

Laos case study in women's economic empowerment

This case study was developed as part of the evaluation of Australian aid support for women's economic empowerment conducted by the Office of Development Effectiveness (ODE). It is based on information collected from informant interviews and group discussions during the field visit to Laos, as well as a review of relevant Laos country program and initiative documents. The case study examines successful approaches to promote gender equality and women's economic empowerment pursued at the country program level and within initiatives. It discusses what these efforts have achieved and identifies key challenges that have limited effectiveness.



Phoune, 30 years old, waters her vegetable plot close to the river in Taoun Village, Laman District, Laos PDR. These gardens are vital to an otherwise river-based diet. DFAT is supporting CARE Australia to assist Phoune and others in her community. *Photo: Jim Holmes, DFAT.*

Overview: context for gender in Laos and the Australian aid program

The Laos economy receives high levels of foreign investment in sectors such as mining and hydropower, which constitute 4.2 per cent of the country's gross domestic product.¹ Although poverty has steadily decreased from 46 per cent of the population in the early 1990s to 28 per cent in 2010, rural poverty is a major challenge. A large percentage of the rural population lives under or close to the poverty line.² According to the World Bank, vulnerability to poverty remains high. An estimated 13 per cent of the population is food insecure and 66 per cent is at risk of food insecurity. Laos is ranked as 138 out of 187 countries in the human development index.³

Women face particular disadvantage, as poverty and wellbeing in Laos are highly gendered and associated with ethnicity and geography. Rural and ethnic minority women lag behind in terms of economic status, health and education.⁴ Laos ranks 100 out of 148 countries in the gender inequality index.⁵

The education sector accounted for 38 per cent of Australia's bilateral spending in Laos in 2011, while the rural development sector was close behind at 34 per cent.⁶ The rural development sector consists of investments in energy and transport infrastructure, as well as programming in rural livelihoods development. Economic sector programming is a smaller investment aimed at facilitating increased trade.⁷ A substantial proportion of country program spending, 86 per cent, is reported to be directed at initiatives that have a focus on gender equality.⁸

Successful approaches to addressing gender equality and women's economic empowerment

The program in Laos has been quite effective in promoting gender equality. It has done this in collaboration with the Lao Government by strategically complementing national development objectives, and by pursuing other areas of work with strong relevance for women's economic empowerment.

The Australian aid program's priorities in Laos have been based on a desire to align sector investments with the Lao Government's national development objectives. This aim emerged clearly from interviews with senior aid managers at the Lao Post, who reflected that the Australian aid program sought to complement government priorities in order to advance strategic collaboration and garner the support needed to effectively implement programming.

A similar approach was taken to Australia's work relating to gender equality. Interviews with Australian aid managers and Lao government officials supported the notion that Australia has collaborated to build on the Lao Government's overall strong commitment to gender equality. This was done by working with ministries to help ensure that gender is mainstreamed within all Australian aid programming, including in education, trade and rural development sectors.

The Australian aid program has built on lessons learned from the gender evaluation within its new rural development strategy. It is supplementing a gender mainstreaming approach with more targeted gender activities to better identify and reach vulnerable women.

Australian programming complements large-scale Lao government private sector and infrastructure investments with its support for smaller-scale community-based enterprise and livelihood initiatives of direct benefit to women and men.

Important lessons have been learned from the main rural development initiative undertaken over the past few years—the **Laos–Australia NGO Cooperation Agreement (LANGOCA)**—about how to more

effectively promote gender equality. An independent gender evaluation that Australia commissioned midway through LANGOCA found that the initiative would have benefited from having a clearer approach to implementing gender and measuring results at the outset.⁹

Some positive gains were achieved when the Australian aid program integrated gender within a participatory monitoring and evaluation (M&E) system used by all non-government organisation (NGO) partners. This effort helped to raise NGO partners' awareness of differential gender impacts on men and women participants, and developed a stronger understanding of how to consider gender in implementation.

For example, CARE Australia, one of LANGOCA implementing NGOs, proceeded to introduce gender and negotiation training to couples in its projects, partially in response to the gender evaluation's findings. The training was delivered by local representatives of the Lao Women's Union and employed an explicit empowerment framework. Participants and staff reported that the training was effective in making men more aware of women's work burdens and more likely to help women with daily tasks. This was an important breakthrough in raising awareness of, and initiating change in, gender relations at the community level. It also offered an opportunity for the Lao Women's Union staff to build their own gender awareness and capacity.

The rural development portfolio also seeks to strengthen internal capacity on gender analysis, research and M&E through the establishment of a cross-institutional learning facility.

Box 1 Good practice: women's time burden can be addressed through technologies and gender training

The Laos–Australia Non-government Organisation (NGO) Cooperation Agreement initiative in Laos began with limited attention to gender in the design. It was not clear how implementing organisations would specifically pursue gender equality approaches. Midway through implementation, Australia funded a gender specialist to review partner NGO design documents and provide recommendations on how to improve attention to gender. Over the course of the project, Australian managers also developed higher expectations of how gender should be addressed in programming. They recognised that the implementing NGOs needed to do more than increase women's participation in activities.

Subsequently, CARE (partner NGO) took a more proactive approach to addressing women's time burden by improving women's access to simple time-saving agricultural technologies, such as wheelbarrows. It also piloted gender training for its project staff and project participants to encourage them to analyse unequal gender divisions of labour, including women's disproportionate share of household responsibilities and care work. The training also aimed to promote greater cooperation between husbands and wives in household decision-making.

The Australian aid program in Laos has effectively explored entry points for programming targeted at gender equality through its support of gender-analytical research. This research has provided greater understanding of relevant gender needs and how they might be addressed in initiatives.

In several initiatives within the trade and rural development portfolios, Australian aid in Laos helped to advocate for gender-focused research and evaluation that would shed light on important gender issues (in the trade sector) and measure gender-differential results (in rural development programming).

The **Trade Development Facility (TDF)** Multi-Donor Trust Fund received a grant from the World Bank's Gender Action Plan a year after the initiative began. The World Bank commissioned, with support from Australia and the European Union, several gender-analytical studies on trade, entrepreneurship and labour standards in the Laos garment industry. The gender stocktake conducted of the Laos country program commented that these various streams of research were 'important and timely'.¹⁰ These studies also helped encourage the World Bank and Australia to pursue a few targeted activities that addressed gender. For example, the World Bank's 2012 study¹¹ on the garment sector influenced initiative managers to establish a garment skills development centre that aimed to strengthen female garment workers' skills. The second phase of the TDF was also designed to adopt the Better Factories model to improve standards and labour conditions for female workers in garment factories.

Further, under the follow-on program TDF2 (slated to have begun in April 2013), a new enterprise funds scheme was designed to offer finance and business expansion services to both women and men entrepreneurs, and to set targets for outreach to women. Two senior managers at the World Bank and the Australian aid program said that they had been partially persuaded on the value of more directly promoting gender equality in this way by the study on gender and entrepreneurship,¹² which had found that 31 per cent of formal businesses with more than five employees in Laos were women owned, and that these female entrepreneurs were less likely to have a bank account and access to credit products than their male counterparts.¹³ Managers believed that programs supporting small business development could positively affect women entrepreneurs, recognising as well the entrepreneurial potential of women within the Lao economy.

In the **Rural Electrification Project (REP)**, the Australian aid program supported the piloting of interest-free loans to enable electricity connection among poor households, particularly women-headed households. Research funded through the World Bank's Gender Action Plan, before Australia joined the project, revealed that poor and women-headed households (who made up one-third of poor households) had been excluded from attempts to increase electricity access.

This research helped to motivate the development of the Power to the Poor (P2P) pilot, which sought to increase electricity access among the poorest households, particularly women-headed households. The pilot did this by providing interest-free loans, funded by Australia, to pay for electricity connections. P2P made efforts to use gender-sensitive eligibility criteria to identify and reach beneficiaries. It also instituted monitoring that included sex-disaggregated data on access to electricity by men- and women-headed households. On this indicator, an early assessment found that electrification rates among women-headed households increased from 63 to 90 per cent (68 of 537 total households) in a relatively short time.

The initiative's M&E system was careful to gender-disaggregate data at the level of household headship.¹⁴ Australia and the World Bank went a step further and agreed to prioritise examination of livelihood benefits within the M&E framework.¹⁵ An assessment of P2P that used gender analysis found that women-headed households were disproportionately more likely to be among households still without access to electricity because of the pilot's eligibility criteria (e.g. lack of proximity and

insufficient income to make loan repayments.).¹⁶ Australia's support in promoting gender-focused M&E helped to identify areas of success and those that needed improvement.

Box 14 Good practice: gender research and learning can support women's economic empowerment

Laos has recently carried out strong gender-analytical research, and monitoring and evaluation (M&E) in its economic sector programming. This has led to greater understanding of relevant gender needs and how they can be addressed in implementation. Through this research, programming has evolved to have stronger potential to economically empower women.

Rural development: In the Laos–Australia Non-government Organisation (NGO) Cooperation Agreement initiative, the Australian aid program in Laos strengthened the focus on gender-responsive M&E by commissioning an independent gender evaluation and integrating gender into a new participatory M&E system for the whole initiative. These efforts helped to raise NGO partners' awareness of differential gender impacts on men and women participants, as well as to develop a stronger understanding of how to pursue gender-responsive strategies in community-level activities.

Energy: The Australian aid program and the World Bank supported assessments and evaluations to determine how successful the Rural Electrification Project's Power to the Poor pilot was in increasing women-headed households' access to electricity. Results from these M&E efforts helped to demonstrate success in benefiting women and men, as well as to identify areas of improvement to better reach poor women.

Trade: Laos's urging to take up gender issues resulted in several streams of gender-analytical research on trade, entrepreneurship and labour standards in the national garment industry. These studies encouraged new activities aimed at women and addressing gender, including skills training for garment workers, and an enterprise funds scheme to support women and men entrepreneurs.

Challenges to addressing gender equality and women's economic empowerment

Australian aid in Laos has had a positive role in influencing its partners on gender equality, but it is often constrained in its ability to promote gender considerations within the implementation of initiatives.

Australia's country program has positively influenced its partners to consider gender equality within the design, M&E and, in some cases, the implementation of various initiatives, including LANGOCA, TDF and REP. The Post has also successfully worked with the Lao Government to address gender equality needs and opportunities in sectors such as education. However, it has had more difficulty in convincing ministry staff of the importance of considering gender needs and opportunities within macroeconomic trade and private-sector development agendas.¹⁷

The gender stocktake conducted on Laos in 2010¹⁸ and the 2011 Laos annual program performance report¹⁹ found that the Australian aid program had done quite well in influencing how gender equality is addressed at the design stage, but was more constrained in its ability to promote gender equality in implementation and reporting. The documents noted that Australia is particularly limited in its ability to play a lead role in promoting consideration of gender when working with multilateral development bank partners such as the World Bank. This viewpoint was also expressed by a senior Australian manager interviewed in Laos.

The potential for the country program's investments to contribute to women's economic empowerment is constrained by inconsistent understanding of what this entails, as well a national policy approach that primarily focuses on economic opportunities for women.

Key informant interviews with stakeholders from the Australian aid program, government and civil society reflected that the term ‘empowerment’ is conceptualised in many ways in Laos.²⁰ The direct translation is usually understood to be quite harsh and implies women’s power over others. Key informants conveyed that, in Laos, there are strong cultural norms that emphasise harmony in the family and society. As a result, the concept of women’s empowerment, which implies negotiation, power and control over resources within households, has yet to be embraced as a development goal.

In practice, the term ‘empowerment’ is often translated as women’s equal rights, women’s capacity building or women’s economic activity. Accordingly, within the government, bodies tasked with promoting gender equality (such as the Lao Women’s Union and the Lao National Commission for the Advancement of Women) focus instead on the need to develop ‘women’s capacity’ and skills to successfully engage in productive economic opportunities. These are quite different from the emerging understanding among researchers and development organisations that women’s empowerment also involves having agency or power to make and act upon decisions, and to control resources.

The relatively little attention at Post given to issues of women’s economic empowerment may be because the aid program’s initiatives were mostly designed before the development of its strategy on gender equality and empowerment. It may also relate to insufficient understanding among staff of women’s economic empowerment or how it differs from gender mainstreaming approaches. For example, while some staff in Australia’s rural development portfolio expressed that the new livelihoods program would address women’s economic empowerment more directly by, for example, examining issues such as decision-making related to economic assets, other staff equated the concept with targeting social protection and microfinance services to women-headed households. The focus on targeting economic services to women may also be driven by the aid program’s emphasis at the time on reporting headline results about reach of services among women, rather than on some of the resulting economic outcomes for women from access to resources.

Developing a women’s economic empowerment framework that maps how current programs contribute to related goals would strengthen current efforts and provide staff with a deeper understanding of how their work contributes to achieving such goals. A framework of this type would also help to identify gaps, stimulate discussion on strategies and encourage synergies between different portfolios in how to address women’s economic empowerment.

Clear communication from the outset, and additional guidance and training for staff, may help to influence partners in gender-related areas.

The gender stocktake provided some insight into ways to bolster Australia’s gender analysis capacity in economic sectors. It stated that the Australian aid program ‘can clearly add value in keeping gender on the table in [trade/macroeconomic areas]’, but that its ‘ability to influence, as one of many donors, depends on Post’s capacity to contribute technical resources’.²¹ During the gender stocktake, staff expressed a need for additional guidance and support on how to address gender issues with partners. The Post was interested in gaining support from the principal gender adviser in this area.²² However, key informant interviews conducted for this evaluation revealed that no specific channels of support with Canberra had been forged or strengthened in recent years.

Managers interviewed at Post also expressed the view that the requirement for partners to report on gender and include it in project design was not enough to ensure that gender would be addressed in implementation. They recommended that Australian aid program staff should explicitly communicate to partners their expectations at the outset of initiatives. Agreement also needs to be reached on how gender issues would be incorporated into initiative activities.

As discussed above, the steps Australia took midway through LANGOCA were effective in terms of clarifying expectations among partner NGOs about how to approach gender equality, and how to collect and analyse data related to impacts on both women and men. The influence Australia had in focusing M&E activities on assessing livelihood impacts on both women and men in the REP P2P pilot is also another positive example of the influence Post can exercise on partners.

Developing the internal capacity of staff on gender equality and women's economic empowerment, and providing Post with the support of a gender specialist either in-country or based in Canberra could be an important means of strengthening the Australian aid program's approach to influencing partners. The planned learning facility at Post offers an opportunity to provide such gender-related technical expertise.

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