evidence suggests that women may face social pressure to focus on specific non-exporting sectors, such as retail (2016a). Likewise, women may be concentrated in sectors such as retail, textiles and handicrafts and “necessity driven” sectors, rather than growth-driven sectors (Leahy, Lunel, Grant, and Willetts, 2017).



Table 5. Employed Persons 10 and above by Status in Employment by Sex and Region

Urban/Rural, and Sex	Total Population 10 + who are usually employed	Status in Employment						
		Total	Govt. employee	Employee in state cooperatives	Private sector employee	Employer	Own account worker	Unpaid family worker
All Areas	3,474,582	100	10.0	1.1	7.5	0.6	37.8	43.0
Female	1,699,182	100	6.5	0.7	5.9	0.4	25.9	60.7
Male	1,775,400	100	13.4	1.4	9.1	0.8	49.2	26.2
Urban	1,081,153	100	21.4	2.6	15.6	1.1	35.8	23.4
Female	505,804	100	15.4	1.9	12.5	0.8	34.2	35.1
Male	575,349	100	26.6	3.2	18.2	1.5	37.2	13.1
Rural with roads	2,127,731	100	5.1	0.4	4.1	0.4	39.0	50.9
Female	1,058,823	100	2.9	0.2	3.2	0.3	23.5	69.9
Male	1,068,908	100	7.4	0.6	5.0	0.5	54.4	32.1
Rural without roads	265,698	100	2.9	0.1	1.8	0.2	35.6	59.4
Female	134,555	100	1.4	0.1	1.5	0.2	13.3	83.5
Male	131,143	100	4.4	0.2	2.1	0.2	58.4	34.8

Source: Population and Housing Census (2015), Lao Women's Union (2018)

Sector segregation was found to explain some earnings gaps in other countries

Similarly, sector segmentation or sector segregation is found across many countries world-wide. Sector segregation poses a major challenge to narrow the gender gaps in business outcomes as women-entrepreneurs are consistently more likely to be operating in less profitable sectors. While a host of factors contributes to lower profitability of women businesses compared to their male counterparts, sector segregation remains a consistent contributing factor (Hallward Driemeier, 2011; Bardasi, Sabarwal and Terrell, 2011; Costa and Rijkers, 2012) and in some cases, is the sole significant explanation for the male-female gap in business earnings (De Mel, McKenzie and Woodruff, 2009). In Uganda, for example, the average monthly profit of salons and catering companies, where women tend to specialize, is \$86 and \$148, respectively. Conversely, metal fabrication and electrical firms tend to earn \$296 and \$371 in monthly profit, respectively (Campos et al, 2015). This amounts to a difference of nearly \$200 per month, between salons and electrical firms. However, in another study, conducted on micro-entrepreneurs in Sri Lanka, it was found that mean returns to capital differed between male- and female-dominated sectors, and in some cases female returns were lower than male returns even for females working in the same industries as men – which may be attributed to capital allocation differences (de Mel, McKenzie, and Woodruff, (2008)).

Sector segregation is often influenced by cultural and social factors

Sectoral segregation can persist through explicit legal constraints but more often is seen through cultural and social factors that limit or shape the preferences of women's participation in certain industries. The Women Business and the Law report (2016) found cross-country evidence suggesting that the gender wage gap is likely to be correlated with job restriction: in countries with no job restrictions, the estimated earned income (female-to-male ratio) was 64% versus 52% in countries with at least 1 job restriction. Nevertheless, as

legal restrictions are often correlated with other cultural and social factors, it is not evident that restricting women's economic sectors and occupations alone is responsible for sector segregation and women being relegated to lower-paying industries. Another strand of thought suggests cultural and physical issues affect women's work choices. One such example is the comparative advantage in "brain versus brawn" (Rendall, 2011). Another interpretation is that the role of women, as primary caregivers in the family, interacts with and limits the types of jobs they can work (Becker, 2015; Hundley, 2000 and Lombard, 2001; Amin and Islam, 2014). Some research (Goldin 2014) has shown that the gender wage gap in the US is caused to a large part by women's time constraints and in sectors where working short and irregular hours are not penalized, the wage gaps has been disproportionately narrowed.

Lack of information about sectors and associated earnings could explain sector selection

Preliminary evidence suggests that one potential reason for sectoral clustering is due to women's lack of access to information about profitability. Campos et al (2015) study why women-entrepreneurs tend to self-select into certain sectors that are often less profitable than male-entrepreneurs in Uganda. In a study of 735 entrepreneurs in Uganda, female firms who "crossed over" into male-dominated sector were studied, as a way to capture factors associated with shifting into male-dominated sectors. Factors which were not correlated with crossing over included skills and abilities; and human and financial capital. Several tests were used for working memory, problem solving abilities, entrepreneurial characteristics, and level of education, and entrepreneur "cross-overs" were not uniformly higher than non-crossovers. Further, despite the higher capital requirements of male-dominated sectors, the study found this to not be a consideration when selecting their sector. The study found that those interviewed were unaware that they could be making more money in male-dominated sectors; in fact, about 75% incorrectly believed they were making the same or more. Likewise, it was found that many crossover entrepreneurs had role models in the sector that helped them. In fact, some had male role models (20-28%), including fathers and male relatives, who influenced them or provided professional guidance or financial support. Non-crossovers were associated with female role models who reinforced gender stereotypes, and especially teachers, suggesting that the education system reinforces sector segregation.

Another reason for sector selection could be related to perceived ability to balance work between household/domestic responsibilities. In a study conducted by Choudhury et al (2018), that looked at neighboring country Vietnam, the study found that women are more willing to give up higher salaries in favor of better hours, leave, insurance and more secure contracts. It was found that a factor affecting these preferences was the unequal distribution of household/domestic responsibilities, since in Vietnam women allocate 14 hours more per week than men on household/domestic work. The report suggests that two types of interventions could be beneficial – interventions that enable women to balance between home and work-related responsibilities, such as making childcare services more available and affordable, and two, interventions that

support sharing of household/family responsibilities such as making parental leave more gender neutral or helping to shift attitudes and opinions around men contributing to household work.



Annex 2. Bibliography

Buvinic, Mayra; Deserranno, Erika; Johnson, Hillary C.; Knowles, James C; Leon, Gianmarco and Firman Witoelar. Unequal Ventures: Results from an Endline Study of Gender and Entrepreneurship in East Java, Indonesia. July 18, 2019. Center for Global Development, Washington, DC.

Chowdhury, Iffat; Johnson, Hillary C.; Mannava, Aneesh; Perova, Elizaveta. 2018. Gender Gap in Earnings in Vietnam: Why Do Vietnamese Women Work in Lower Paid Occupations?. Policy Research Working Paper; No. 8433. World Bank, Washington, DC. © World Bank.

Clarke, George R.; Nghardsaysone, Konesawang; Record, Richard James Lowden; Seror, Marlon Armand Remy. "Investment climate assessment 2014: policy uncertainty in the midst of a natural resources boom" Washington, DC: World Bank Group. 2014.

de Mel, Suresh & Mckenzie, David & Woodruff, Christopher. (2008). Are Women More Credit Constrained? Experimental Evidence on Gender and Microenterprise Returns. American Economic Journal Applied Economics. 1. 10.1257/app.1.3.1.

Draft. "An Assessment of Gender Dimensions of the Manufacturing and Service Sectors." Lao Ministry of Industry and Commerce. 2016a.

Halim, Daniel Zefanya; Johnson, Hillary C.; Perova, Elizaveta. 2017. Could childcare services improve women's labor market outcomes in Indonesia? (English). East Asia and Pacific gender policy brief; No. 1 Washington, D.C.: World Bank Group.

ILO. "Global Wage Report 2018/19: What lies behind gender pay gaps." International Labour Office – Geneva: ILO, 2018.

Jacobs, Cordova & Associates. Final report: Technical Assistance for Business Regulation Review and Rationalization. Vientiane, Lao PDR. June 14, 2018.

Lao Women's Union. "Lao Gender Profile." Vientiane, Lao PDR. 2018.

Leahy, C., Lunel, J., Grant, M., and Willetts, J., 'Women in WASH Enterprises: Learning from female entrepreneurship in Cambodia, Indonesia and Lao PDR', Enterprise in WASH – Working Paper 6, Institute for Sustainable Futures, University of Technology Sydney. 2017.

Moglia, M.; Alexander, K.S.; Larson, S.; (Giger)-Dray, A.; Greenhalgh, G.; Thammavong, P.; Thephavanh, M.; Case, P. Gendered Roles in Agrarian Transition: A Study of Lowland Rice Farming in Lao PDR. Sustainability 2020.

National Implementation Unit (NIU). "Gender Strategic Action Plan: Lao Competitiveness and Trade (LCT) Project." 2020.

National Implementation Unit (NIU). "Discussion Result: Definition of Women-Led and Women-Owned." November 2019.

Phimmavong, Buakhai and Vila Chanthavong. "Challenges and Opportunities for Lao PDR's small and medium forest enterprises (SMFEs)." Food and Agriculture Organization of the United Nations. Rome, Italy. 2009.

Pimpa, Nattavud. "Gender Equality for Lao Women: Mining Community's Perspective." International Review of Management and Business Research, Vol. 8 Issue 3. College of Management, Mahidol University. September, 2019.

Seror, Marlon, Record, Richard, and Clarke, Julian. 2017. Glass Barriers: Constraints to Women's Small-Scale Cross-Border Trade in Cambodia and Lao PDR. Policy Research Working Paper 8249. Washington, DC: World Bank Group.

Webb, Julian, Anushka Thewarapperuma and Jill Lynda Sawers. "Growing women-led enterprises in the Mekong: testing a methodology for accelerating growth." Washington, DC: World Bank, 2014.

World Bank. "Lao PDR - Mapping the Gender Dimensions of Trade: A Preliminary Exposition." Washington, DC: World Bank. 2012.

World Bank. "Toward Gender Equality in East Asia and the Pacific: A Companion to the World Development Report." Washington, DC: World Bank, 2012.

World Bank. Lao PDR - Enterprise Survey (ES) 2018, Ref. LAO_2018_ES_v01_M. Dataset downloaded from <https://www.enterprisesurveys.org/portal/login.aspx>

World Bank. Lao PDR - Informal Sector Business Survey 2019, Ref. LAO_2019_ISBS_v01_M. Dataset downloaded from <https://www.enterprisesurveys.org/portal/login.aspx>.

World Bank. "Formal Informality: Informal Practices of Formal Firms as a Key Business Constraint". Washington, DC. October, 2017.



Annex 3. Methodology for Assessment (Phase II) of the study

The Phase II assessment focused on Vientianne (manufacturing, trade, and accommodation and food service activities) and Luang Prabang (tourism-related small businesses, including guesthouses, restaurants and tour operators).

Phase II consisted of Key Informant Interviews (KIIs) and Focus Group Discussions (FGDs). The purpose of these activities was to identify constraints specific to women-owned and operated firms across the following areas: business registration; business licensing procedures; tax policies and administration; access to finance; land title registration and administration; access to commercial courts and alternative dispute resolutions; and access to business development services.

KIIs and FGDs involved one-on-one interviews and small group discussions to help fill knowledge gaps identified during the literature review, as well as to compliment and substantiate findings from the literature review. Qualitative research is useful in identifying the “context, meaning, and dynamics of behaviors, experiences, and opinions”⁷ and can help target populations to share their personal experiences and provide a flexible, open-ended nature of qualitative data collection to allow for nuanced information to surface (World Bank, 2020).

Table 6. Basic Characteristics of KIIs

What is a KII?	A KII is an interview with an expert who can give his or her opinion on the ID system based on their expertise on a certain aspect of the system: operational, policy, or other.
How should a KII be conducted?	KIIs may not be as sensitive as IDIs, but they should still be conducted in privacy, with the interviewer and key informant only. This level of privacy and confidentiality will enable the key informant to be comfortable enough to give views of what is really happening on the ground rather than just the official position.
How long should a KII last?	Like IDIs, KIIs are typically shorter than FGDs, and last anywhere from 20–45 minutes.
How many KIIs can be done in a day?	Anywhere from 1–3 KIIs can typically be done by a single interviewer in one day. The number depends on the length and complexity of the KII guide, the difficulty of locating interviewees, other logistical issues, and the sensitivity of the interviewee type or KII focus.
What are the benefits of a KII?	A KII, by virtue of the characteristics of key informants, is useful to get a process- and outcome-oriented perspective on identification from those who oversee implementation, represent particular communities of interest, or interact with ID systems on a regular basis; it can also be used to get high-level policy or design input or reactions.
What are the disadvantages of KIIs?	Like an IDI, KIIs can be time-consuming and not cost effective per person interviewed. KIIs can also include extra coordination to be able to get time from senior officials and other experts. Since KIIs tend to reflect an “expert’s” position, findings would need to be corroborated with findings from FGDs and/or IDIs.

Source: World Bank, 2020.

In parallel to the scheduled FGDs, the consultant and local NIU counterpart conducted bilateral KIIs with subject matter experts. The list of individuals to be included in KIIs, including contact information, were supported with guidance from the NIU.

7. World Bank. 2020. *Understanding People’s Perspectives on Identification: A Qualitative Research Toolkit*, Washington, DC: World Bank.

Potential organizations included:

- Lao Association of Travel Agents
- Lao Furniture Association
- Lao Hotel and Restaurant Association
- Young Entrepreneur Association
- Lao Business Women’s Association
- Lao Garment Industry Association

Potential topics to be covered in KIs with the abovementioned organizations include:

- How many members does your organization have? How many are women-owned or operated businesses?
- Is it a requirement to be a legally registered firm to join your organization?
- What types of services do you offer members? Do you face any constraints with providing services to your members?
- What would you say are the biggest constraints to business for members of your association? Particularly, for women-owned and operated businesses?

Table 7. Basic Characteristics of FGDs

What is an FGD?	<p>Focus group discussions or FGDs are one of the most common, useful methods in qualitative research, and a key ingredient in studies on ID. They are most effective when comprised of small groups (6–8 respondents), as a larger number of voices may be difficult to hear and manage. Groups are best structured to be homogenous across one or more key criteria that create the enabling environment necessary for an ethical and meaningful discussion, depending on the research question or contextual norms. Criteria can include:</p> <ul style="list-style-type: none">• Separated by gender: if cultural norms make it difficult or prohibitive to have men and women sitting together;• Separated by age: if norms of respect mean that young people would not speak in the presence of older community members;• Separated by type of vulnerable group: where experiences of different vulnerable groups may be very different from each other, and where frank or meaningful discussion may be inhibited if different vulnerable groups are inappropriately combined into a single FGD. Groups to consider include (but are not limited to) persons with disabilities, LGBTIQ+ people, minority ethnic groups, minority religious groups, internally displaced persons, refugees, stateless persons, migrants or migratory populations, etc.
-----------------	--

<p>How are FGDs conducted?</p>	<p>Typically, two trained fieldworkers conduct an FGD: a moderator and a notetaker. They can be specialized in each role or be trained to perform both roles so they can switch as needed in the field.</p> <ul style="list-style-type: none"> • The moderator is responsible for leading the focus group discussion, posing the questions in the focus group research guide, keeping the discussion on track, and encouraging all participants to contribute. • The notetaker is responsible for taking notes of the discussion according to criteria specified in advance by the study team. The notetaker may also be responsible for tasks related to audio- or video-recording, as relevant.
<p>How long does an FGD last? How many FGDs can be conducted in one day?</p>	<p>FGDs can be as short as a half hour but should be no longer than one hour. Respondents get fatigued beyond an hour and discussion lags.</p> <p>At least one, and maybe two or three focus groups of around an hour each can be conducted by one moderator-notetaker pair in a day. The final count per implementing pair depends on the complexity of the discussion guide, ease of finding respondents, distance between communities, transport and other logistics, and time allocated for data collection. No more than three FGDs should be done by the same field team in one day, however, because of moderator and notetaker fatigue.</p>
<p>What are the benefits of FGDs?</p>	<ul style="list-style-type: none"> • FGDs are best suited to elicit experiences from as many people as possible, efficiently and cost-effectively. • They are relatively low cost compared to other qualitative methods and useful for eliciting broad perceptions and experiences. • The group dynamic offers an opportunity to generate discussion and interaction between respondents that individual interviews would not allow. Such interactions, in turn, can reveal concerns or facts about the topic(s) in question that may not be in the discussion guide but may be relevant nonetheless.
<p>What are the disadvantages of FGDs?</p>	<ul style="list-style-type: none"> • FGDs are not appropriate for very personal or sensitive topics that people may not want to discuss in a group, or which are inappropriate or insensitive to discuss in public. • By the nature of a group dynamic, FGDs can result in groupthink (everyone agreeing despite differences); also, the possibility of social bias—i.e., participants moderating their responses to be more socially acceptable—is likely to be higher for an FGD than an interview because people are surrounded by their peers. This is also known as the “Hawthorne Effect” (people modifying their answers knowing they are being observed by others).

Source: World Bank, 2020.

Guided by best practices in FGDs (identified in Table 2), each FGD was limited to a maximum of 6-8 participants. As discussed between the consultant and the NIU, FGDs were conducted between male-only groups and female-only groups to help decipher universal constraints to firm owners and operators and sex-specific constraints. The moderator for each discussion was the consultant and the notetaker was the local NIU counterpart, Simmavanh Vayouphack. However, upon conducting the interviews/discussions, many participants did not speak or feel comfortable discussing topics in English; in this case Mr. Vayouphack led the discussions and offered real-time translation in English to the consultants. The discussions were between 1 and 2 hours each.

Participants in the FGDs were selected using a fusion of the “snowball” method and the “individual selection” methods. A “snowball” method of qualitative sampling is where one individual or organization already knows the participants and selects them based on specific criteria (in this case, we will be choosing participants based on location, sector, and gender). Individual selection is

where a mobilizer, for example, walks around the community and identifies business members and randomly approaches them for inclusion in the qualitative survey. In our case, we will reach out to potential FGD participants based on business directories.

Example of FGD to be conducted through study:

- Focus group number: _____ Date: _____
- Location: _____
- Conducted by: _____
- Gender of group: _____
- Place where interview is conducted: _____
- Language: _____

FGD Agenda:

- Moderator Introduction
- Questions relayed to group.
- Each member of the FGD was encouraged to respond to the relevant question at hand, and given ample time to contribute and share their experiences. Care was given to include all members, and not let one particular member dominate the discussion while not letting others speak.
- Conclusion of discussion (ideally capped at 1 hour each, to avoid participant burn-out).
- Provide contact information to FGD participants, in case they have any follow up questions or think of anything later to contribute.

Questions for FGD Participants:

- How long did it take to register your business? To confirm, did you register your business in your name? What kind of help/assistance did you use to register your business? What constraints did you encounter registering your business? What could have helped ameliorate those constraints?
- What challenges did you face in obtaining licenses for your business?
- What tax policies would you say negatively affect your business? What about interaction with tax officials, or tax administration?
- What challenges did you face with obtaining access to finance? Where did you receive access to finance (bank, financial institution, family, money lenders, lending sharks, mobile platforms, any?)? Did you obtain access to finance to expand your business or to sustain existing operations?
- What challenges did you encounter with land title administration or administration? Did you use a land title to obtain access to finance? Do you have a land title)?
- Have you ever used commercial courts or alternative dispute resolutions? What challenges did you encounter? What could have helped?
- Have you used business development services? What services would be useful to you?

Annex 4. Key Informant Interviews (KII) and Focus Group Discussions (FGD)

KII in Vientiane Capital

Meetings	Date	No. of Participants (sex disaggregated)	List of participants (Name and Sector)
Lao Businesswomen's Association	22 October 2020	1 woman and 1 man	<ul style="list-style-type: none"> Ms. Chanthachone Vongsay, the President of Lao Businesswomen's Association Mr. Souly, Her secretary, Lao Businesswomen's Association
Lao Furniture Association	16 October 2020	0 woman and 2 men	<ul style="list-style-type: none"> Mr. Thongdum Sihamaya, Vice President of Lao Furniture Association Mr. Pheng, his secretary, Lao Furniture Association
Lao Garment Industry Association	4 November 2020	0 woman and 1 man	<ul style="list-style-type: none"> Dr. Xaybandith Rasphone, the President of Lao Garment Industry Association
Young Entrepreneur Association	2 November 2020	0 woman and 1 man	<ul style="list-style-type: none"> Dr. Khamseen Sisavong, Board Committee of Lao Youth Union, the President of the Young Entrepreneur Association Laos
Lao Association Travel Agents	17 October 2020	1 woman and 0 man	<ul style="list-style-type: none"> Ms. Saysamone Srithirath, Vice President of Lao Association of Traven Agent

KII in Luang Prabang Province

Meetings	Date	No. of Participants (sex disaggregated)	List of participants (Name and Sector)
Hotel, Guesthouse and Restaurant Association in Luangprabang	20 January 2021	0 woman and 2 men	<ul style="list-style-type: none"> Mr. Somnuek Somdy, the President of Hotel, Guesthouse and Restaurant Association, and the owner of My Dream Resort, Mr. Ratsamy Sisoulith, the Vice President of Hotel, Guesthouse and Restaurant Association, and the Human Resource Manager of Amantaka Hotel
Young Entrepreneur Association in Luangprabang	20 January 2021	0 woman and 1 man	<ul style="list-style-type: none"> Mr. Phanomxay Phakarn, the Vice President of Young Entrepreneur Association, and the owner of a local medical clinic

Focus Group Discussions in Vientiane Capital

Meetings	Date	No. of Participants (sex disaggregated)	List of participants (Name and Sector)
Women Entrepreneurs working on accommodation and restaurant sectors	19 October 2020	4 women and 0 man	<ul style="list-style-type: none"> Ms. Souphaphone Chansy, the Director of Sales and Marketing, Lao Derm Group Ms. Misouda Huengsoukkhoun, the owner of Mandala Boutique Hotel Ms. Vilaivanh Chanthaly, the owner of Under the Tree Café Ms. Phenpapha Chouthathip, the manager of Center Point Juice Bar.
Men Entrepreneurs working on accommodation and restaurant sectors	21 October 2020	0 woman and 6 men	<ul style="list-style-type: none"> Mr. Saiyson Khambounhueng, the Manager of Senglao Café Mr. Phanoumard Dysatharn, the owner of Baan Tonmali Café Mr. Chansathaphone Soumphonphukdy, the Manager of Le Grand Pere Mr. Tey Xayyavong, the Manager of Wakh Suki Restaurant Mr. Sithamma Watthanouvong, the Director of Mekong Sunshine Hotel Mr. Aliya Khamvongsa, the CEO of Naked Espresso
Women Entrepreneurs working on whole-sale and retail trade sectors	23 October 2020	4 women and 0 men	<ul style="list-style-type: none"> Ms. Daomany Chanphakeo, the manager of Thavixok Barn Waii Co., Ltd Ms. Dalavanh Phonkeo, the director of Dokked Book Shop Ms. Douangmany Huengkhamsaen, the founder of Her Works Ms. Amone Phoummasak, the director of Far Watthana Co., Ltd
Men Entrepreneurs on whole-sale and retail trade	26 October 2020	0 woman and 3 men	<ul style="list-style-type: none"> Mr Bandit Lardparkdy, the manager of Saobarn Handicraft. Mr. Sitthiphon Vongphachan, the manager of Xaychalern Trading Mr. Thanongard Bounnaphon, the manager of Khaiyong.com
Women Entrepreneurs working on manufacturing sectors (food and beverage, wearing apparel and furniture sectors)	28 October 2020	3 women and 0 man	<ul style="list-style-type: none"> Ms. Vilayphet Douangnoulack, the manager of OVI Drinking Water Factory Ms. Vilayphon Chandamany, the director of Vilayphon Cotton and Silk Production Factory Ms. Phongphan Rattanavong, the director of Phongphan Furniture Factory

Men Entrepreneurs working on manufacturing sectors (food and beverage, wearing apparel and furniture sectors)	6 November 2020	0 woman and 2 men	<ul style="list-style-type: none"> • Mr. Lamsone Silinsomphou, the manager of VL Garment Factory • Mr. Bousamai Boudthavong, the manager of Sommai Premium Garment Factory
---	-----------------	-------------------	--

Focus Group Discussions in Luang Prabang Province

Meetings	Date	No. of Participants (sex disaggregated)	List of participants (Name and Sector)
Men Entrepreneurs working wholesale and retail trade and accommodation and restaurant sectors	20 January 2021	0 woman and 2 men	<ul style="list-style-type: none"> • Mr. Nalongkone Khounphachansy, the owner of Saa Paper Handicraft Shop, and
	22 January 2021	0 woman and 2 men	<ul style="list-style-type: none"> • Mr. Bin Kiphavong, the owner of Lao Pottery Shop, • Mr. Bounmee Saipaseuth, the owner of Apple Guesthouse. • Mr. Khamlec Panyakeo (Alex), the owner of Aqua De Bamboo.
Women Entrepreneurs working wholesale and retail trade and accommodation and restaurant sectors	21 January 2021	4 women and 0 man	<ul style="list-style-type: none"> • Ms. Ketsalin Luenglangsy, the owner of Chaliya Guesthouse, • Ms. Ratsamy Chanthavilay, the owner of Idea Flower Shop, • Ms. Phinaphone Phongsavath, the owner of Soukthida Guesthouse, • Ms. Patthaphone Soundara, the owner of Patta Textile and Café

Annex 5 List of Participants – Stakeholder Consultation Workshop on the study

**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
Ministry of Industry and Commerce						
1	ທ່ານ ນາງ ສິມໝາຍ ພິມມຸນິວິງ	ຮອງຫົວໜ້າກົມຈັດຕັ້ງ ແລະ ພະນັກງານ	Department of Organisation and Personnel, MOIC			confirm
2	ທ່ານ ນາງ ຄຳພິດ ພູນສຸກ		Department of Organisation and Personnel, MOIC			Confirm
3	ທ່ານ ນາງ ຫຼຸກອນ ພຸດທະບັນດິດ	ຮຽ ຫົວໜ້າພະແນກ	Department of Organisation and Personnel, MOIC	52318849		Confirm
4	ທ່ານ ນາງ ພອນທິບ ພັດທະດາວິງ	ຫົວໜ້າພະແນກ	Department of Inspection, MOIC	020 22224555		Confirm
5	ທ່ານ ນາງ ຈິນຖະຫນອມ ສຸຂະເສີມ	ຫົວໜ້າພະແນກ	Department of Industry and Handicraft, MOIC	55621217		Confirm
6			Department of Domestic Trade, MOIC	28742452		

**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
7	ທ່ານ ນາງ ວິໄລພອນ ຊິນດາວິງ	ຫົວໜ້າພະແນກການຄ້າຫຼາຍຝ່າຍ	Department of Foreign Trade Policy, MOIC			Confirm
8			Department of Import and Export, MOIC			
9			Department of Trade Promotion, MOIC			
10			Department of Enterprise Registration and Management, MOIC			
11	ທ່ານ ນາງ ພຸດສະຫວາດ ສຸກກະເສີມ	ຮຽ ພະແນກ	Department of Small and Medium Enterprise Promotion, MOIC	02022679 475		confirm
12	ນາງ ພຸກທະພອນ ສຸທິສາວິງ	ຮອງຫົວໜ້າພະແນກ	Economic Research Institution for Industry and Trade, MOIC	55628002		

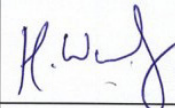

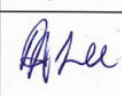
**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
Donors and Development Partners						
13	Ms. Melise Jaud		World Bank			Zoom
14	Mr. Carmine Soprano		World Bank			Cannot attend
15	Mr. Andrew Singer		World Bank			Zoom
16	Mr. Konesawang Hghardsaysone		World Bank			


**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
17	Ms. Khampao Nanthavong		World Bank			
18	Ms. Vonglatda Omany		World Bank			
19	Ms. Hannah Wurf	Second Secretary (Economic and Trade), Australian Embassy	AusAid			confirm
20	Mr. Soulivanh Souksavath	Program Manager, Australian Embassy	AusAid	22502804		confirm
21	Ms. Hannah Lee	Gender Specialist, Australian Embassy	AusAid	91134453		


Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
22	Mr. Cullen Hughes	Office Director of Economic, Education and Energy Growth	USAID			Cannot attend
23	Ms. Somsangouane Keovilay	Project Management Specialist	USAID			Cannot attend
24	Ms. Kevin McCarthy	Gender Specialist, USAID	USAID	1856 2-487147		confirm
25	Mr. Vincent Vire	Head of Cooperation	EU			
26	Mr. Francois PravongViengkham	Policy Officer	EU			

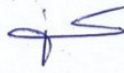
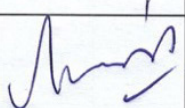
Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
27	Ms. Souphaphone Thavonsouk	Program Manager	EU			
28	Ms. Hang Tran	Senior Coordinator	EIF			Zoom
29	Ms. Anne Katrin Pfister	Senior Programme Coordinator	ITC			
30	Ms. Kinnaphone Sounthongdeng	National Project Office	ITC	2223246!		confirm
31	Mr. Melvine Spence	Chief of Party	IBI - USAID-LBE			Cannot attend

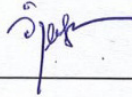
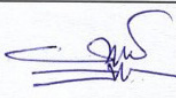

**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
32	Ms. Chaikao Kedsadasack	Finance and Operations Management	IBI - USAID-LBE	56236159		confirm
33	Mr. Silisack Malavong	Project Coordinator	IBI - USAID-LBE			Cannot attend
34	Mr. Jim Tersteeg	Lead/International Expert for Export Enabling Environment Development	CBI			
35	Mr. Stefan Sivily	National Expert for Export Enabling Environment Development	CBI	55717376		confirm
36	Mr. Balasubramaniam Murali	UNDP Resident	UNDP - Brand Lao			

**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
37	Mr. Jerome Dubois Mercent	Senior Advisor	UNDP - Brand Lao			
Gender Focal Points						
38	Ms. Vongpadith Vongsavath	Director of Enterprise Registration Service Division, Department of Registration and Enterprise Management, MOIC	MOIC	020 55617182		confirm
39	Ms. Thidavanh Chongchith	Technical officer of International Investment Cooperation Division, Department of Investment Promotion, MPI	MPI	021 218377		
40	Ms. Vanhthala Douangmanivanh	Director of Law Assessment Division, Department of Law Review and Assessment, MOJ	MOJ	020 52223696		confirm
41	Ms. Pholadsamone Luangsalath <i>Ms Soussavanh</i>	Head of Bilateral Cooperation and International Organization Section, Customs Department, MOF	MOF	020 55524988 <i>99536868</i>		

SOOPHANONG

MOF



Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
42	Ms. Phousomphone sihomvong	Technical officer, Division of trade facilitation, Department of Import and Export, MOIC	MOIC	020 78792999		✓
43	Ms. Phoungern Phosalath <i>Mr. Keouadome SANMHA</i>	Deputy Director of Agronomy Management Division, Department of Agriculture, Ministry of Agriculture and Forestry	MAF	020 22233352		
44	ທ່ານ ກາວິພອນ ພຸດທະວິງ	ຮອງຫົວໜ້າກົມລ້ຽງສັດ ແລະ ການປະມົງ, Ministry of Agriculture and Forestry	MAF			confirm
45	Ms. Phonesavhan Phonepaseth <i>Ms. Annalisa MEUVAMEUANG THONG</i>	Deputy Director of Division, Veterinary Legislation Department of Livestock and Fisheries, Ministry of Agriculture and Forestry	MAF	020 55646189		confirm
46	Ms. Latdavanh Sivongxay		Department of Measure and Standards, Ministry of Science and Technology	020 22202370		confirm


Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
47	Dr. Phoxay Sisomvang	Deputy Director of Food Management Division, Department of Food and Drug, Ministry of Health	MOH	020 22220426		
48	Mr. Nicolas Freeman		BAF			Zoom
49	Ms. Vilaichith Sengmungthong	<i>DTL</i>	BAF	020 55543898		confirm
50	Ms. Nitnida Phongsavath	Gender Focal Point, NIU Division, Department of Planning and Cooperation, MOIC	MOIC	020 22227897		✓
51	Ms. Daovading Philasayphithuk		LNCCI	020 55330110		
52	Ms. Souksavanh Ardsanong	Technical officer, LNCCI	LNCCI	020 54444642		

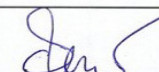
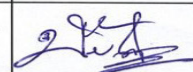

**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
Lao Business Forum						
53	Ms. Valy Vetsaphong	ຮອງປະທານສະພາການຄ້າ ແລະ ອຸດສາຫະກຳແຫ່ງຊາດລາວ	LNCCI			
54	Mr. Phouxay Thepphavong	ເລຂາທິການ, ສະພາການຄ້າ ແລະ ອຸດສາຫະກຳແຫ່ງຊາດລາວ	LNCCI			
55	Ms. Dalaphone Sengdavong	Private Sector Development Consultant	LBF			
56	Mr. Somphathai Phengrattanavong	Gender and Inclusiveness Consultant	LBF			confirm
Associations						
57	ທ່ານ ນາງ ໄຕສີ ແສງໂສພາ	ຫົວໜ້າພະແນກແຜນການ ແລະ ການຮ່ວມມືຕ່າງປະເທດ	Lao Women Union	22222855		confirm

**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
58	ທ່ານ ນາງ ຈັນທະຈອນ ວົງໄຊ KATSAMY Vetsaphong	ປະທານ ສະມາຄົມ ການ: ບໍລິຫານ	Lao Businesswomen's Association	58555666		confirm
59	ທ່ານ ນາງ ກິ່ນມາລາ ພິມມະຈັນ		Gender Development Association			confirm
60	ທ່ານ ນາງ ນິ້ມ ຈັນທະລິເດດ		Gender Development Association			confirm
61	ສ. ສຸວັນອິນ ສຸວັນອິນ	ຮອງປະທານ	Lao Furniture Association	5499289		
62			Lao Garment Industry Association			
63			Young Entrepreneur Association			
64			Lao Association of Travel Agents			

Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
Department of Planning and Cooperation						
65	Mr. Sengphanomchone Inthasane	Deputy Director of the Department of Planning and Cooperation	MOIC			confirm
66			General Division, DPC			
67	ທ. ບຸກຄົນ ທ່ານ ວິງ	ວິງ ທ່ານ	Public Investment Division, DPC	23436462		
68	ທ. ແພນໂນເມ ວິຈິທຍ	ວິຈິທຍ	Statistic and Information Center, DPC <i>General Division</i>	29449988		
69	ທ. ສິລິຍາ ຈິດສິມບຸນ	ວິຈິທຍ	Planning Division, DPC	22007799		
70	ທ່ານ ວັນນະໄຊ ສຸກກະເສີມ	ຫົວໜ້າພະແນກຮ່ວມມືເສດຖະກິດກາຄ້າ	DPC			confirm
71	ທ່ານ ນ ດາລິວັນ ບຸນວິງໄຊ	ວິຊາພະແນກຮ່ວມມືເສດຖະກິດກາຄ້າ	DPC	2920 8926		confirm

Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
NIU						
72	Ms. Lattanaphone Vongsouthi	Director of NIU	DPC, MOIC			
73	Ms. Tanthong Phouangmachane	Deputy Director of NIU Division	DPC, MOIC			
74	Ms. Sonevilay Phaengtavanh	Trade Officer	DPC, MOIC			
75	Mr. Sengxay Phousinghoa	Private Sector Development Advisor	DPC, MOIC			
76	Ms. Thippaphone Vongsay	Private Sector Development Consultant	DPC, MOIC			-
77	Ms. Pinphakone Xayavong	Trade Analyst	DPC, MOIC			-

**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
78	Mr. Phoutsavong Phatsouda	PR Officer	DPC, MOIC			
79	Mr. Thanakone Oudomvilay	Procurement Consultant	DPC, MOIC			
80	Mr. Simmavanh Vayouphack	Gender Officer	DPC, MOIC			
81	Ms. Touttou Phommala	Admin	DPC, MOIC			
82	Ms. Pouna Norpaseuth	Admin	DPC, MOIC			
83	Mr. Pathon Bantou	officer	DPC, MOIC			
84	Souk Savanh Vilaysouk	officer	MEU			

**Stakeholder Consultation Workshop
on the Gender Study on Identification of Key Constraints Affecting Women-owned and Manage Enterprise
in Doing Business in Lao PDR**

22th March 2021, Crown Plaza Hotel, Vientiane Capital

No	Name and Surname	Position	Organisation	Contract Number	Singature	confirm
85	ນາງສິວສິມສິມ	ສຳນັກງານ	LNCEI	55768335		
86	ນ. ສິວສິມ ສິມ	ສຳນັກງານ	LNCEI	59598989		
87	ນ. ສິວສິມ ສິມ	ສຳນັກງານ	A3/LCT	77703 04		
88	ນ. ສິວສິມ ສິມ	ສຳນັກງານ	ນາງສິວສິມສິມ ນາງສິວສິມສິມ	55424998		
89	ນ. ສິວສິມ ສິມ	ສຳນັກງານ	Ecl-MEU	29804999		
90						
91						

Annex 6. Terms of Reference (TOR) of the study

NATIONAL IMPLEMENTATION UNIT

MINISTRY OF INDUSTRY AND COMMERCE

LAO COMPETITIVENESS AND TRADE PROJECT (PROJECT # P164813)

TERMS OF REFERENCE

International Consultant to Conduct a Study on: Identification of Key Constraints Affecting Women-owned and Managed Enterprises in Doing Business in Lao PDR

1. BACKGROUND TO THE ASSIGNMENT

High regulatory burden, excessive trade costs, and firms' limited capacity remain the key challenges to private-sector-led growth in Laos. Despite some progress, if Lao PDR is to unlock its full economic potential by attracting higher-quality private sector investment in a wider range of diversified sectors, it will have to significantly improve the business enabling environment and compensate for the natural disadvantages the country faces as a landlocked economy.

In order to assist the Government of Lao PDR (GoL) to deepen reforms to improve the business enabling environment, improve connectivity with neighboring economies, and raise firm-level productivity, the Lao Competitiveness and Trade Project (LCTP) was launched with funding from the World Bank and a multi-donor trust fund. The project aims to eliminate barriers to private-sector-led growth by improving the regulatory environment, lowering trade costs, and raising firm-level competitiveness. As described in the Project Appraisal Document,⁸ the project has four pillars.

- **Pillar A – Improving Business Environment:** This pillar builds on recent support under the Second Trade Development Facility that started to improve company registration processes, transparency in administering operating licenses, and overall support to the PM Order. Pillar A includes the following sub-components: A1 (Making it Easier to Start a Business), A2 (Streamlining and Publishing Operating Licenses), and A3 (Support to Broader Business Reforms).
- **Pillar B – Facilitating Trade and Connecting to Markets:** This pillar is designed to support GoL in implementing the provisions of the World Trade Organization Trade Facilitation Agreement (TFA) through: i) supporting operations of the Trade Facilitation Secretariat; and ii) establishing a TFA Challenge Fund, which will provide necessary resources to key agencies responsible for TFA implementation.
- **Pillar C – Improving Firm-Level Competitiveness:** This pillar will support individual private enterprises to access business development services through a matching grant facility. The intervention aims to reduce costs internal to firms by improving company management and innovation in terms of products, markets, and distribution channels such as e-commerce.
- **Pillar D – Supporting Better and More Inclusive Policies:** This pillar will support: effective project implementation, monitoring and evaluation as well as improved economic analysis and policymaking under the leadership of the Ministry of Industry and Commerce (MoIC); and public-private dialogue under the Lao Business Forum. It will also support the transparency agenda for trade and regulations related to the private sector.

The Project Appraisal Document is available here: <http://projects.worldbank.org/P164813?lang=en>.

The project is executed by the National Implementation Unit (NIU) of the Department of Planning and Cooperation in MoIC. The NIU will be responsible for overall project implementation monitoring and fiduciary oversight; and providing technical, procurement, and financial management support to the departments responsible for the technical implementation of project components or those implementing Challenge Facility proposals. The NIU will also provide secretariat support to: 1) the Program Executive Committee – the platform for discussing and addressing all critical issues affecting implementation of all trade-related technical assistance in the country; and 2) the Trade and Private Sector Working Group – the forum for policy dialogue between the Government and development partners.

The GoL is committed to promulgating gender equality in international and national policy, including the Convention on the Elimination of Discrimination against Women, Sustainable Development Goal 5 on Gender Equality, the 8th National Socio-Economic Development Plan 2016–2020, the National Strategy for Gender Equality for the next 10 years (2016–2025), and the National Action Plan for Gender Equality (2016–2020). In order to support these Government commitments, the NIU aims to mainstream gender into its trade-related technical assistance.

2. RATIONALE FOR CONDUCTING A GENDER STUDY

As the LCTP is one of the main ongoing TRTA in the country that supports gender mainstreaming into all project pillars. In 2019, the project conducted a gender assessment in order to develop a Gender Strategy. This Gender Strategy recognizes that the relationship between trade policies and how different trade reforms will affect women and men is complex. It also recognizes that understanding the channels through which trade and trade openness can have an impact on gender is key to achieving higher gender equality and therefore, improved trade. The Strategy promotes women's involvement in formalizing their businesses, as well as in trade consultations and negotiations, in order to ensure that Lao women entrepreneurs gain the full benefits of trade reform and that their voices and entrepreneurial interests are taken into account.

The Strategy found that while Lao women are more active than men in socioeconomic and livelihood development activities and that more women are actively engaged in business and trade activities, especially micro and small businesses, they often face a number of legal and cultural barriers that prevent them from participating in trade, entering the workforce, setting up a business, and owning land or assets. It also found that gender neutrality or the gender insensitivity of the legal framework and official administration – together with social norms and expectations that women bear the majority of domestic work in households – often undermine women's roles and involvement in business. This not only affects women's ability to register and grow their businesses but also on firm size and choice of sectors.

In addition, the Gender Strategy found that while women entrepreneurs and traders in Lao PDR are broadly understood, both understanding of specific challenges and reliable evidence remain limited; meanwhile, currently available information suggests that there is ample evidence of persistent gender differences in social, political and economic opportunities due to the quality of education, geographic boundaries and remoteness, ethnicity and cultural gender norms. Subsequently, the Strategy stated that Lao women entrepreneurs have limited knowledge of and low capacity for business and financial management. They also have weak market positions while facing strong competition from within and outside the country.

MoIC is committed to addressing the specific challenges affecting women-owned and managed enterprises through supporting implementation of possible complementary policies and interventions to alleviate these constraints and mitigate potential adverse impacts of increased economic activities on gender equality.

3. OBJECTIVE OF THE ASSIGNMENT

Primary objective of the proposed study is to identify specific constraints facing women-owned and managed enterprises in policy, institutional, regulatory and social cultural conditions that govern or affect business activities and design concrete policy and regulatory solutions to address these constraints. Specific challenges that are important for sectors.

4. SCOPE OF WORK AND METHODOLOGY:

The study will identify specific constraints in the key areas of business environment at national, local, and sector levels. It is expected that the study will be carried out at national level and one regional economic center of the country and cover the sectors that women are more or less likely to invest and operate and sectors that have greater women's participation in the labor force, including 1) general manufacturing activities, particularly manufacture of food and beverage products, wearing apparel and furniture; 2) wholesale and retail trade; and 3) accommodation and food service activities.

Proposed methodology consists of a desk-based review, stock taking of existing donor programs, complemented by stakeholders' consultations with technical experts on specific areas of business environment and gender issues, representing government and a diverse group of donor agencies, and a number of focus group discussions with man-owned and managed and women-owned and managed businesses at national and local level.

Inter alia, the Consultant is expected to carry out the following specific activities:

Conduct a brief desk review of existing analytical work on gender and trade-related issues in the Lao PDR;

Propose a detailed workplan which includes methodology using the guidelines in this TOR, interview guides, plan for focus group discussions, and additional support required;

1) Assess and identify key constraints affecting women and women-owned businesses in three levels: national, local and sector levels in 10 key areas of business environment, including:

- a) Business registration;
- b) Business licensing procedures;
- c) Tax policies and administration;
- d) Access to finance;
- e) Land title registration and administration;
- f) Access to commercial courts and alternative dispute resolutions; and
- g) Access to business development services.

2) Proposed complementary policy recommendations and specific interventions to address key constraints identified.

5. DELIVERABLES AND DURATION OF THE ASSIGNMENT

The estimated inputs for this assignment are for approximately 45 days over the course of 04 months. Most of the inputs shall be provided based at NIU in Vientiane, Lao PDR. Tentative date to start services is April 2020.

Task	Duration	Expected output
Review of existing analytical works such as firm level data from the enterprise surveys (GIZ and WB), census of economic activities, and LECS-4, LECS-5 & LECS-6, project documents of ongoing donor projects and relevant studies, especially value chains studies on selected sectors with growth potential that could benefit women.	10 days	A brief review of the existing analytical work on gender and trade-related issues and gender related ongoing donor programs in the Lao PDR
Conduct Assessment, including development of methodology, collection and analysis of data, consultation meetings, and focus group discussions.	25 days	A draft assessment report
Presentation of findings and finalization of the Assessment Report	10 days	A completion of the final report

6. DATA, LOCAL SERVICES, PERSONNEL, AND FACILITIES

The Ministry of Industry and Commerce through NIU will provide the consultant with access to documents relevant to the assignment, including previous studies, legal texts and regulations, and will assist in facilitating meetings with key stakeholders.

NIU will assign a dedicated full-time team of counterparts to work alongside and be guided by the NTMA.

Office space, printing and scanning facilities and Internet access will be provided at NIU office, Ministry of Industry and Commerce.

All other inputs required to carry out the assignment will be the responsibility of the selected consultant.

7. INSTITUTIONAL ARRANGEMENTS

On the technical level, the selected consultant will work under the direct supervision of the Director of NIU, Department of Planning and Cooperation, Ministry of Industry and Commerce.

The consultant will also be required to work in close cooperation with other key stakeholders involved in trade and private sector development in the Lao PDR, including, but not limited to, key departments in the Ministry of Industry and Commerce and representatives of the private sector.

Contractual arrangements will be managed by the National Implementation Unit, Department of Planning and Cooperation, Ministry of Industry and Commerce.

The consultant will also be required to work closely with the World Bank task team on trade, based in the Lao Country Office.

8. QUALIFICATION REQUIREMENTS

To qualify for the assignment, the Consultant shall meet the following qualification requirements:

- Master's degree in economics, public policy or equivalent;
- At least 7 years of increasingly responsible professional experience in the substantive area, of which 5 years at the international level; such experience in South-East Asia is an asset;
- A recent past assignment in a government of donor financed programs is a strong asset;

- Proven experience in gender mainstreaming, particularly in trade programs;
- Extensive experience in research and policy-level analysis and familiarity with gender analysis tools and methodologies;
- Good knowledge of trade related development issues;
- Fluency in English language, including excellent drafting and presentation skills.
- Strong interpersonal skills, results oriented, displays tact, diplomacy, and cultural sensitivity; ability to work in a complex, cross-cultural working environment.



Ministry of Industry and Commerce

Department of Planning and Cooperation

NIU Division 

Phonxay Road, P.O Box 4107, Vientiane Lao PDR,

Tel/Fax: (856 21) 413 916, 020 96798096

Email: info@laosoft.org,

Website: www.t4dlaos.org