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Swiss Agency for Development  
and Cooperation SDC

# Swiss Cooperation Strategy **Mekong Region**

2018–2021



# Abbreviations and acronyms

ADB	Asian Development Bank	M+E	Measurement and Evaluation
AEC	ASEAN Economic Community	MAFF	Ministry for Agriculture, Forestry and Fisheries Cambodia
AFS	Agriculture and Food Security	MERV	Monitoring System for Development-related Changes
ARI	Aggregated Reference Indicator	MLMUPC	Ministry of Land Management, Urban Planning and Construction Cambodia
ASDP	Agricultural Strategic Development Plan	MLVT	Ministry of Labour and Vocational Training in Cambodia
ASEAN	Association of Southeast Asian Nations	MoEYS	Ministry of Education, Youth and Sports
BMZ	Federal Ministry for Economic Cooperation and Development (Germany)	MoT	Ministry of Tourism
CBNRM	Community Based Natural Resource Management	MoWA	Ministry of Women's Affairs Cambodia
CCA	Climate Change Adaptation	MoWRAM	Ministry of Water Resources and Meteorology Cambodia
CDE	Center for Development and Environment, University of Berne	MRC	Mekong River Commission
CDRI	Cambodian Development Resource Institute	MRS	Mekong Region Cooperation Strategy
CEGGA	Citizen Engagement for Good Governance, Accountability and the Rule of Law	MRLG	Mekong Region Land Governance
CEPA	Culture and Environment Preservation Association	NCDD	National Committee for Sub-National Democratic Development
CF	Community Forestry	NCSD	National Council for Sustainable Development Cambodia
CFI	Community Fisheries	NEA	National Employment Agency Cambodia
CFMP	Community Forestry Management Plan	NGPAR-GIDP	National Governance and Public Administration Reform Program - Governance for Inclusive Development Program
CFR	Clearing for Results	NGO	Non-Governmental Organisation
CHAIN	Cambodian Horticulture Project Advancing Income and Nutrition	NSDP	National Strategic Development Plan of Cambodia
CHF	Swiss Franc	NSEDP	National Socio-Economic Development Plan of Lao PDR
CLM	Cambodia, Lao PDR and Myanmar	NTB	National Training Board
CLMV	Cambodia, Lao PDR, Myanmar and Vietnam	NTFP-EP	Non-Timber Forest Products - Exchange Programme
CMAA	Cambodia Mine Action Authority	ODA	Official Development Assistance
COMFREL	Committee for Free and Fair Elections in Cambodia	OECD	Organisation for economic Co-operation and Development
CQF	Cambodia Qualification Framework	OHCHR	Office of the High Commissioner for Human Rights
CSO	Civil Society Organisation	PA / PAR	Public Administration / Public Administration Reform
DAC	Development Assistance Committee of OECD	PAFF	Partnership for Forestry and Fisheries
DC-Cam	Documentation Center of Cambodia	PFM	Public Finance Management
DFAT	Department of Foreign Affairs and Trade Australia	PIC	Parliamentary Institute of Cambodia
DM	District and Municipal Authorities	PPA	Provincial People's Assemblies in Lao PDR
DP	Development Partner	PPDP	Public-Private Development Partnerships
DRR	Disaster Risk Reduction	PRF	Poverty Reduction Fund
EU	European Union	PROMISE	Poverty reduction through safe migration, skills development and enhanced job placement in Cambodia, Lao PDR, Myanmar and Thailand
EWS	Early Warning System	RECOFTC	Center for People and Forest
FAO	United Nations Food and Agriculture Organisation	RED-GIZ	Regional Economic Development Project
FDI	Foreign Direct Investment	RGC	Royal Government of Cambodia
GCP	Governance and Citizen Participation	SCO	Swiss Cooperation Office
GDP	Gross Domestic Product	SDC	Swiss Agency for Development and Cooperation
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit	SDE	Skills Development and Employment
GNI	Gross National Income	SDG	Sustainable Development Goal
GoL	Government of Lao PDR	SDP	Skills Development Project
GPAP-GIDP	National Governance and Public Administration Reform Program - Governance for Inclusive Development Program (in Lao PDR)	SECO	State Secretariat for Economic Affairs
GPEDC	Global Partnership for Effective Development Cooperation	SIDA	Swedish International Development Cooperation Agency
GPMD	Global Programme Migration and Development	SNA	Sub-National Administration
ICRC	International Committee of the Red Cross	SNDD	Sub-National Democratic Development
IOM	International Organisation for Migration	SNV	Netherlands Development Organisation
IP3	Implementation Plan for the Sub-National Democratic Development	TVET	Technical and vocational education and training
IFAD	International Fund for Agricultural Development	TWG	Technical Working Group
ILO	International Labour Organisation	UNCDF	United Nations Capital Development Fund
JICA	Japan International Cooperation Agency	UNDP	United Nations Development Programme
JP	European Joint Programming	UNESCO	United Nations Educational, Scientific and Cultural Organization
KBH	Kantha Bopha Hospitals	UNICEF	United Nations International Children's Emergency Fund
KfW	Kreditanstalt für Wiederaufbau	USA	United States of America
KOICA	Korea International Cooperation Agency	USAID	United States Agency for International Development
LEI/GRET	Land International Equity /Professionals for Fair Development	USD	US Dollar
LGCP	Local Governance and Citizen Participation	UXO	Unexploded Ordnance
LDC	Least Developed Country	WB	World Bank
		WHO	World Health Organisation

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Hmong New Year festival celebrating diversity in KM52, Vientiane, Lao PDR.  
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# Foreword

The Mekong Region Cooperation Strategy for 2018–2021 reflects the continued development partnership of Switzerland in the Mekong region. Based on the analysis of the context and taking into account the numerous achievements, the new Strategy strengthens the existing partnerships in the field addressed in the previous Strategy 2013–2017.

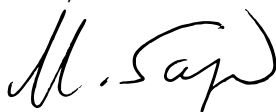
As some development aspects are best considered at regional level, the regional programs will remain an important cornerstone of the Swiss approach in its Mekong Strategy. These programs include contributions to an efficient and effective management of the Mekong river basin, land governance or skilled labour migration. After SDC having phased out of Vietnam with its bilateral program by end of 2016, the new strategy aims at accompanying mainly two partner countries, Cambodia and Lao PDR.

At both regional and country level, Switzerland will continue addressing current development challenges in three main sectors. These are in line with national development priorities and cover (i) governance and citizen participation, (ii) agriculture and food security and (iii) skills development and employment. In Cambodia, maternal and child health continues to be supported.

Over the past 20 years, countries in the region experienced stable economic growth, allowing Cambodia and Lao PDR to reach the status of Lower Middle Income Country (L-MIC), but not graduate out of the Least Developed Country (LDC) categorization. The economic growth led to an impressive reduction of overall poverty. However, major challenges such as increasing inequalities, lack of inclusion of vulnerable citizens, specifically women and minorities in rural and more remote areas, weak institutional capacities and environmental degradation persisted and partly grew. These challenges, if not appropriately dealt with, may jeopardize stability and the future development of the region.

Swiss Cooperation is based on the Federal Council's Dispatch on Switzerland's International Cooperation 2017–2020, guided by the 2030 Agenda for Sustainable Development and our commitment to support the implementation of the Development Effectiveness principles. In this spirit, we are engaged as member in the European Joint Programming in Cambodia and Lao PDR; support Multi-stakeholder Partnerships; and align with existing results based National Development Plans. Our presence in the region is also inspired by Switzerland's status as Sectoral Dialogue Partner of ASEAN. We consider the latter as one of the key organisations to bridge the development gap between its member states.

Bern, December 2017



Manuel Sager Ambassador  
SDC Director-General



# 1 Development context

The SDC Mekong Region Cooperation Strategy (MRS) covers Cambodia and Lao PDR with their own country programme portfolios as well as regional projects that include Myanmar and Vietnam. Its overall regional rationale is to contribute to bridging the development gap between the CLMV-countries<sup>1</sup> and the better-off ASEAN-6<sup>2</sup>.

## Constant, but volatile, democratic reforms

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The Economist Intelligence Unit's 2016 Democracy Index puts Cambodia and Myanmar among the countries considered "hybrid regimes" – only one step up from an authoritarian regime. Lao PDR and Vietnam feature among the "authoritarian regimes".

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The Mekong region, part of South-east Asia, is a heterogeneous region with a complex geo-political set-up and little common identity. A difficult history marked by colonization, the Vietnam War and the Khmer Rouge regime in Cambodia and, as a result, eroded social fabrics has long weighed on development. Political systems range from consolidated one-party systems in Lao PDR and Vietnam to a volatile transition process in Cambodia, to a dynamic transformation process in Myanmar, yet heavily marked by conflict. In spite of their different paths, CLMV share – to various degrees – political characteristics and related governance deficits: citizen participation is limited, civil society is closely

monitored, and the accountability of state organs is weak. International commitments with regard to rule of law or Human Rights do not often correspond to reality.

The expected regional scenario for 2018–21 is one of constant, but volatile, political, economic and social reforms. In Lao PDR and Cambodia, reform processes are anticipated to advance, albeit slowly and partially. With neither a party congress nor election scheduled before 2021, Lao PDR is expected to remain politically stable under the one-party regime. Reform efforts with regard to government openness and anti-corruption, including statements and actions to tackle systematic illegal logging and wild-life trafficking, are encouraging. Cambodia, against the background of a tense political situation, is currently at a crossroad, with one direction leading towards a long-term deterioration of the multiparty system or a shorter-term rigidification in view of the national elections foreseen in 2018. At the same time young people are asking for better services and economic and political participation. The country could well suffer from increased tensions in the run up to and the aftermath of the 2018

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1 Cambodia, Lao PDR, Myanmar, Vietnam.

2 Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand.

Rice farmers in Kandal province, Cambodia.  
© Nathan Horton



parliamentary elections. Civil society organisations (CSOs) throughout CLMV will continue to face political pressure and a restrictive environment. In this context, social media are becoming an important means for influencing democratic transition. Human rights, and particularly political and civil rights, remain limited. On the other side, CLMV countries are gradually opening up on sensitive issues such as land governance or labour migration.

### The role of ASEAN in the region

Looking ahead, ASEAN is potentially the main stabilising factor in the region. The association – founded in 1967 – aims to strengthen the foundation for a prosperous and peaceful community of Southeast Asian Nations, reinforcing cooperation and mutual assistance between its members and providing a platform to solve regional issues. In order to reinforce its role in the region, the ASEAN Community was implemented in January 2016, which comprises three pillars: the Economic Community, aiming at establishing a stable and competitive economic zone in the medium term; the Political-Security Community; and the Social-Cultural Community.

### The role of China

China's influence and role in CLM has grown considerably. Countries have benefited economically and politically from significant Chinese investments and aid, making it an important driver of change in the region. China is the biggest trading partner of most ASEAN Member States and a significant investor. The important role it plays in regional cooperation mechanisms is obvious in its "One Belt, One Road Initiative". China's influence in the region is not limited to FDI, but also encompasses bilateral and multilateral development assistance. However, the critical situation in the South China Sea has also given rise to tensions that have the potential to affect ASEAN's political integration and stabilising role in the region. Other important actors on political and economic development in the region are Vietnam, Thailand, Japan, the United States, Russia and increasingly South Korea.

### Impressive economic development, but bridging the development gap will take time

Mekong region countries have experienced impressive and stable growth rates averaging around 7% per annum, largely thanks to FDI. They have been an important driver of poverty reduction and political stability. Performance would have been even better without the negative impacts of extreme weather conditions, especially on agriculture. Nevertheless, all countries in the region have at least reached lower middle-income economy status<sup>3</sup>.

Economic perspectives remain broadly favourable.<sup>4</sup> However, bridging the development gap between CLMV and ASEAN-6 will take time. Integration into the ASEAN Economic Community (AEC) continues to be work in progress. Economic benefits are expected in the medium and longer term, especially after the entering into force of the Regional Comprehensive Economic Partnership (RCEP). However, risks of even widening the gap are not to be underestimated. CLMV countries need to further diversify their economies and promote productivity and competitiveness. Other recognised challenges are the serious environmental consequences of climate change<sup>5</sup>, the lack of sustainable economic policies, large-scale hydropower damming projects and exploitation of natural resources. Agricultural and aquatic production<sup>6</sup> are threatened and thus the food security and livelihoods of millions of people downstream the Mekong River, who are at risk of falling back into poverty.

### Medium human development countries with some way to go to meet the SDGs

The 2016 Human Development Report classifies CLMV as medium human development countries: of 188 countries, Cambodia ranked 143<sup>rd</sup>, Lao PDR 138<sup>th</sup>, Myanmar 145<sup>th</sup> and Vietnam 115<sup>th</sup> on the Human Development Index. Nevertheless, and although they have met a remarkable number of Millennium Development Goal targets, in particular halving poverty rates and access to education, Cambodia, Lao PDR and Myanmar remain Least Developed Countries. Nutrition and maternal mortality indicators lag behind, and access to quality health, education and water and sanitation remain challenging, causing multi-dimensional poverty. There is a long way to go to meet the Sustainable Development Goals (SDGs). Water scarcity and

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According to the 2017 Freedom House Index that measures the degree of civil liberties and political rights, Cambodia (aggregate score: 31), Vietnam (20) and Lao (12) are categorized as "not free"; Myanmar (32) as "partly free", an improvement over the previous survey. (Aggregate score explanation: 0 = least free, 100 = most free)

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3 In 2015, Lao PDR had a GNI per capita of \$1,730; Cambodia of US\$1,070. Source: <http://www.worldbank.org/en/country>.

4 The growth target for Lao PDR for 2017 and 2018 is set at 7%, rising to 7.3% in 2019 and 7.5% in 2020. Source: Economist Intelligence Unit Lao PDR Country Report 4<sup>th</sup> Quarter 2016. Real GDP growth in Cambodia is expected to strengthen in 2017-18, averaging 7.4% a year; it is projected to soften to 7.1% on average by 2021. Source: Economist Intelligence Unit Cambodia Country Report February 2017.

5 Cambodia ranks 12<sup>th</sup> on the Maplecroft [Climate Change Vulnerability Index \(CCVI\)](#).

6 Fisheries in the Lower Mekong Basin are currently worth about \$17bn a year. This equals to 3% of the combined GDP of Cambodia, Lao PDR Thailand and Vietnam and 13% of the international trade value of fish. (MRC [Catch & Culture Newsletter](#), Vientiane January 2016).



Mekong river bridge to replace ferry crossing in Xayaburi, Lao PDR.  
© SDC/Touravanh

good water governance to meet electricity and irrigation needs are an obvious challenge in the region, as well as land disputes and the extensive presence of landmines in Cambodia and UXOs in Lao PDR.

### Vulnerability of rural livelihoods and irregular migration

Continued impressive economic growth has yet to become more inclusive, equitable and responsive to the needs of all layers of the population. Although urbanisation is becoming an important factor, subsistence agriculture, fishery and forestry are still the livelihood base for the majority of households. Government support for market production and access has improved, but smallholder farmers remain exposed to multiple shocks. Labour migration, both the domestic rural-urban and the mostly irregular cross-border one, remains high. Remittances contribute considerably to the livelihood of communities and national economies. At the same time, they cause vulnerabilities and in the medium- to long-term could harm the social fabric.

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Asia and the Pacific is the world's most disaster-prone region where every year millions of people are affected by natural hazards. Such events are becoming more frequent and severe, compounded by the effects of climate change and growing population density.

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### Discrimination of women and minorities

Women and minorities, especially those living in remote rural areas, face multiple forms of discrimination and tend to live below the poverty line. Gender equality is generally well enshrined in the law, but implementation has been weak. Women's access to lead positions in the political and economic spheres is progressing. However, women remain particularly present in unskilled and poorly-paid labour. The number of female-headed households is high; women seeking job opportunities outside their communities are at risk of being trafficked. Even though gender-based violence is widespread, legislative response and public awareness are increasing.



# 2 Swiss foreign policy in the Mekong region and donor landscape

Switzerland has long-standing and substantial relations within the Mekong region. Officially represented by embassies in Myanmar, Thailand and Vietnam as well as Swiss Cooperation Offices (SCOs) in Cambodia and Lao PDR, Switzerland is an active and appreciated player in multilateral and multi-stakeholder platforms and institutions. In July 2016, Switzerland became an ASEAN Sectoral Dialogue Partner, aiming to reinforce Switzerland's cooperation with the Asia and Pacific region on a political, economic and social level. This partnership also allows Switzerland's participation in numerous high-level meetings.

Besides official government collaboration with the partner countries, many Swiss NGOs and private actors are active in Lao PDR and Cambodia. The SCOs maintain an active dialogue with all interested Swiss partners on priorities, strategic orientation and modalities of support to the partner countries.

In Cambodia and Lao PDR, Switzerland has established an institutional and close collaboration with the EU and Member States through its partnership in European Joint Programming (JP). This important tool for coordination, harmonisation, including the

establishment of joint projects and policy dialogue, reflects well Switzerland's commitment to Development Effectiveness and allows SCOs to feed important Swiss development aspects into the programmatic level.

### 7 Strategic Objectives of the Federal Dispatch:

1. Respond to global challenges in the areas of climate change and the environment, food security, water, health, migration and development
2. Prevent and manage the consequences of crisis and disaster, and of fragility; promote conflict transformation
3. Support sustainable access to resources and services for all
4. Promote sustainable economic growth
5. Strengthen the rule of law and democratic participation; support institutions serving society and the economy
6. Ensure the respect for human rights and fundamental liberties, and support efforts to advance their cause
7. Strengthen gender equality and the rights of women and girls

Pacticipatory village planning in Luang Prabang, Lao PDR.  
© SDC/Touravanh



The overall strategic orientation of Swiss international development cooperation in the Mekong region is guided by the values of Swiss foreign policy, by the Federal Dispatch for Switzerland's International Cooperation 2017–2020 (see box), by the SDGs and the Development Effectiveness agenda, and by regional and national priorities. Swiss development cooperation, while taking a regional approach, has prioritised institution-building and poverty reduction in Lao PDR (since 2006), Cambodia (since 2013), Myanmar (since 2013<sup>7</sup>) and Vietnam (from 1995–2016). SDC phased out its bilateral programme in 2016, but Vietnam remains part of the regional approach and continues to be a SECO priority country. Given its specificities and importance for Swiss foreign policy, Myanmar is covered by a separate Cooperation Strategy.

### Shifting donor landscape

ODA in the Mekong region has followed the global trend of decreasing influence of traditional donors and rising importance of non-DAC providers. Overall, both Cambodia and Lao PDR are becoming less dependent on ODA<sup>8</sup>, all the more as both countries have achieved lower middle-income status.

In Cambodia, Japan, the Asian Development Bank and the USA were on average the top-three OECD-DAC donors in 2014–15 with Switzerland ranking in 12<sup>th</sup> place. European Joint Programming members, including Switzerland, counted as one donor, are the largest DAC-donor in terms of grants. Non-DAC providers have become more influential, investing mainly in the economic and infrastructure sectors.

While fewer donors are active in the country, the situation presents itself similarly for Lao PDR where an increasing number of non-DAC donors are active alongside traditional donors, with China at the forefront. Japan, the Asian Development Bank and South Korea were on average the top-three OECD-DAC donors in 2014–15; Switzerland ranked an important 9<sup>th</sup> and 3<sup>rd</sup> European development partner (after the EU and Germany).

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- 7 SDC Humanitarian Aid began its engagement in the Myanmar context with support to refugee camps in Thailand's border region in the mid-1990s, expanded into Myanmar in 1998. Myanmar became a priority country for SDC Humanitarian Aid in Asia from 2001 onwards.
- 8 In Cambodia the percentage of net ODA/GNI changed from 5.5% in 2013 to 4.0% in 2015, while in Lao PDR it remained at 4.0% (Source: OECD DAC website: [Aid at a glance](#)).

Villagers, local authorities and project staff discuss new primary school construction progress in Luang Prabang, Lao PDR.  
© SDC/Adrian Gnaegi





# 3 Achievements and lessons learned 2013–2017

From 2013–2017, Switzerland implemented regional projects alongside country programmes in Cambodia, Lao PDR and Vietnam in the areas of local governance and citizen participation, agriculture and food security, and employment and vocational education and training. In Cambodia, support for and collaboration with the Kantha Bopha children hospitals intensified. Lessons learned for the new MRS include:

- › Policy dialogue based on regional results is demanding. Switzerland’s positioning and effectiveness is stronger where country-level interventions are linked to the regional level and vice versa.
- › Partnering with development actors, in particular in a volatile context, is key to success, especially Joint Programming with the EU and EU Member States.
- › Switzerland adds value in evidence-based policy dialogue at regional and country level. To explore and capitalise on this value added, adequate staff capacity and availability is crucial.
- › Evidence from on-the-ground projects enhances Switzerland’s immediate visibility and credibility in policy dialogue for systemic change.
- › Particular emphasis should be put on coordination and consultation with SDC Global Programmes.

## Regional project portfolio

Switzerland adopts a regional approach, in particular by supporting regional initiatives, because of the challenges the four CLMV countries share – i.e., a violent history, similar socio-political characteristics or shared responsibility for managing the waters of the Mekong River. Past experience has shown that a solid presence in the countries is a prerequisite for implementing regional projects. Furthermore, a focus on the same domains at regional and country levels contributes to the coherence of the overall programme and ensures the anchorage of regional projects in the country programmes.

The regional project portfolio was strengthened in quantitative and qualitative terms. Stronger thematic linkages between regional projects and country-level interventions were established, for instance through the Mekong Region Land Governance Project (MRLG) and land-related national projects. Also thanks to these linkages, progress has been made towards more equitable policy approaches to land governance and land use. Important results were accomplished in collaboration with carefully-selected regional organisations, including the Mekong River Commission (MRC) and the Center for People and Forest (RECOFTC). Rural incomes increased thanks to Swiss-supported agricultural value chains. However, since the outcomes did not meet expectations, it was decided to phase out the regional value chain project with the Mekong Institute (MI). Switzerland also launched the transboundary PROMISE<sup>9</sup> initiative to ensure safer and better-skilled labour migration within the region, particularly for poor women.

- » Since 2013 the number of people participating in community forestry in RECOFTC focal countries increased by 17% to more than 5.3m people in total and the area increased by 5.3% to 15m ha under community/small-holder management.
- » With Swiss support, the MRC underwent profound reforms to make the institution a more credible platform for facilitating sustainable management and development of water and water-related resources.

## Country programmes

Swiss development cooperation was well aligned with national priorities in the priority countries. Coordination and cooperation with other development partners, particularly with the EU and EU Member States, were established.

9 Poverty reduction through safe migration, skills development and enhanced job placement in Cambodia, Lao PDR, Myanmar and Thailand.



Business development meeting where farmers, traders and local authorities discuss the next steps of their business plans in Stung Treng, Cambodia. ©Lars Büchler/SDC

## Cambodia

During this first strategy cycle, Switzerland worked with the Parliamentary Institute of Cambodia (PIC) to strengthen parliamentary functions in Cambodia. Leading the policy dialogue on behalf of donors, Switzerland was also able to influence the national plan for implementing democratic decentralisation reforms. Joint efforts fostered local economic development and initiatives for promising public-private development partnerships (PPDPs) as well as the nation-wide institutionalisation of Commune Committees for Women and Children.

- » Citizen satisfaction with overall public services provided by sub-national governments increased from 72% in 2013 to 86% in 2016.
- » Support for local economic development contributed to an increase in incomes for over 15,000 rural households.

The Kantha Bopha children's hospitals are a crucial element of Cambodia's public health system for achieving better maternal and child health and for training health service providers. In addition to providing considerable funding, Swiss policy dialogue supported by a health economist resulted in increased national ownership of the hospitals and improved their financial sustainability prospects.

- » With over 600,000 hospitalisations since 2013, the Kantha Bopha hospitals treated over 70% of severely-sick children in Cambodia, thus contributing to a 5% decline in maternal mortality and 24% decline in under-five mortality rate between 2013 and 2015.

Furthermore, Switzerland contributed to increased smallholder farmer incomes through a horticulture value chain project; it facilitated access to communal land through more equitable and sustainable natural resources management and mine clearance. At national level, food security improved thanks to the institutionalisation of satellite-based remote-sensing technology for monitoring and forecasting rice crops.

- » Over 6,000 farmers (68% women and 6% ethnic minorities) in four provinces increased their incomes by 60% and changed their nutrition practises.
- » 29 natural resource management communities (9,400 community members of which 52% women and 38% indigenous people) were legalised and now control 39,800 ha of community resources.
- » 89,000 persons (49% women) have safe access to productive farm land after mine clearance.

Finally, Swiss evidence-based inputs that emphasize the importance of private sector involvement, safe labour migration and targeting of disadvantaged groups influenced the design of a new technical and vocational education and training (TVET) policy. The importance given to this sector by the Cambodian government underlines TVET's key role for further economic development.



## Lao PDR

Supporting the government's Public Administration Reform (PAR) and the implementation of its national devolution policy, Switzerland promoted administrative decentralisation and strengthened capacities of the public administration at the local level to improve service delivery. It constantly advocated for people's consultation and participation, and, in a rather disabling environment, managed to empower national NGOs to better reach their disadvantaged constituencies.

- » NGO consultations reached nearly 6,000 constituents (45% women), including in rural and remote areas.

Such efforts ultimately contributed to public services that better respond to the needs of the population as well as to improved access to small-scale infrastructure at district and village levels. Realising that Switzerland by itself cannot sustainably influence a more conducive environment for civil society participation, it built project-level alliances for more policy leverage in line with JP.

- » One million villagers from 1,300 villages (50% women; 75% ethnic minorities) participated in village-level planning.
- » 655,000 rural poor (10% of the Lao population) benefit from community-based infrastructure (water supply, schools, dispensaries, roads).

Public engagement processes were also institutionalised and are applied by the National Assembly. Likewise, the creation and better use of evidence to engage in decision-making for poverty reduction has been gradually internalised by the Lao government.

Furthermore, in order for Lao PDR to adapt to modern market-based agriculture requirements, Switzerland was involved in agriculture education for young professionals. Swiss support for community land use planning and allocation, for clearing land from UXO contamination, strengthening farmers' organisations, promoting agrobiodiversity, introducing appropriate agriculture technologies at household level, and enhancing market access all helped to improve access to land, crop diversity, and smallholder farming productivity and incomes.

- » 23,612 households are managing their land in government approved land-use plans and with some kind of tenure documents.
- » 23,172 ha of agricultural land were released from UXO contamination.
- » 3,797 students (27% women) and 543 teachers (30% women) nationwide were given quality agricultural education.

Switzerland has also started to address chronic malnutrition and food insecurity in connection with agriculture production, natural resources management, health and hygiene.

- » 36,290 households adopted appropriate agricultural technologies, increasing the production of nutritious and diverse foods.

Finally, TVET governance and curriculum development were advanced. Switzerland supported the design and implementation of the Lao PDR TVET Master Plan 2016–20. New short courses were initiated in carpentry, tailoring, cookery, automotive, electric, small engine repair and agriculture. Furthermore, dual cooperative training mechanisms were introduced. Women and ethnic minorities were clearly at the centre of all efforts.

Fishermen in Stung Treng province, Cambodia.  
© SDC/Sareth Chea





Fish market in Kratie, Cambodia.  
© Nathan Horton

- » 5,549 poor rural youth (45% women; 43% ethnic groups) benefited from scholarships to attend short courses. Twelve months after graduation, 40% of sampled trainees were involved in income-generating activities, of which 16% newcomers to the labour market.

Ethnic minorities and especially women (90% respectively 58% of total beneficiaries) benefited from improved product quality and market access in nine provinces.

- » Thanks to increased incomes for over 100,000 people, ethnic minority households can spend more on food, health and education.

### Vietnam

During the 2013–2017 strategy cycle, SDC contributed to democratic local governance and helped to improve living conditions in poor rural provinces in the North by fostering increased civil participation in local decision making and in planning small-scale communal infrastructure investments. Recent public investments respond better to people's needs and are more cost-effective.

The experiences and lessons learned throughout the implementation of the country programme in Vietnam have been well capitalised and both presented in public events in the country as well as condensed in publications for the international public.

- » Participatory commune planning was institutionalised for 1.3m people in two provinces and has good prospects for upscaling through the national poverty reduction programme.



# 4 Implications for the new Cooperation Strategy

Switzerland has achieved important development results in line with regional and national priorities. A mid-term review also concluded that the focus of the MRS 2013–2017 remains relevant. Only minor strategic re-orientations are needed for moving ahead. The Dispatch 2017–2020 foresees a better thematic concentration with 90% of funding invested in only three domains per strategy.

Countries in the region have made considerable progress. Important reform efforts are underway and governments are increasingly demonstrating ownership and taking the lead. However, challenges in terms of governance; implementation capacities, especially at decentralised level; inclusive growth; and social development remain.

Furthermore, Cambodia and Lao PDR are among the 56 countries and economies identified by the OECD as experiencing fragile situations. Responding to fragility, Switzerland will further increase the conflict sensitivity in programme management while using a human rights-based approach. Balancing its support for duty bearers and rights holders, it will support and reinforce peace and state-building. In Cambodia, coping with the legacy of war and the Khmer Rouge regime, exacerbated with other vulnerabilities, will be key for maintaining social peace and tackling fragilities.

Cambodia and Lao PDR remain predominantly rural countries. Up to 70% of the population live in rural areas and depend on agriculture as their main source of income. Therefore, SDC will further invest in the agriculture sector and will include nutrition aspects wherever possible in agriculture and food security projects. With the acceleration of urban growth, this strategy recognises the increasing importance of addressing rural-urban linkages. More attention will be given to employment and income aspects in TVET and in agriculture and food security.

An increasing number of people follow news and communicate on social media, which has become a major means of communication and exchange. Switzerland will foster the use of social media as an instrument for reaching the strategy's objectives.

The regional approach will keep its focus on CLMV, while continuing to work in other countries of the region where this is conducive to achieving the overall goal of building inclusive societies in CLMV. A larger-scale regional approach can be more effective than national projects – e.g., on topics with transnational aspects such as water management or land investments. The regional project portfolio will therefore be further strengthened in terms of relevance and quality.

Horticulture farmer in Preah Vihear province, Cambodia.  
© SDC/Sareth Chea





Open air fresh market in  
Vientiane Capital City,  
Lao PDR.  
© SDC/Adrian Gnaegi

Due to the weak and non-binding nature of CLMV cooperation, regional interventions will whenever possible be implemented by a regional or international institution serving as integrative platform. Being the most important regional body, a closer cooperation with ASEAN will be established. Joint development activities with ASEAN should form an important component of the newly established Sectoral Dialogue Partnership and allow for the promotion of south-south cooperation.

Switzerland has begun to explore opportunities for engaging with increasingly influential non-DAC providers of ODA, in particular China. Committed to supporting partner governments to achieve sustainable and inclusive development in an effective manner, Switzerland will support the implementation of the Global Partnership for Effective Development Cooperation indicators (GPEDC). Specifically, use of country results frameworks, mutual accountability and use of country systems will be analysed and implemented where preconditions are favourable. Furthermore, efforts will be undertaken to seek PPDPs as a modality to enhance and pool knowledge. Partnerships with Swiss-based companies will be fostered if and when opportunities arise.

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**GPEDC Indicators:**

1. Development cooperation is focused on results that meet developing countries' priorities
  2. Civil society operates within an environment which maximises its engagement in and contribution to development
  3. Engagement and contribution of the private sector to development
  4. Information on development cooperation is publicly available
  5. Development cooperation is more predictable
  6. Aid on budgets which are subject to parliamentary scrutiny
  7. Mutual accountability among development cooperation actors is strengthened through inclusive reviews
  8. Gender equality and women's empowerment
  9. Developing countries' systems are strengthened and used
  10. Aid is untied
-



# 5 Strategic orientation and Swiss Cooperation priorities for 2018–2021

From a geographical point of view, this MRS treats the four CLMV countries as one geographic region, embedded within and dependent on the wider Greater Mekong Sub Region and ASEAN frameworks. The “Initiative for ASEAN Integration” and its work plan III are designed to reduce the development gap between the CLMV countries and ASEAN-6. At the same time, the country focus will take into account each country’s specific situation and development planning framework. The MRS 2018–2021, therefore, is three-tiered: Regional interventions at CLMV-level will be combined with country programmes for Cambodia and Lao PDR. Working in the same three domains in the two country programmes and at regional level – governance, agriculture and food security, skills development and employment – will ensure continuity as well as thematic complementarities and synergies. In Cambodia, child health support through the Kantha Bopha hospitals and its sustainable financing will remain a highly relevant theme in the MRS.

The **overall goal** of the MRS is to contribute to building inclusive societies through equitable and sustainable development and democratic governance.

To this end, Switzerland contributes to poverty reduction and inclusive and equitable development in **Lao PDR**. It supports **Cambodia** to strengthen a peaceful society with reduced poverty and sustainable and inclusive growth. In keeping with a regional strategy, Switzerland will tackle issues that are best solved regionally and that contribute to achieving the overall MRS and country-level objectives. Switzerland will work in a results-oriented manner aligned with regional and national priorities.<sup>10</sup>

As in the past strategy cycle, the three themes cutting across all domains are gender equality, governance and climate change adaptation (CCA) and disaster risk reduction (DRR). Promoting women will receive particular attention. Gender equality will be reflected in all domains through sex-disaggregated indicators. Governance will be mainstreamed through a human rights-based approach

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## Regional projects are developed:

- › According to the principle of subsidiarity in the following cases:
    - › When addressing transboundary issues that cannot be solved by one country alone;
    - › When promoting cross-country learning and innovation;
    - › When regional intervention is expected to yield better or additional results compared to national interventions alone.
  - › When regional projects can strengthen interventions at national level
  - › When a regional approach is helpful in addressing issues which are difficult to tackle in bilateral projects
- 

combined with conflict sensitivity. Analysing disaster risks, be they natural or of man-made origin, is a “must have” in the Mekong region. Disaster risk reduction will be mainstreamed to increase resilience to climate change, disaster risk and to safeguard development gains, investments and benefits, especially – but not exclusively – in the agriculture and food security domain. To this end, the already well-established cooperation with the Swiss Humanitarian Aid DRR & Rapid Response hub for South-East Asia and the Pacific Asia in Bangkok will be further developed.

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<sup>10</sup> Please see MRS 2018–2021 Synopsis and MRS Results Frameworks in annex.

## Regional level

### Governance and citizen participation (GCP):



Within this domain, Switzerland will concentrate on strengthening regional multi-stakeholder platforms and institutions in CLMV to exchange knowledge and effectively manage transboundary issues such as water resources. Diplomacy, trust building and civil society engagement will be central aspects of these efforts that, ultimately, should not only result in economic and environmental benefits; they are equally important for maintaining peace and stability.

**Domain objective:** Improved cross-border governance

**Swiss portfolio outcome:**

- › **Outcome 1:** Countries in the Mekong region manage transboundary issues in a more effective and inclusive manner, thanks to strengthened regional platforms and institutions

### Agriculture and food security (AFS):



This domain strongly complements work at the country level and capitalises on synergies of a regional approach to ensure smallholder farmer access to and control over land and forests. It will build on governments' increasing willingness to address land governance and smallholder tenure security and take into account that large land investments often have a transboundary aspect.

**Domain objective:** Responsible land and forest governance

**Swiss portfolio outcome:**

- › **Outcome 1:** Smallholder women and men farmers have secured and equitable access to and control over agricultural land and forests

### Skills development and employment (SDE):



Switzerland will work with regional platforms and organisations such as the ASEAN Forum on Migrant Labour and within regional processes such as the Colombo Process<sup>11</sup> to promote and protect labour rights and to promote safe and secure working environments, especially for the millions of migrants and other vulnerable workers. By fostering collaboration and exchange across ASEAN partners, Switzerland will support better quality and increased relevance of skills development systems.

**Domain objective:** Unskilled and low-skilled women and men enjoy safer working conditions and better access to employment

**Swiss portfolio outcomes:**

- › **Outcome 1:** Mekong region countries protect and promote the rights of unskilled and low skilled workers and workers are able to claim their rights.
- › **Outcome 2:** Better skills for migrant workers and information on safe migration practises lead to more decent working conditions, safer migration and increased incomes, contributing to better social and economic conditions in sending communities

<sup>11</sup> <http://www.colomboprocess.org>. The Colombo Process is a Regional Consultative Process on the management of overseas employment and contractual labour for countries of origins in Asia.

## Cambodia

### Governance, Citizen Participation and Health:



In support of key governance reforms, Switzerland will build the capacities of duty bearers at national and sub-national levels to ensure quality public services that are accessible and affordable to vulnerable children, women and men. In the context of health financing, it will engage technically and in policy dialogue to ensure (financial) sustainability of the Kantha Bopha hospitals. Through various platforms, including the Parliamentary Institute of Cambodia, Switzerland will contribute to strengthening democratic accountability. In view of the country's difficult past, it will strengthen dialogue platforms for promoting dealing with the past and reconciliation.

**Domain objective:** Accountable state institutions provide accessible and affordable quality public services, in particular in health, and promote space for dialogue.

#### Swiss portfolio outcomes:

- › **Outcome 1:** Cambodian citizens, in particular women and vulnerable groups benefit from affordable and quality public services, thanks to performance improvement of national and sub-national institutions
- › **Outcome 2:** Increased influence and participation of citizens, in particular women and vulnerable groups, to foster inclusive and accountable development undertaken by sub-national governments.

### Agriculture and food security (AFS):



In order to improve rural livelihoods, Switzerland will contribute to revitalising the agriculture sector and advancing food security in line with national priorities. It will promote diversified crop production and facilitate value chains and market linkages. Furthermore, Switzerland will strengthen sustainable and equitable access to and control over community land and production means. Switzerland will continue to support mine clearance.

**Domain objective:** Improved and sustainable livelihoods, food security and income of rural women and men, especially ethnic minorities

#### Swiss portfolio outcomes:

- › **Outcome 1:** Rural women and men improve market-oriented production practise, nutrition awareness and income from horticulture
- › **Outcome 2:** Rural women and men, including indigenous people, have safe and secured access to as well as sustainable control over natural resources (fisheries, forestry) and production means

### Skills development and employment (SDE):



Switzerland will work to ensure that TVET curricula meet domestic and regional market demands; it will put a specific emphasis on improving the reputation of TVET in the population. It will promote and facilitate equitable access to quality skills development programmes and youth employment, including affirmative action for disadvantaged groups such as school-dropouts. Consistent with the national TVET policy, Switzerland will support improved governance and operation of TVET systems, including broad ownership by government and private sector stakeholders.

**Domain objective:** Better skilled women and men, in particular from disadvantaged groups, benefit from gainful and decent employment and self-employment

#### Swiss portfolio outcomes:

- › **Outcome 1:** Enhanced TVET/skills development systems and government implementation, with active private sector engagement
- › **Outcome 2:** More women and men, in particular from disadvantaged groups, have increased access to skills development and find employment
- › **Outcome 3:** Private and public training providers offer relevant and quality training, equipping women and men with the necessary skills for employment, decent jobs and entrepreneurship.

Governance and citizen participation (GCP):



Switzerland will contribute to outputs and outcomes of the 8<sup>th</sup> Lao Five-Year National Socio-Economic Development Plan (NSED) 2016–2020 in the areas of improving district public service delivery and poverty reduction. It will also continue to promote citizen participation; strengthen the representation and oversight role of the National Assembly and the newly-established Provincial People’s Assemblies, both considered to have a potential as drivers of change. It will stay engaged in advocacy for a strengthened role of (national) NGOs as partners in the development process and an enabling environment. Finally, Switzerland will continue to facilitate more open-access socio-economic information and to create spaces to trigger debates, policy dialogue and decision-making based on evidence.

**Domain objective:** Responsive public services for the poor and vulnerable and enhanced citizen participation

**Swiss portfolio outcomes:**

- › **Outcome 1:** Lao women and men in the poorest districts and villages use quality services, thanks to equitable and responsive public service delivery
- › **Outcome 2:** Lao women and men increasingly participate in public debate in an informed manner to shape more inclusive and responsive policies and to hold government agencies more accountable for their actions

Agriculture and food security (AFS):



Switzerland will contribute to food security by improving the livelihoods of vulnerable groups. It will continue to enhance quality agricultural education, promote the sustainable use of agrobiodiversity, support farmers’ organisations and facilitate more and better rural advisory services in order to improve smallholder farmer productivity. To address high malnutrition among children and adults it will emphasize dietary diversity. Switzerland will also help to increase household capacities to cope with disaster risks and climate change impacts. Moreover, Switzerland will put more emphasis on agricultural value chains, access to markets for

smallholders as well as peri-urban farming. It will ease access to land by raising stakeholder awareness and participation in land use-related decision-making and conflict resolution.

**Domain objective:** Improved and sustainable livelihoods, food security and income of rural women and men, especially ethnic minorities

**Swiss portfolio outcomes:**

- › **Outcome 1:** Smallholder farmers improve their food security, nutrition awareness and resilience by accessing resources, services and knowledge
- › **Outcome 2:** Smallholder farmers increase their income by improved market-oriented production capacities
- › **Outcome 3:** Smallholder farmers have secured and equitable access to and control over agricultural land, forests and water resources

Skills development and employment (SDE):



Switzerland aims to improve the quality of skills provision and its relevance to employers and labour market needs. Ultimately, the goal of this domain is to increase the number of women and men, in particular those from disadvantaged groups, who enrol in vocational education and training and who then access gainful and decent employment and self-employment. To this intent, Switzerland will also cooperate with stakeholders to strengthen the regulatory framework and delivery systems, including for **informal** skills provision. Throughout, Switzerland will promote private sector involvement.

**Domain objective:** Better skilled women and men, in particular from disadvantaged groups, benefit from gainful and decent employment and self-employment

**Swiss portfolio outcomes:**

- › **Outcome 1:** Improved quality and relevance of skills provision, responding to labour market demands
- › **Outcome 2:** Increased access to skills development and employment opportunities for women and men, in particular from disadvantaged groups
- › **Outcome 3:** Strengthened regulatory framework and delivery systems on TVET/skills development and decent employment, with the active involvement of the private sector, and focusing on gender equality and inclusion of disadvantaged people



# 6 Programme management and implementation

## Consolidation of investments

The total indicative budget (excluding operating expenses) for the four-year MRS amounts to CHF 146m. Out of this CHF 146m, CHF 64m is planned for Lao PDR, 50m for Cambodia and 32m for Regional projects. The CHF 146m are equally allocated over the four years of the strategy, which results in annual budgets of approximately CHF 36.5m. In terms of thematic concentration as well as effective and efficient use of human and financial resources, at least 90% of the budget will be allocated to the three domains of intervention. 38% (CHF 14m) are allocated to the Governance, citizen participation and health domain, 34% (CHF 12.5m) to the Agriculture and food security domain and 27% (CHF 10m) to the domain Skills development and employment. Additionally, Swiss Humanitarian Aid plans to set aside CHF 0.5m for the period of the strategy to support disaster risk reduction mainstreaming in Cambodia, Lao PDF and Myanmar. Vietnam is a SECO priority country, for which CHF 80m have been planned for 2017–20 (see annex 7: Summary of SECO Vietnam Country Strategy 2017–2020).

While in Cambodia, under the Mekong Region Cooperation Strategy 2013–2017, the focus was on building up the programme, coupled with sub-

stantial budget increases, the MRS 2018–2021 will consolidate the programme while at the same time prepare for the future. In geographic terms, Cambodia will further develop its area-based approach, while in Lao PDR, a stronger involvement in southern provinces (e.g., Savannakhet and Saravanh) will be examined, following evidence of increased poverty in these regions. At regional level, a special focus will be put on development ways for cooperating with ASEAN at project level.

## Stable human resources

While human resources in the Cambodia and Lao PDR SCOs are anticipated to remain stable, different measures will be taken to ensure that allocated human resources are used in the most efficient manner. Measures include continued monitoring of the staff situation in both offices and, if need be, internal reallocation of resources; increasing responsibilities for local staff; implementation of “one in – one out” policy at project level. Against this background, it is to be noted that engaging in evidence-based and results-oriented policy dialogue in a challenging political context and at regional level is particularly resource-intensive. Thus, reduction of domains to two is an option which will be further examined. Reductions in budget and

Students and trainers at a hotel and tourism training center in Vientiane Capital City, Lao PDR.  
© SDC/Touravanh





human resources would have repercussions on the operational programme. The SCOs will also utilise technical expertise located at the DRR & Rapid Response hub of the Swiss Humanitarian Aid in Bangkok. Adequate technical resources will be ensured for health governance in Cambodia. With regard to recruitment policy, particular emphasis will be put on employment opportunities for members of ethnic minorities, specifically in the Lao office.

### Manifold linkages and potential synergies

The SCO in Vientiane will continue to act as both country office and regional office. As such, it has the overall responsibility for steering and management in line with head office guidelines. Linkages and synergies between regional and country-level programmes and objectives as well as between the domains will be further strengthened. The added value of regional programmes, including their political relevance, will be made more visible in reporting and communication. Internal communication between the Cambodia, Lao PDR and other concerned SCOs – e.g., in Myanmar – regarding design and implementation of regional programmes will be strengthened. In terms of consistency of the Swiss approach, better coordination, complementarities and synergies will be ensured with SDC global programmes. In keeping with the whole-of-government approach, synergies will continue to be sought and exchange further institutionalised with the Swiss Embassy and the Swiss Humanitarian Aid hub in Bangkok as well as with the Asia-Pacific Division of the Federal Department of Foreign Affairs and with SECO, in the latter case, specifically with regard to the bio trade project in Lao PDR.

At an organisational level, the role of the regional office as a shared service centre shall be further strengthened, in particular regarding Quality Assur-

ance; Advisory role in Finance, Administration and Personnel; Communication. Knowledge management by peer exchange and joint learning events will be fostered, allowing not only for thematic but also financial synergies.

Swiss commitment to partnerships and European Joint Programming

Switzerland first and foremost collaborates with its host governments; it also works closely with civil society, other donors, multilateral organisations, international NGOs and the private sector along the Development Effectiveness principles. It will continue to explore opportunities for engaging with China and other increasingly influential non-DAC providers of ODA. Switzerland remains committed to JP and its further development. The development of joint projects will remain an important instrument for effective and efficient development cooperation.

### Key role of policy dialogue

Advocacy for and systematic engagement in results-oriented and evidence-based policy dialogue is key for achieving Swiss portfolio outcomes. The SCOs in Cambodia and Lao PDR will optimally engage from the very beginning in relevant policy formulation. Using different instruments (such as in-depth context and stakeholder analysis) and experience from the field and in consultation/cooperation with like-minded development partners, Switzerland will engage at the regional, national and sub-national levels and in different arenas, both formal (i.e., sector working groups) and informal (i.e., joint project visits). Furthermore, SDC contributes to regular political consultations with the two countries led by the Asia and Pacific Division, where the interlocutors exchange on bilateral relations, including the international cooperation, as well as regional and multilateral issues.



# 7 Strategic steering

The MRS 2018–2021 is subject to regular monitoring in order to keep track of the effectiveness and relevance of the Swiss programme portfolio and to decide on corrective measures. The results frameworks and monitoring system are built on a perspective of emphasizing national and regional objectives while Swiss cooperation achievements are understood as a contribution to achieving these results.

Monitoring the MRS serves the three-fold objective of (1) programme steering for ensuring relevance, effectiveness and efficiency of the Swiss programme; (2) accounting for results (for SDC headquarters and stakeholders); and (3) continuous learning.

Overall responsibility for monitoring and steering the implementation of the strategy lies with SCO management.

The implementation of the MRS will be monitored at four different levels:

1. **Monitoring of programme context developments and trends (MERV):** The primary instrument to capture this information and analysis is the MERV, which is annually conducted in August at the regional and country levels and feeds amongst others into annual

reports. They include indicators that are fed by a broad variety of data sources.

2. **Monitoring of relevant changes at the level of national and regional objectives:** progress made in achieving expected results as stipulated in the framework plans and other sector strategies at national or regional level.
3. **Monitoring of programme results:** A results framework has been developed to guide MRS implementation and against which the SCOs and implementation partners monitor and annually report on progress towards Swiss portfolio and country development outcomes, following standard SDC procedures and using standard instruments (partners dialogue, field visits, end-of-phase project reviews). The results framework makes use of selected SDC Aggregated Reference Indicators (ARIs), which allows SDC to aggregate and communicate results organisation-wide. Where possible, these are combined with country-based joint monitoring indicators, so as to assure that country ownership and joint monitoring are furthered
4. **Management:** Management monitoring focuses on the efficiency and effectiveness of the SCOs and compliance with aid modalities and principles, cooperation with partners, allocation of financial resources, gender and other management dimensions.

Motor bike repair training in Preah Vihear, Cambodia  
© Giuseppe Salerno





# Annex 1: Map of the Mekong region



# Annex 2: MRS 2018-2021 synopsis

<b>Overall goal:</b> Contribute to building inclusive societies in CLMV through equitable and sustainable development and democratic governance			
	<i>Regional GCP domain objective:</i> Improved cross-border governance	<i>Regional AFS domain objective:</i> Responsible land and forest governance	<i>Regional SDE domain objective:</i> Unskilled and low-skilled women and men enjoy safer working conditions and better access to employment
Regional level	<i>Regional GCP Swiss portfolio outcomes:</i> <u>Outcome 1</u> (transboundary management): Countries in the Mekong region manage transboundary issues in a more effective and inclusive manner, thanks to strengthened regional platforms and institutions	<i>Regional AFS Swiss portfolio outcomes:</i> <u>Outcome 1</u> (access): Smallholder women and men farmers have secured and equitable access to and control over agricultural land and forest	<i>Regional SDE Swiss portfolio outcomes:</i> <u>Outcome 1</u> (rights): Mekong region countries protect and promote the rights of unskilled and low skilled workers, and workers are able to claim their rights <u>Outcome 2</u> (skills): Better skills for migrant workers and information on safe migration practises lead to more decent working conditions, safer migration and increased incomes, contributing to better social and economic conditions in sending communities
<b>Overall Goal Cambodia:</b>	<i>Cambodia GCP &amp; H domain objective:</i> Accountable state institutions provide accessible and affordable quality public services, in particular in health, and promote space for dialogue	<i>Cambodia AFS domain objective:</i> Improved and sustainable livelihoods, food security and income of rural women and men, especially ethnic minorities	<i>Cambodia SDE domain objective:</i> Better skilled women and men, in particular from disadvantaged groups, benefit from gainful and decent employment and self-employment
Switzerland supports Cambodia to strengthen a peaceful society with reduced poverty and sustainable and inclusive growth	<i>Cambodia GCP Swiss portfolio outcomes:</i> <u>Outcome 1</u> (public services): Cambodian citizens, in particular women and vulnerable groups, benefit from affordable and quality public services, thanks to performance improvement of national and sub-national institutions <u>Outcome 2</u> (participation): Increased influence and participation of citizens, in particular women and vulnerable groups, to foster inclusive and accountable development undertaken by sub-national governments	<i>Cambodia AFS Swiss portfolio outcomes:</i> <u>Outcome 1</u> (livelihoods): Rural women and men improve market-oriented production practise, nutrition awareness and income from horticulture <u>Outcome 2</u> (access): Rural women and men, including indigenous people, have safe and secured access to as well as sustainable control over natural resources (fisheries, forestry) and production means	<i>Cambodia SDE Swiss portfolio outcomes:</i> <u>Outcome 1</u> (system): Enhanced TVET/skills development systems and government implementation, with active private sector engagement <u>Outcome 2</u> (access): More women and men, in particular from disadvantaged groups, have increased access to skills development and employment opportunities <u>Outcome 3</u> (quality and relevance): Private and public training providers offer relevant and quality training, equipping women and men with the necessary skills for employment, decent jobs and entrepreneurship
<b>Overall Goal Laos:</b>	<i>Lao GCP objective:</i> Responsive public services for the poor, and vulnerable and enhanced citizen participation	<i>Lao AFS objective:</i> Improved and sustainable livelihoods, food security and income of rural women and men, especially ethnic minorities	<i>Lao SDE objective:</i> Better skilled women and men, in particular from disadvantaged groups, benefit from gainful and decent employment and self-employment
Switzerland contributes to poverty reduction and inclusive and equitable development in Lao PDR	<i>Lao GCP Swiss portfolio outcomes:</i> <u>Outcome 1</u> (public services): Lao women and men in the poorest districts and villages use quality services, thanks to equitable and responsive public service delivery <u>Outcome 2</u> (participation): Lao women and men increasingly participate in public debate in an informed manner to shape more inclusive and responsive policies and to hold government agencies more accountable for their actions	<i>Lao AFS Swiss portfolio outcomes:</i> <u>Outcome 1</u> (production): Smallholder farmers improve their food security, nutrition awareness and resilience by having access to resources, services and knowledge <u>Outcome 2</u> (income): Smallholder farmers increase their income by improved market-oriented production capacities <u>Outcome 3</u> (access): Smallholder farmers have secured and equitable access to and control over agricultural land, forest and water resources	<i>Lao SDE Swiss portfolio outcomes:</i> <u>Outcome 1</u> (quality and relevance): Improved quality and relevance of skills provision, responding to labour market demands <u>Outcome 2</u> (access): Increased access to skills development and employment opportunities for women and men, in particular from disadvantaged groups <u>Outcome 3</u> (system): Strengthened regulatory framework and delivery systems on TVET/skills development and decent employment, with the active involvement of the private sector, and focusing on gender equality and inclusion of disadvantaged people

# Annex 3: Results Framework

## 1 Governance in the Mekong Region

**Domain objective:** Improved cross-border governance.

**Swiss portfolio outcomes**

**Contribution of Swiss programme**

**Outcome statement 1:**

Countries in the Mekong region manage transboundary issues in a more effective and inclusive manner; thanks to strengthened regional platforms and institutions.

Indicator 1.1

-Evidence that the opinions/perspectives of academic/research institutions, civil society and private sector are taken into consideration by governments and regional platforms.

-Baseline/target: n/a; yearly qualitative assessment (Source: MRC monitoring system)

Indicator 1.2

-Evidence of adverse transboundary impacts that were mitigated, minimized or avoided through the direct involvement of regional platforms or institutions.

-Baseline/Targets: n/a; qualitative assessment

(Source: Qualitative surveys by MRC)

**Trends and drivers of change:**

- In the past years, countries in the Mekong region, in particular the CLMV countries have benefited from high economic growth. This has led to poverty reduction and important improvements in living conditions. But inequality remains large and poverty as well as vulnerability to falling back into poverty is increasing in some areas as benefits have not been distributed evenly.
- Unsustainable development is a growing concern, in particular concerning management of transboundary natural resources such as water resources of the Mekong River. Hydropower development and large-scale irrigation schemes along the Mekong River may affect the livelihoods of thousands of people.
- CLMV countries are participating in a complex system of regional, sub-regional and cross-border cooperation (e.g., Initiative for ASEAN Integration, Lancang-Mekong Cooperation, Greater Mekong Sub Region Initiative, and initiatives funded by donors such as USA, Japan, Korea and China). But one of the challenges is that there is no shared overall strategic agenda framework that would minimize overlaps in institutional structures and objectives. All the more, it is crucial to support the few organizations that have a sound institutional mandate in cross-border governance.
- Improved regional governance in the decades to come will depend on efforts by many actors to raise the incentives for inter-governmental cooperation, expand civil society engagement, and strengthen mechanisms for cross-border accountability.

**Impact hypothesis:**

- Support for regional platforms and institutions that are involved or connected to transboundary management of regional goods, strengthens their capacities and equips them to better contribute to conflict-sensitive, inclusive, gender-sensitive and dialogue-based transboundary management of those goods.
- At the institutional level, Switzerland will support regional platforms and institutions, such as the Mekong River Commission (MRC). The MRC is the only inter-governmental organization with the mandate to promote and coordinate sustainable development and management of the Mekong's water and related natural resources.
- To fulfil this mandate, the MRC will
  - ensure increased common understanding and application of evidence-based knowledge by policy makers and project planners.
  - promote effective and coherent implementation of MRC procedures by the Member countries
  - support effective dialogue and cooperation between Member countries and will promote strategic engagement of regional partners (e.g. China) and stakeholders (civil society, academia, private sector) on transboundary water management
  - include gender aspects in its work, recognizing the different challenges faced by men and women.

**Risks:**

- The most critical risk is that individual countries in the Mekong region will put their own development priorities ahead of joint objectives for sustainable transboundary management of regional goods, due to a lack of incentives to engage in effective cooperation modalities.
- The construction of hydropower dams, with their potential negative impact on fish migration and reduced sediment transport, is likely to further fuel tension in the Mekong region.
- MRC as an institution could lose credibility and leverage if the 1995 Mekong Agreement with its five procedures for sustainably managing the Mekong River is not implemented in an efficient and transparent way.

**Regional development outcomes**

**Outcome Statement 1**

Promote and ensure balanced social development and sustainable environment that meet the needs of the peoples.

Enhance policy and capacity development and best practises to conserve, develop and sustainably manage (...) land and water resources.

(ASEAN Socio-Cultural Community Blueprint 2025, C)<sup>12</sup>

Indicator

Currently there are no indicators existing. ASEAN will draw up an M+E monitoring system and M+E work plan that consists of internal monitoring by the respective sectoral bodies and evaluation that may engage other stakeholders (ASCC-Blueprint Number 35).

## (4) Lines of intervention (Swiss programme)

<sup>12</sup> ASEAN will draw up an M+E monitoring system and M+E workplan that consists of internal monitoring by the respective sectoral bodies and evaluation that may engage other stakeholders (ASCC-Blueprint 35).



- Core contribution to the Mekong River Commission (MRC) for the implementation of their strategic plan (2016-2020).
- Possibly other projects to be developed for fostering regional dialogue and platforms with a focus on civil society participation in the management of regional goods.

**(5) Resources, partnerships (Swiss programme)**

- A total amount of CHF 7m is contributed as core contribution to the MRC for the period 2016-2020. There are yearly disbursements of about CHF 1.4m to the MRC Basket fund. The MRC is currently supported by a total of 14 development partners. Switzerland is closely involved in the coordination mechanism of development partners, in particular in the formulation of strategic messages at policy level, which are presented in yearly council meetings (ministerial level involving MRC Member countries).

**(6) Management/performance results, including indicators (Swiss programme)**

- SDC, through the DP-Troica coordination mechanism, will actively participate in the steering of the MRC Strategic plan.
- Close follow-up of regional risks and tensions will be made through the yearly regional Context Monitoring.

## 2 Agriculture and Food Security in the Mekong Region

**Domain objective:** Responsible land and forest governance.

### Swiss portfolio outcomes

#### Outcome statement 1:

Smallholder women and men farmers have secured and equitable access to and control over agricultural land and forest.

#### Indicator 1.1

- Extent to which smallholder tenure security is improving (disaggregated by gender, country, ethnic/indigenous groups). Measured by rubric scales. (ARI FS 2)

- Baseline 2017: the existing legal framework provides clear recognition of the tenure rights for smallholders but is not enforced.

- Target: the existing legal framework provides clear recognition of tenure rights for smallholders and is enforced without discretion

(Source: MRLG Logframe, reports)

#### Indicator 1.2

- Number of households actively engaged in community forestry (disaggregated by head of household and gender).

- Baseline 2016: 3.17 Mio households from six ASEAN countries (Cambodia, Indonesia, Myanmar, Philippines, Thailand and Vietnam) participating in community forestry.

- Target 2018: 5.88 Mio households from all focal countries participating in the community forestry.

(Source: Monitoring Strategic Plan)

*Note: RECOFTC is currently developing the next strategic phase (Oct 2018-Sept 2023). Long-term targets will be included later on.*

### Contribution of Swiss programme

#### Trends and drivers of change:

- Governmental policies are driven by large economic investments into land that had and continue to have negative impacts on smallholder farmers' livelihoods.

- Decisions on land use are made with very limited consultation with the affected smallholders and the feedback system is restricted as smallholder land tenure and rights continue to be overridden by more powerful actors.

- The current evidence and political will to measure the impact of large-scale land investments offers opportunities to simultaneously advocate for the needs and rights of smallholder farmers.

- CLMV governments are gradually engaging in and leading activities in the field of land and forest governance with more openness towards multi-stakeholder dialogue platforms.

- Private sector investors, particularly in the global market, are increasingly aware of the need for more socially inclusive and environmentally-responsible approaches to land acquisition and land/resource use. Applying these approaches within business models, processes and value chains allows longer-term, sustainable investments.

#### Impact hypothesis:

- Strong and well-coordinated regional platforms and multi-stakeholder alliances shape evidence-based policies and lead to positive change in favour of smallholder farmers currently living in uncertain land tenure arrangements. Switzerland's **regional approach** to land and forest governance reflects the fact that large-scale leases and investments into land are transnational and have cross-border effects and implications for smallholder farmers in the concerned countries.

- **At the policy level**, Switzerland will explore opportunities for land and forest governance policy debate venues at ASEAN (where appropriate) and inter-governmental and CLMV levels. More systematic policy dialogue on the national, regional, and global levels will complement financial support to regional projects. Impact is expected in all CLMV countries, with influence reaching to China, Thailand, and at the ASEAN level.

- Building on the achievements and experiences of the past strategy, Switzerland's contribution at the operational level will continue to strive for secured and equitable access to land and forest resources. In the absence of regional institutions and legal frameworks, the Swiss focus is on building effective alliances and platforms for and by reform actors in CLMV countries (outputs). This will happen through deepening regional cooperation, strengthen cross-border learning, and multi-stakeholder cooperation (activities). Swiss funded regional projects will continue to support community forestry management and climate change adaptation. They support innovations and build capacities of reform actors. Regional projects will build on country-level land governance engagements (Lao DECIDE Info, TABI) and develop upwards and downwards links with SDC's global land governance programme.

#### Risks:

- Land and forest governance is a delicate sector with competing interests. Violent land conflicts are a high risk.

- CSOs as reform actors are crucial but are under increasing pressure from CLMV governments. A careful partner selection remains important.

### Regional development outcomes

#### Outcome Statement 1

By 2030, ensure that all men and women, in particular the poor and vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms or property, inheritance, natural resources, appropriate new technology and financial services, including microfinance (Sustainable Development Goal 1.4)

SDG indicator 1.4.2 (for Lao PDR): Percentage of adults with tenure rights to land.

Indicators for Cambodia and Myanmar: to be developed.

"An inclusive and responsive community that ensures our peoples enjoy human rights and fundamental freedoms as well as thrive in a just, democratic, harmonious and gender-sensitive environment in accordance with the principles of democracy, good governance and the rule of law." (ASEAN Community Vision 2025, B8.2, p. 14)

"A committed, participative and socially-responsible community through an accountable and inclusive mechanism for the benefit of our people, upheld by the principles of good governance." (ASEAN Community Vision 2025, B12.1, p. 16)

"Promote forest Management involving the community living within and surrounding the forest for the sustainability of the forest and prosperity of the People" (ASEAN Economic Community Blueprint 2025; p.20, B8, \$40, viii)

"Strengthen regional cooperation to protect, restore and promote sustainable use of terrestrial ecosystems resources, combat desertification, halt biodiversity loss, and halt and reverse land degradation" (ASEAN Socio-Cultural Community Blueprint 2025; p.10, C1, i.)

*Note: The ASEAN Community Vision 2025 and the ASEAN Economic Community Blueprint do not include indicators to measure progress toward result achievements.*

#### **(4) Lines of intervention (Swiss programme)**

- The Mekong Region Land Governance Project MRLG phase I (until June 2018), and phase II (expected to start in July 2018), an SDC mandated project implemented by the consortium composed of Land International Equity LEI and Professionals for Fair Development GRETE; and with current contributions by Germany (BMZ/GIZ) as well as Luxembourg. Continued collaboration with these partners is foreseen.
- The Center for People and Forests RECOFTC, contribution to Strategic Plan 2013-2018 (phase I) until September 2018, and a planned contribution to the next RECOFTC Strategic Plan 2018-2023 (phase II).

#### **(5) Resources, partnerships (Swiss programme)**

- MRLG implementing agencies/counterparts: Ministry of Planning and Investment (Laos), Ministry of Natural Resources and Environment (Laos), the Institute of Policy and Strategy for Agriculture and Rural Development (IPSRD) of Vietnam, Ministry of Agriculture, Forestry and Fishery (Cambodia), Ministry of Natural Resources, Environment and Conservation (Myanmar), consortium LEI and GRETE, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and Luxembourg.
- RECOFTC implementing partners: RECOFTC with Thailand, Cambodia, China, Lao PDR, Myanmar, Vietnam, Indonesia, Myanmar and Nepal.
- Financial volume: estimated CHF 3.5m/year (MRLG planned engagement 10Mio/4y, RECOFTC 4.325 Mio/4y).

#### **(6) Management/performance results, including indicators (Swiss programme)**

- The yearly regional context analysis (MERV) is conducted to inform SDC's program steering and implementation. It includes a specific focus on land/natural resource management in the Mekong region.
- The THRI CHR (basic services / natural resources) is reflected in the indicator 1.1 (access to land, development of land related policies/laws/plans).
- For MRLG, context and stakeholder analysis for CLMV countries and the region is conducted yearly at project level within the reporting cycle. It informs SDC steering and implementation of the MRLG project as well as the overall domain. CSPM was introduced and will be applied within the project as well as by supported stakeholders.
- The SCO will continue to build synergies between SDC's regional interventions and its projects on the national level in Myanmar, Cambodia and Laos (AFS and Governance domains). It will engage in strengthening formal and informal policy dialogue on land and forest governance through policy engagements with relevant national and regional SDC projects.
- The SCO will put special emphasis on the development of the new phases for the two regional projects MRLG and RECOFTC starting 2018. Close coordination with relevant development partners is part of this process.



### 3 Skills Development and Employment in the Mekong Region

**Domain objective:** Unskilled and low skilled women and men enjoy safer working conditions and better access to employment.

#### Swiss portfolio outcomes

#### Regional development outcomes

##### Outcome statement 1:

Mekong region countries protect and promote the rights of unskilled and low skilled workers and workers are able to claim their rights.

##### Indicator 1.1

- # of international norms, global policies and political processes developed in the field of migration and development (ARI M1)

-Baseline [2017: 2]

-Target [2021: 7]  
(Source: PROMISE reports)

##### Outcome statement 2:

Better skills for migrant workers and information on safe migration practises lead to more decent working conditions, safer migration and increased income, contributing to better social and economic conditions in sending communities.

##### Indicator 2.1

# of female and male youth gained access to improved vocational skills.

- Baseline [2017]: 0

- Target (2021): 5,680  
(Source: PROMISE reports)

#### Contribution of Swiss programme

##### Outcome Statement 1

- By supporting the governments in sending and receiving countries to better protect and integrate migrant workers, Switzerland contributes to minimize the risks and negative impacts of labour migration and to foster its potential.
- Collaboration with the Governments in sending countries and in Thailand as receiving country shall improve the legal framework conditions and gives the basis for a regularisation of the status of migrant workers. In linking the project experiences within the countries with the regional policy work of the GPMD, Switzerland will provide policy inputs on the ASEAN and the global level.

##### Outcome Statement 2

Recognise that migrant workers have fundamental rights as stipulated in the applicable international and regional treaties, in accordance with the prevailing national laws, regulations and policies of ASEAN Member States.

Uphold fair treatment with respect to gender and nationality, and protect and promote the rights of migrant workers, particularly women, in accordance with the obligations of ASEAN Member States under appropriate international instruments.  
(ASEAN consensus on the promotion and protection of rights of migrant workers 2017)

Strengthen capacity building, awareness and education programmes for policy makers and other stakeholders as well as sharing of knowledge and good practises among ASEAN Member States on social protection for migrant workers.  
(Recommendation 10 of the 9th AFML meeting)

##### Indicator

# of collaboration in promoting human resources and skills development of migrant workers (ASEAN consensus on the promotion and protection of rights of migrant workers 2017)

(Vientiane Declaration on Transition from Informal Employment to Formal Employment towards Decent Work Promotion in ASEAN, 2016).

##### Indicator

# of collaboration in promoting human resources and skills development of migrant workers (ASEAN consensus on the promotion and protection of rights of migrant workers 2017)

#### **(4) Lines of intervention (Swiss programme)**

- The PROMISE project (Poverty reduction through safe migration, skills development and enhanced job placement in Cambodia, Lao PDR, Myanmar and Thailand), implemented by IOM, will give improved employment opportunities and conditions to migrant workers, leading to poverty reduction in communities of origin. It will also enhance the collaboration between potential employers, relevant sector associations and skills development partners. Migrant workers, especially women, receive greater protection through strengthened policy frameworks, enhanced assistance services and safe migration information at all stages of the migration cycle.
- In the frame of the sectorial dialogue partnership between ASEAN and Switzerland, Vocational Skills Development is one of the priority areas for both sides. The potential for a ASEAN project harnessing on the longstanding experience of Switzerland with its own TVET system and with Skills Development programmes for disadvantaged groups in many countries is currently under discussion.

#### **(5) Resources, partnerships (Swiss programme)**

- An amount of CHF 10m is planned for the period 2018-21.
- The regional SDE project is currently managed through the SCO Phnom Penh, but as other regional projects, they rely on the active involvement of the SCOs in the other project countries (Lao PDR and Myanmar). This implies both contacts and coordination with the implementing partner IOM and the support in the policy dialogue with the governments and the other stakeholders.
- The GPMD is closely linked to the regional SDE programme and both sides keep a constant exchange, thus ensuring Swiss coherence and joint learning.
- Australia and Canada have similar regional projects on protection of migrant workers implemented by the ILO and the EU is considering a regional project on the protection of women migrant workers also with ILO and UN Women.

#### **(6) Management/performance results, including indicators (Swiss programme)**

- Switzerland will take an active role in the establishment of a regional donor group on labour migration together with Australia, Canada and the EU in order to promote synergies and coordination between these partners and the implementing agencies.
- A close exchange between the Mekong region programme and the GPMD will ensure that the experiences from other labour migration programmes are taken into account in the best possible way and that project experiences in the Mekong region can nurture the global dialogue on labour migration.

## 4 Governance, Citizen Participation and Health in Cambodia

**Domain objective:** Accountable state institutions provide accessible and affordable quality public services, in particular health, and promote space for dialogue.

### Swiss portfolio outcomes

### Country development outcomes

#### Outcome statement 1

#### Outcome Statement 1

Cambodian citizens, in particular women and vulnerable groups benefit from affordable and quality public services, thanks to performance improvement of national and sub-national institutions.

Supporting the RGC in establishing a well-functioning decentralised governance system with effective quality services brings local administration closer to citizens and makes local services more responsive to the needs of the poor and vulnerable.

Increased government ownership of and allocation of public funds to the Kantha Bopha hospitals contribute to sustaining the delivery of quality, accessible and affordable health services to those in need, thus reducing household out-of-pocket expenditures and moving towards universal health coverage.

The RGC has made remarkable progress in the implementation of key governance reforms: Sub-National Democratic Development (SNDD), Public Administrative reform (PAR), and Public Financial Management Reform (PFM). However, improved coordination and synergies within these three key reforms are needed.

Jointly with the European partners, Switzerland will advocate for aid effectiveness incl. harmonization of modalities and will promote the coordination of cross-cutting reforms within the Technical Working Group (TWG) SNDD. Switzerland will also pursue its policy dialogue and advocacy for sustaining KBH's resources and model, through the special inter-ministerial working group and with key stakeholders.

Switzerland will participate to the formulation and implementation of the 3rd phase of SNDD, fostering bottom up policy-making, participatory planning and access to information on public policy and local services, and promoting gender equality and inclusiveness. Switzerland will continue its financial support to the KBH and actively participate in health financing related meetings and discussions.

Indicator 1.1  
- Proportion of citizens who benefit and are satisfied with the different services delivered by SNA administrations.

- Baseline [2016: 86%]  
- Target [2021: 90%]  
(Source: Local Governance survey: sex disaggregated data to be provided in the report)

#### Indicator 1.2

- DMI increases access to budget resources by percentage vs GDP (from national transfer, tax and non-tax sources) to implement the service delivery functions. (ARI GO2)

- Baseline [2017=10%]  
- Target [2021=14%]  
(Source: IP3 annual report)

#### Indicator 1.3

- Increased share of government's contribution to free quality health service provision by Kantha Bopha Hospital (KBH)  
BL. 2016 14%; Target 2021=40%  
(Source: KBH annual report)

- Baseline [2016=3]  
- Target [2021=36]  
(Source: IP3-III document 2018-2020)

- Share of total health expenditure paid by households' out-of-pocket, expressed as a percentage of total current expenditure on health.

- Baseline [2014 = 62.3%]  
- Target [2021=55%]  
(Source: Cambodia Socio-Economic Survey)

### Risks and obstacles:

- Political tensions before and after the planned parliamentary elections 2018 slow down the pace for reform.

- Lack of inter-ministerial coordination and limited allocation of public resources negatively impact on the uneven progress of the overall reforms, including SNDD.

- KBH as a model could fall apart, due to changes in its key elements – free of charge, good salaries, good quality of services.

<sup>13</sup> SNDD Joint monitoring indicators (JMIs) set for 2017 – 2018. The discussion on the review and revision of these JMIs will be taken place in late 2018



## Swiss portfolio outcomes

### Outcome statement 2

Increase influence and participation of citizens, in particular women and vulnerable groups to foster inclusive and accountable development undertaken by sub-national governments.

#### Indicator 2.1

- Proportion of citizens, in particular women and vulnerable groups are involved in local development planning and budgeting processes (ARI GO1).

- Baseline [2016: 20%]

- Target [2021: 25%]

(Source: Local Governance Survey – sex-disaggregated data to be provided in the report)

- Numbers of research products that used by the Parliamentarians in policy and legislative debate.

- Baseline [2016: to be established]

- Target [2021: 24]

(Source: PIC annual report)

## Contribution of Swiss programme

- By supporting capacity building for the parliament, it will be strengthened in its critical role of checks and balances to hold the government accountable to the citizens and to promote peaceful political dialogue. Democratic space, transparent and accountable state systems and increased knowledge and awareness of rights lead to increased people's participation and eventually their rights and needs will be better addressed. Dealing with the past, by creating a safe space for constructive dialogue, fostering connectors and minimizing dividers within the Cambodian society and between citizens and the government, will contribute to reconciliation and trust building, thus promote stability, development and peace.
- Switzerland will balance its approach to capacity building of rights-holders and duty-bearers, focusing on strengthening the Parliament in their roles through the Parliamentary Institute of Cambodia (PIC). It will furthermore explore opportunities for upscaling support to Parliaments at regional level. Switzerland will support civil society organisations and their representatives in Parliament for active participation in political debates and decision-making processes. Switzerland continues its policy dialogue on improving governance and will explore opportunities to strengthen platforms to promote dealing with the past and reconciliation, as key element of peace and state building.
- By supporting sub-national authorities in providing information about their services and performance transparently, Switzerland contributes to promote their social and democratic accountability.

### Risks and obstacles:

- Continuing political tension might lead to further dysfunction of the parliament and shrinking space for constructive political engagement in the pre- and post-election phases of the 2017-2018 elections.
- The fast increase of citizens' claims for their rights and for equity and a lack of understanding of political, judicial and administrative processes can be a source of violent conflict if not properly and timely managed and addressed by the duty bearers.

## Country development outcomes

### Outcome Statement 2

Operations and functions of state institutions at both national and sub-national levels conducted in respect to the principles of democracy, rule of law, human rights with a transparent and accountable manner, (Cambodian Government's Rectangular Strategy.)

#### Indicators

- Proportion of women representation in the managerial positions at the sub-national government (province/Capital – PC and district/municipality - DM)

- Baseline [2016: PC 12%, DM 21.5%]  
- Target [2021: PC 25%, DM 30%]  
(Source: Local Governance Survey)

- Number of policies/laws consulted with stakeholders per year (preferably through formal mechanisms, such as opened space for public comments)

- Baseline [2016=4]

- Target [2021=8]

(Source: EU joint programming yearly report)

- Proportion of citizens request for information at the commune/Sangkat (CS) and district/municipality (DM) successfully met

- Baseline [2016: CS 65.5%, DM 48%]

- Target [2021: CS 70%; DM 55%]

(Source: Local Governance Survey)

#### **(4) Lines of intervention (Swiss programme)**

- Outcome 1 will be achieved through:
- Support to the NCDD-S with funding, policy dialogue, and expertise, in particular focusing on coordination among the three governance reforms, capacity building, fiscal decentralization, and functional reassignment. Switzerland's active participation and influence in the European Joint Cooperation Strategy and Development Partner coordination mechanisms for better aid effectiveness and harmonization.
- Switzerland's active policy dialogue and advocacy within the RGC for financial and operational sustainability of Kantha Bopha Hospital during health financing discussions and with the inter-ministerial working group.
- RED GIZ project for pro-poor local development and strengthening capacity of local government (districts and communes).
- Outcome 2 will be achieved through:
- PIC support for building capacity of the Cambodia and regional parliaments in their roles to hold the government accountable and respond to civil society engagement
- Specific projects (Small projects) and initiatives to promote civic engagement and platforms for open dialogue among communities and contributing to trust building, social cohesion, and reconciliation (with emphasis on dealing with the past, citizen's participation in electoral process, access to information and justice).
- Mainstreaming good practises into the overall country program for promoting peace and stability.

#### **(5) Resources, partnerships (Swiss programme)**

- Financial envelope: about CHF 28m for four years (2018-2021)
- Health economist consultant with a workload equivalent to 60% (charged on PA 3 of Kantha Bopha Hospital support phase 8)
- Government partners: Ministry of Interior, National Committee for Sub-National Democratic Development (NCDD), Ministry of Economy and Finance, Ministry of Civil Services, Ministry of Health and Inter-ministerial groups for Kantha Bopha Hospitals, Parliament of Cambodia,
- Development partners: Delegation of European Union, Sweden, Germany (BMZ/GIZ), Japanese International Cooperation Agency (JICA), United State Agency for International Development (USAID), UNICEF, WHO, OHCHR, UNDP, World Bank, and Asian Development Bank.
- NGO/INGO partners: Parliamentary Institute of Cambodia (PIC), Kantha Bopha Foundation, SILAKA, COMFREL, DC-Cam, Bophana Center, Pact, Cord.
- Special partnership: European Joint Cooperation Strategy, Regional Outreach approach implemented by Parliamentary Institute of Cambodia, Parliamentary Services of Switzerland.

#### **(6) Management/performance results, including indicators (Swiss programme)**

- As main donor and partner in the governance sector, work through different modalities (mandate, contributions, on-budget support) and partners (UN, WB, DPs, INGOs, CSOs) to mitigate risks and increase impact/effectiveness. Continue coordination efforts, i.e. EU Joint Programming, Working Groups on Sub-National Democratic Development. Promoting coordination and synergies among the three cross-cutting reforms (SNDD, PFM, PAR) are equally essential
- Political development is impacting highly on the governance programmes, especially the decentralization reform programme and support to parliament. Closely and regular monitoring and assessment of political context and adaption of up-dated scenarios are needed.
- Continue to build synergies between governance projects and links to other domains. Support and promote innovative approaches (i.e. collaboration of SDP, CHAIN, PAFF integrated local planning).
- The TRI CHR are reflected indicator(s) 1.1, 2.1 and 2.2

## 5 Agriculture and Food Security in Cambodia

**Domain objective:** Improved and sustainable livelihoods, food security and income of rural women and men, especially ethnic minorities

### Swiss portfolio outcomes

#### Contribution of Swiss programme

#### Outcome statement 1

Rural women and men improve market-oriented production practise, nutrition awareness and income from horticulture.

##### Indicator 1.1

- # of persons supported (M/F) in market-oriented production. (ARI FS 4/2)

- Baseline [2017: 6,000 (60%

female, 10% IP)]

- Target [2021: 12,000 (60%

female, 10% IP)

(Source: CHAIN project report)

#### Outcome Statement 1

Agricultural Strategic Development Plan - ASDP 2014-2018

Outcome programme 1.4

Increase horticulture crop productivity and production for local demand and export.

##### Indicators

- # of ha of cultivated areas of vegetables

- # of Tons of vegetable production

Baseline 2013: 52,000Ha, 422,000 Tons; Target 2018: 67,000 Ha and 539,000 Tons;

### Country development outcomes

#### Risks and obstacles:

- Increased vulnerability due to climate change and natural hazards.
- Stated commitments to address rural households' needs in an inclusive way while modernizing the agriculture sector are not fulfilled.
- Insufficient interest from input and service suppliers to collaborate with rural households in remote areas.
- Growing market competition through imported products.



Swiss portfolio outcomes	Contribution of Swiss programme	Country development outcomes
<p><b>Outcome statement 2</b></p> <p>Rural women and men, including indigenous people, have safe and secured access to as well as sustainable control over natural resources (fisheries, forestry) and production means.</p> <p><u>Indicator 2.1</u></p> <ul style="list-style-type: none"> <li>- # of persons (M/F) that have established secure land rights (collective, customary).</li> <li>- Baseline [2017= 16,000, 48% female, 10% IP] (30 CBNRM groups)</li> <li>- Target [2021=45,000, 50% female, 10% IP] (100 CBNRM groups) (Source: PaFF project report)</li> </ul> <p><u>Indicator 2.2</u></p> <ul style="list-style-type: none"> <li>- # of persons (M/F) benefitting from locally-implemented DRR measures. (ARI HA5)</li> <li>- Baseline [2017= 8,000, 40% female]</li> <li>- Target [2021= 20,000, 50% female] (Source: PaFF project report)</li> </ul> <p><u>Indicator 2.3</u></p> <ul style="list-style-type: none"> <li>- # of ha cleared of landmines and UXO</li> <li>- Baseline [2017= 80 ha]</li> <li>- Target [2019= 500 ha] (Target 2021 to be assessed) (Source: CFR III report)</li> </ul>	<p><b>Contribution of Swiss programme</b></p> <ul style="list-style-type: none"> <li>- Working with government institutions, private sector, civil society and communities, Switzerland's programme contribution to improving stakeholder implementation capacities, knowledge and participation in development processes will empower rural households to secure their access to natural resources as well as to strengthen sustainable management of production means and thus improve their income and livelihood resilience.</li> <li>- The recent governmental reforms provide an enabling setting for inclusive development decision-making processes on commune level management, planning and financing as well as for strengthening and scaling up land-use spatial planning.</li> <li>- Switzerland will support national and sub-national multi-stakeholder platforms to promote strategies for addressing rural households' livelihood needs depending on income from natural resources while strengthening sustainable management. The Swiss programme contributes to supporting rural households and other relevant actors to improve access to safe and secured land and commune areas, strengthened ownership of communities for sustainably managing their natural resources and enhanced production capacities for increased income.</li> </ul> <p><b>Risks and obstacles:</b></p> <ul style="list-style-type: none"> <li>- Increased vulnerability due to climate change, natural hazards and access to water resources.</li> <li>- Stated commitments to protect eco-systems and natural resources including land from external threats by mega projects, etc. are not fulfilled.</li> <li>- Stated commitments for law enforcement and land governance as well as fighting illegal logging and fishing are not effective.</li> <li>- Institutional restructuring (MAFF, MoE) and decentralization processes to sub-national level are delayed.</li> <li>- Available markets for fisheries and forestry products are weak.</li> </ul>	<p><b>Country development outcomes</b></p> <p><b>Outcome Statement 2</b></p> <p>ASDP 2014-2018</p> <p>Outcome programme 3.1</p> <p>Strengthen the participation and improve the community fishery (CFI) capacity on sustainable fishery management, conservation and development.</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>- # of ha of community fisheries</li> <li>- # of operational CFI</li> </ul> <p>Baseline 2014: 70 50 operational CFI; 26,674 ha of CFI area; Target 2018: 516 150 operational CFI; 116,262 ha of CFI area)</p> <p>ASDP 2014-2018</p> <p>Outcome programme 4.1</p> <p>Manage and develop forestry resources through demarcation of permanent forest boundaries, secure land registration, increase number of community forestry and promote livelihoods of community.</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>- # of ha of community forestry (CF)</li> <li>- # of forestry communities established</li> <li>- # of community forestry management plans implemented (CFMP)</li> </ul> <p>Baseline 2014: 364 CF established; 2 CFMP; 329,587 ha of CF area; Target 2018: 492 CF; 100 CFMP; 2 million ha of CF area)</p> <p>Plan of Action for Disaster Risk Reduction in Agriculture 2014 – 2018</p> <p>Priority 4: Reduce vulnerabilities to disasters by improving technical options and implementing community-based DRR and CCA measures in agriculture</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>- Application of Early Warning System (EWS) information services in agriculture</li> <li>- # of farmers applying good practise and resilient agriculture techniques</li> </ul> <p>(Target Numbers in elaboration)</p> <p>National Mine Action Strategy 2010-2019</p> <p><u>Indicator</u></p> <ul style="list-style-type: none"> <li>- # of ha of landmines and UXO cleared</li> </ul> <p>Baseline 2014: 97,200 ha; Target 2019: 111,754 ha</p>

#### **(4) Lines of intervention (Swiss programme)**

- Support to rural households and other relevant actors along agricultural value chains to improve diversification of market-oriented and climate-resilient production, nutrition awareness rising, strengthening of farmer groups, enhanced access and linkages to markets and extension services as well as business enabling environment for private sector engagement.
- Support to rural households with livelihoods depending on sustainable management of natural resources and land through secured and equitable access to and control over their commune areas including NR in close collaboration with relevant government institutions as well as market access for alternative income generating opportunities (non-timber forest products, eco-tourism, fuel wood, fish, etc.).
- Support to advance informed multi-stakeholder dialogue on sub-national and national levels for influencing agriculture/NR policies as well as development decisions with direct impact on rural households' livelihoods, while fostering participatory consultation platforms for private sector actors' engagement.
- Support to the mine action sector to increase access to productive land.
- Integration of cross-cutting themes DRR-CCA and gender in AFS programming.
- Support to strengthen linkages with SDC Regional/Global programmes on food security (RIICE), land governance (MRLG), integrated water resource management (MRC) and forest governance (RECOFTC).

#### **(5) Resources, partnerships (Swiss programme)**

- Budget: CHF 12m over 4 years
- The main implementing partners at the national level are line ministries and development partners (MAFF, MoE, MLMUPC, MoWRAM, EU, DFAT, USAID, FAO, IFAD, ADB, KfW, WB, UNDP, CMAA, NCSD, etc.) and on sub-national level provincial and district governments and non-government organizations (SNV, Swisscontact, WWF, NTFP-EP, RECOFTC, CEPA, etc.) as well as private sector actors.

#### **(6) Management/performance results, including indicators (Swiss programme)**

- The yearly country context analysis (MERV) is conducted to inform SDC's program steering and implementation. It includes a specific focus on agriculture and natural resource management.
- Application of conflict-sensitive programme management, gender and DRR and CCA in programming and policy dialogue.
- Indicators:
- All projects support the transition processes in the agricultural sector in line with the public reforms for decentralisation and de-concentration.
- All projects dedicate budget and activities to strengthen the cross-cutting themes gender equality and DRR mainstreaming measures.
- All projects apply a targeting approach to reach disadvantaged groups, including indigenous people.
- The TRI CHR are reflected indicator 2.1.

## 6 Skills Development and Employment in Cambodia

**Domain objective:** Better skilled women and men, in particular from disadvantaged groups<sup>14</sup>, benefit from gainful and decent employment and self-employment.

### Swiss portfolio outcomes

#### Outcome statement 1 (System)

Enhanced TVET/skills development systems and government implementation, with active private sector engagement

##### Indicator 1.1

- # of cooperative agreements with private sector partners for TVET system development and delivery.

- Baseline [2017= 33]

- Target [2021=200]

(Source: SDP programme report)

##### Indicator 1.2

- % of employers who are satisfied with the skills level and job performance of graduates of Swiss-supported training courses.

- Baseline [2017= n.a]

- Target [2021=80%]

(Source: SDP programme report)

### Contribution of Swiss programme

- By supporting the RGC in its efforts to improve the quality of the VSD system and to foster effective collaboration with the private sector, the relevance of trainings can be enhanced and the transformation from a labour-intensive to a skills-driven, diversified industrial sector can be supported.
- A broad range of strategic frameworks relating to skills development has been adopted over recent years, e.g. the Industrial Development Policy, the National Employment Policy and the TVET Policy. Switzerland, together with ADB plays a leading role in the coordination of DPs (ADB, JICA, KOICA, AFD) in the sector. The establishment of a functioning system that involves all stakeholders and effectively steers the development and delivery of VSD programmes will be the big challenge in the years to come. Therefore, specific focus will be given (i) to supporting the Ministry of Labour and Vocational Training in the implementation of the mentioned policies; and (ii) to supporting the National Training Board (NTB) in taking up its role as the coordinating body between public and private sector and in providing concrete platforms of exchange between training providers and potential employers on provincial level.

### Risks and obstacles:

- The complex structure and coordination of this multi-stakeholder sector is further complicated with additional government actors entering the topic.

### Country development outcomes

#### Outcome Statement 1

Relevance and sustainability of TVET is ensured through the promotion of public-private partnerships and through funding support by all partners.  
(Source: TVET policy 2017-2025)

##### Indicator

- Public training providers who have public-private partnership for delivery of training.

(Presentation of TVET Policy 2017-2025)

Baseline [2016= 8]; Target [2021= tbd under the action plan for the TVET policy]

<sup>14</sup> Disadvantaged groups comprise: young men and women who have not completed compulsory secondary school, ethnic minorities, poor women and men, women and men from rural areas.



Swiss portfolio outcomes Outcome statement 2 (Access)	Contribution of Swiss programme	Country development outcomes Outcome Statement 2
<p>More women and men, in particular from disadvantaged groups, have increased access to skills development and find employment.</p> <p><u>Indicator 2.1</u> # of youth (15-24) (M/F) gained access to improved vocational skills. Out of these, # youth (M/F) gained access to gainful employment or self-employment. (ARI EV3)</p> <p>- Baseline (2017): 46 - Target (2021): 9,000 (50%F) (Source: Programme reports from SDP and UNJP)</p> <p><u>Indicator 2.2</u> # of female and male students graduated from Swiss-supported TVET programmes</p> <p>- Baseline (2017): 232, - Target (2021): 13,000 (Source: Programme reports from SDP and UNJP)</p>	<p>By supporting VSD programmes that include school drop-outs and members of disadvantaged groups in remote areas, Switzerland contributes to increased and more equitable access to VSD employment or self-employment, thus also contributing to reducing the risk of violent unrest.</p> <p>Many young people in the labour market have weak educational attainments. As completion of grade 9 is a precondition for continuation into vocational education, three quarters of young people remain excluded and need other forms of training. SDC, with its focus on skills development for destitute and vulnerable target groups, brings in its long-lasting experience. Experience from the implementation will feed into the Cambodian TVET strategy.</p> <p>Skills development gives better and broader employment opportunities and can lead to higher income and to better labour conditions.</p> <p><b>Risks and obstacles:</b></p> <ul style="list-style-type: none"> <li>The current lack of formal employment opportunities bears the risk of social conflict.</li> <li>The economic potential of remote areas remains limited, as does the number of jobs.</li> <li>The reputation of VSD is still low and numbers of participants therefore remain limited.</li> <li>Number of training offers remains low.</li> </ul>	<p>Equitable access to TVET for employment generation is increased. (Source: TVET policy 2017-2025)</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>- % of graduates who transition to work or further study from formal or informal study programmes.</li> </ul> <p>Baseline: Not available; Target value (2018): 90% (TVET strategic plan 2014-2018)</p> <ul style="list-style-type: none"> <li>- Dropout rates for CQF Certificate 1 – Certificate 3 (Level 2 – Level 4) courses Baseline: Not available; Target value (2018): 10%</li> </ul> <ul style="list-style-type: none"> <li>- Number of enrolments across MLVT training institutions Baseline (2013): 8,771 (formal), 84,449 (informal); Target value (2018): 17,642 (formal), 136,006 (informal) (TVET strategic plan 2014-2018)</li> </ul> <ul style="list-style-type: none"> <li>- Female enrolments at public TVET institutions in Certificate 1 – Certificate 3 Baseline (2013): 23%; Target value (2018): 30% (TVET strategic plan 2014-2018)</li> </ul>

Swiss portfolio outcomes	Contribution of Swiss programme	Country development outcomes
<p><b>Outcome statement 3 (Quality and Relevance)</b></p> <p>Private and public training providers offer relevant and quality training, equipping women and men with the necessary skills for employment, decent jobs and entrepreneurship.</p> <p><u>Indicator 3.1</u> - # of vocational skills development personnel and teachers trained (M/F) in collaboration with the private sector and on inclusion of disadvantaged groups (ARI EV2)</p> <p>- Baseline (2017): 83, - Target (2021): 1500 (Source: Programme reports from SDP and UNJP)</p> <p><u>Indicator 3.2</u> - # of curricula developed for specific occupations with active engagement from private sector in accordance with the CQF.</p> <p>- Baseline (2017): 12, - Target (2021): 40 (Source: SDP programme report)</p>	<p><b>Contribution of Swiss programme</b></p> <ul style="list-style-type: none"> <li>By supporting the RGC in its efforts to improve the quality of the VSD system and to foster effective collaboration with the private sector, the relevance of trainings will be enhanced and the transformation from a labour-intensive to a skill-driven, diversified industrial sector will be supported.</li> <li>Relevance and quality of skills development offered can only be enhanced when the different stakeholders from the public and private sectors closely collaborate in the development and delivery of training. Switzerland will foster collaboration between public and private stakeholders at national and provincial level. This implies 1) work with provincial training centres and departments, 2) collaboration with private training providers, 3) active involvement of private businesses for workplace-based training and definition of training contents and 4) fostering exchange between public and private actors on provincial level.</li> </ul> <p><b>Risks and obstacles:</b></p> <ul style="list-style-type: none"> <li>The financial and HR resources for teacher and instructor training remain limited</li> <li>Collaboration between the public and private sectors is challenging, especially because investments in training is often not profitable for individual enterprises.</li> </ul>	<p><b>Country development outcomes</b></p> <p><b>Outcome Statement 3</b></p> <p>The quality of VSD programmes meets market demands (Source: TVET policy 2015-2025)</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>- # of priority sectors for CQF Level 2-4 (Certificate 1 – 3) courses available each year.</li> <li>Baseline (2014): 3; Target value (2018): 5</li> <li>- % of teacher/trainers employed by MoLVT who have both pedagogical and industry skills.</li> <li>Baseline (2014): N/A; Target value (2018): 25% (Indicators from TVET strategic plan 2014-2018)</li> </ul>

#### **(4) Lines of intervention (Swiss programme)**

- The Skills Development Programme (SDP) with a focus on disadvantaged women and men in three remote provinces (Kratie, Stung Treng and Preah Vihear) will give better access to quality and relevant skills training for disadvantaged youth. The SDP will provide platforms for exchange between public and private training providers and potential employers on provincial training. Engaging the private sector for content and provisions of training.
- The contribution to the UN Joint Programme on Youth Employment will promote employability of youth with integration into the labour market with access to labour market information and employment, supporting concerted efforts/joint forces of different UN agencies for optimal synergy in promoting decent and productive employment opportunities and entrepreneurship.
- Support to women's economic empowerment through strengthening micro and small enterprises in the informal sector, in managing their business, promoting women in business leadership and entrepreneurship as well as voices of women for policy influence.
- Support rigorous policy-relevant research and evidence-based reforms to inform and influence policy makers and policy development for systemic change and strengthening its implementation.
- Strengthen the existing coordination mechanism, in particular supporting the Ministry of Labour and Vocational Training in its mandate to play active roles in coordination with other relevant ministries, DPs and private sectors. This will include the reactivation of the National Training Board, formalization of TWG TVET. Also, support to the elaboration of TVET law, TVET strategic plan and implementation of TVET policy.

#### **(5) Resources, partnerships (Swiss programme)**

- The budget for Skills Development and Employment Domain is CHF 13m for 4 years.
- Contribution to the UN Joint Programme on Youth employment of 50%, together with the involved UN agencies and private sector contributions.
- Switzerland has the lead on VSD in the European Joint programme and leads the wider informal Donor group on VSD.
- The strategic partnership includes: Ministry of Labour and Vocational Training (MLVT), Ministry of Tourism (MoT), Ministry of Women's Affairs (MoWA), National Employment Agency (NEA), Ministry of Education, Youth and Sports and its line provincial departments at the sub-national level. For Development partners and CSOs: ADB, SIDA, KOICA, JICA, EU Development Partners, IOM, UNDP, SNV, GIZ, UNESCO. Existing implementing partners: Swisscontact, CDRI, ILO.

#### **(6) Management/performance results, including indicators (Swiss programme)**

- Switzerland will take a leading role in the establishment of the new technical working group on Vocational skills development in order to promote synergies and coordination
- Switzerland will maintain the role as a lead for DPs groups on TVET, allowing for better coordination among development partners for exchange of information, policy dialogues and strategic inputs for policy document, and also enhancing the joint results framework in particular with EU donor groups
- Switzerland and its partner organizations in Cambodia apply a conflict-sensitive management approach, maintain impartiality and contribute to the reduction of conflicts.
- The TRI CHR are reflected indicator(s) 2.1 and 2.2



## 7 Governance and Citizen Participation in Lao PDR

**Domain objective:** Responsive public services for the poor and vulnerable and enhanced citizen participation.

### Swiss portfolio outcomes

#### Outcome statement 1

Lao women and men in the poorest districts and villages use quality services, thanks to equitable and responsive public service delivery.

##### Indicator 1.1

-# of district plans (%) that incorporate citizens' feedback for costed planning.

- Baseline 2017: 0

- Target for 2021: 50%

(Source: Governance for Inclusive Development Programme (GIDP 2017, UN Joint Programme Document))

##### Indicator 1.2

-# of poor women and men with access to and utilisation of (1) health and educational facilities and (2) safe and reliable water for consumption, irrigation; and (3) access to roads (contribute to ARI F2).

- Baseline 2017: 655,000 people, 50% women, 70% ethnic minorities in 1,300 villages; - Targets 2021: 690,000 people, > 50% women, 70% ethnic minorities in 1,300 villages.

(Source: Poverty Reduction Fund III (PRF III project document, 2016))

##### Indicator 1.3

- Proportion of the population satisfied with public services provided by authorities supported by Swiss co-funded programmes (people disaggregated by gender, age, ethnic minorities)

- Baseline 2017: 0

- Target 2021: 36,750 people

(Source: Governance for Inclusive Development Programme (GIDP 2017, UN Joint Programme Document))

### Contribution of Swiss programme

#### Trends and drivers of change:

- The GoL increasingly recognizes that good governance is a condition for quality public service delivery and hence for achieving related national development goals as well as the SDGs. The opportunities to support GoL's Public Administration Reform (PAR) and the space to promote decentralisation and citizens' participation have increased. This mainly due to the revision of the Lao Constitution (2015), the changes within the Party and the National Assembly (2016), and a trend to comply with international and ASEAN standards. The internally-driven state devolution policy Sam Sang ("the Three Builds") and the newly-established PPAs will further support decentralisation efforts and lead to a more effective and accountable local public administration. In the longer term, successful decentralization will largely depend on strengthened Public Finance Management (PFM) completing a functioning public administration.

#### Impact hypothesis:

- When mandates, resources and capacities of public administration are appropriate and when planning and accountability mechanisms linking public service providers to the population are effective, then the access to and utilization of quality public services will increase and hence livelihoods of the poor and vulnerable population will improve.

- Switzerland's approach to improve living standards of the poor and vulnerable (living below the national poverty line, women, ethnic minorities) through improving service delivery by the public administration (PA) (outcome 1) and enhancing citizen participation (outcome 2) reflects the continued need for support of the weak PA as well as the GoL's intention to better serve its citizens through PAR and decentralised delivery.

- At the policy level, Switzerland will focus on: (1) advocating for implementation of the GoL's decentralization agenda; (2) fostering convergence of local participatory planning with the decentralization approach; and (3) promoting civil society as partner in local development. Policy dialogue is at the core of the governance domain and its projects in Lao PDR.

- At the operational level, strengthening capacities of authorities at the local and provincial level (output) has been an ongoing process. Focusing on planning capacities and responsiveness will lead to better development plans reflecting the needs of the population. Therefore, Switzerland will contribute to (1) the implementation of the ongoing decentralization policy by strengthening capacities of district administration to provide better services; (2) increase the availability of local resources and capacities for service delivery; (3) more inclusive community and local development planning, implementation and monitoring mechanisms; (4) supporting PPAs in exercising their mandate.

#### Risks and obstacles:

Although officially promoted, the reform agenda might lack adequate ownership by the GoL. The delegation of more fiscal responsibilities from provinces to districts may not materialize and hence jeopardize decentralization efforts. The implementation of the Sam Sang policy in pilot areas and the establishment of the PPAs suggests the political will of the central government towards decentralization. Yet they may be perceived as tools to increase undue control by the central level over the local administrations.

### Country development outcomes

#### Outcome Statement 1

Enhance effectiveness of the public governance and administration.

(8th National Socio-Economic Development Plan 2016-2020, pg. 146)

##### Indicator

- Improve the structure of the local administration to be capable of translating the Government's policies and plans into actual implementation and provide services to the people in a more effective and timely manner (pg. 146)

Improved living standards through poverty reduction (Logical framework - 8th National Socio-Economic Development Plan 2016-2020, pg. 178. Outcome 2, output 1: Access to service and resources)

##### Indicators

- Number or percentage of villages without primary school or further than one hour's walking distance.

- Number or percentage of villages without health clinic and drug kits or further than two hours' walking distance.

- Number or percentage of villages without safe water sources in or close to the village

Baselines 2016: 31 (0.37%) for schools / 257 (3.03%) for health clinics / 266 (3.44%) for safe water in 2015; Targets: (none)

- The poverty rate decreases to 10% by 2020.

Baseline 2012/3: 23.2% (8th NSEDP, pg. 88)

- Remaining poor villages are less than 10% of all villages.

Baseline 2015: 20.5% (8th NSEDP, pg. 176).

- Remaining poor districts is lower than 10% of the total number of districts.

Baseline 2016: 30% (8th NSEDP, pg. 125)

<p><b>Outcome statement 2</b></p> <p>Lao women and men increasingly participate in public debate in an informed manner, to shape more inclusive and responsive policies and to hold government agencies more accountable for their actions.</p> <p><u>Indicator 2.1</u></p> <ul style="list-style-type: none"> <li>- Level of citizen engagement in public consultations and in voicing concerns to the government and the National Assembly (measured by rubric scales; contribute to ARI F1 and ARI HR 2)</li> <li>- Baseline: Citizens' participation and bottom-up planning processes are implemented as a standard procedure in development projects. Citizens are increasingly informed about development issues from both GoL and CSOs. There is potential for more citizens' participation at local level through the PPAs.</li> <li>- Target: Citizens are increasingly well informed about and engaged in development issues and have found ways for voicing their concerns. Participation at local level, and increasingly at national level, is being formalized and applied through different modalities/platforms.</li> </ul> <p>(Source: MRS 2013-2017, LGCP Domain, Rubric Scale Analysis – Outcome Statement 2 (2016))</p> <p><u>Indicator 2.2</u></p> <ul style="list-style-type: none"> <li>- Lao development stakeholders, including government agencies, development partners CSOs, academia and private sector, increasingly use evidence to engage in an informed manner on critical development issues (measured by rubric scales). (contribute to ARI HR2)</li> <li>- Baseline: Different types of development- related information exist online, with different credibility and frequently contested validity for use.</li> <li>- Target: Public debate on development challenges is mostly based on evidence and this information is publicly available, but its interpretation and analysis is hampered by limited understanding among development stakeholders.</li> </ul> <p>(Source: MRS 2013-2017, LGCP Domain, Rubric Scale Analysis – Outcome Statement 2 (2016))</p>	<p><b>Trends and drivers of change:</b></p> <ul style="list-style-type: none"> <li>- The GoL's focus is on development and graduation from LDC status. Citizens' participation – although anchored in the constitution – is not a priority. Its promotion is possible but aside from international commitments / statements, there are no specific interventions, targets or indicators foreseen in the goals of the GoL. Nevertheless, several recent trends in Lao PDR promise increased channels for people's participation. Citizens perceive the newly-formed government as well as the National Assembly (NA) as more open. The interaction between the NA and CSOs is growing. The rising use of social media provides more open access to information. CSOs have been recognized since 2009 and largely remain engaged in development activities; however, space and capacity for engaging in policy dialogue remains limited. Policy dialogue in Sector Working Groups and Steering meetings has also proved to be a driver of change.</li> </ul> <p><b>Impact hypothesis:</b></p> <ul style="list-style-type: none"> <li>- Improving formal and informal democratic participation, nurturing an enabling environment for CSOs as partners in the development process, and increasing access to information and knowledge will lead to more informed debate on policy issues as well as increased accountability between government and citizens. This will contribute to more inclusive and responsive policies.</li> <li>- Despite its international commitments to value partnerships for development, the ownership and political will of the GoL agencies to realize these commitments remain weak. Hence the engagement for partnerships and participation is and remains a main focus of the Swiss presence.</li> <li>- At the policy level, Switzerland will focus on: (1) fostering cross-sectoral open information and knowledge exchange by planners and decision makers; (2) building trust in CSOs as partners in the development process among the GoL and other stakeholders based on good examples/projects; and (3) reinforcing the link between local and national levels to feed local voices and experiences into policy debates.</li> <li>- At the operational level, Switzerland will support the efforts of GoL stakeholders (ministries, NA, PPAs) to promote citizens' representation, accountability mechanisms, and access to open information. In addition, Switzerland will strengthen CSOs as partners in development and promote a more enabling environment for their operation and collaboration with the GoL and the NA.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>- The institutional support from GoL to enhance citizens' participation in the country is volatile and may not materialize. PPAs may not be able to effectively exercise their mandate and promote more citizens' participation as envisaged. The environment for CSOs may remain challenging or could become more difficult.</li> </ul>	<p><b>Outcome Statement 2</b></p> <p>Ensure responsive, inclusive, participatory and representative decision-making at all levels.</p> <p>(Sustainable Development Goal, Target 16.7, SDGs endorsed by Lao PDR)</p> <p><u>Indicator/target: indicator not relevant for goal</u></p> <p>The Government will continue its effort in enabling International Non-Government Organisations (INGOs) and National Non-Profit Associations (NPA), [.....] to carry out their implementation activities and to participation in development cooperation activities</p> <p>(Vientiane Declaration on Aid effectiveness II, pg.5)</p> <p><u>Indicators/target: none</u></p> <p>Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnership</p> <p>(Sustainable Development Goal 17.17 Multi-stakeholder partnership.</p> <p><u>Indicators/target: none</u></p>
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#### **(4) Lines of intervention (Swiss programme)**

##### Outcome 1:

- Support to the GoL decentralization and PAR process: contribution to the National Governance and Public Administration Reform Program - Governance for Inclusive Development Program (NGPAR-GIDP). Focus on building up capacities of district authorities to plan, deliver, and manage public services and infrastructure responding to needs of communities, especially of the women, related to health, education, water and sanitation, road access.
- Contribution to the Poverty Reduction Fund (PRFIII): country wide provision of small-scale infrastructure and services in the poorest villages (access and utilisation of health and educational facilities, safe and reliable water for consumption, irrigation and access to roads), based on inclusive community-driven development processes which has a strong focus on engaging women and ethnic minorities.
- Assess possible support to the GoL public financial management process in order to promote fiscal decentralisation and strengthen the country's accountability system, currently complementary to and in the future replacing support to PAR.

##### Outcome 2:

- Strengthen civil society by double track approach: 1) directly supporting CSOs and 2) working with the government to develop an enabling environment. Enhance citizens' representation and participation through the NA and provincial people's assemblies, with special attention to women's active participation, in order to reinforce accountability mechanisms at provincial level. (Citizen Engagement for Good Governance, Accountability and the Rule of Law, CEGGA). CEGGA is a joint EU/Germany/Switzerland project under the EU Joint Programming.
- Support to evidence-based decision-making by promoting the availability and accessibility of socio-economic and environmental information and knowledge (e.g., on land governance). Enhance cross-sector knowledge and information exchange (Lao DECIDE info).
- Special foci: implementation CEGGA / elaboration of next phase DECIDE / longer term PAR or PFM support / policy dialogue

#### **(5) Resources, partnerships (Swiss programme)**

- Financial envelope for the governance and citizen participation domain in Lao PDR: approx. CHF 5.5 to 6m annually.
- Implementing agencies/counterparts of SDC: Ministry of Home Affairs, Poverty Reduction Fund c/o Ministry of Agriculture and Forestry, Ministry of Natural Resources and Environment, Center for Development and Environment (CDE), University of Bern, GIZ.
- Coordination with other international donors: EU, UNDP, UNCDF, German Federal Ministry of Economic Cooperation and Development (BMZ) and World Bank. In the course of the strategy, SDC will assess a possible engagement with Ministry of Finance on Public Financial Management through a joint-partnership with the EU and the World Bank. SDC Human resources to manage the domain: one expatriate (head of governance programme) and two NPOs.

#### **(6) Management/performance results, including indicators (Swiss programme)**

- The GOV RI (provision of services) is reflected in indicator 1.3. The TH RI CHR are reflected in the indicators 1.1 (TH RI fragility/accountability), 1.2 (TH RI basic services 1/ sectorial contribution out of fragility and TH RI fragility 7/inclusion), 1.1/2.1 (TH RI Governance/involvement of citizens). All indicators reflect the targeting of disadvantaged groups.
- Work through different modalities (mandate, contributions) and partners (UN, WB, DPs, INGOs, CSOs) to mitigate risks and increase impact/effectiveness. Continue coordination efforts, i.e. EU Joint Programming, Sector Working Groups.
- As main donor and partner in the governance sector enhance the role of Switzerland through co-chairing the governance sector and related subsector working groups. Promote GoL / DP's exchange on relevant topics, provide expertise where needed.
- Continue to build synergies between governance projects and links to other domains. Support and promote innovative approaches (i.e. collaboration of PRF/DDF, integrated local planning).



## 8 Agriculture and Food Security in Lao PDR

**Domain objective:** Improved and sustainable livelihoods, food security and income of rural women and men, especially ethnic minorities

### Swiss portfolio outcomes

#### Contribution of Swiss programme

#### Outcome statement 1

Smallholder farmers improve their food security, nutrition awareness and resilience by accessing resources, services and knowledge

The AFS domain will target women and men smallholder farmers in an inclusive approach, with a particular focus on vulnerable groups in remote mountainous areas.

#### Trends and drivers of change:

- For the government of Lao PDR, food security remains a top priority, and smallholder farmers are increasingly recognized as drivers of economic change in rural areas; even though agriculture, as a share of overall Lao economy, is in decline. Pressure on smallholder farmers remains high, in particular emanating from contradictory policies and their implementation regarding the use of natural resources. Therefore, food security remains vulnerable, and a high level of malnutrition persists as well as a limited capacity to cope with the effects of climate change. Inequality in some areas is even on the rise, and the development gap between urban and rural population is widening.

#### Impact hypothesis:

- Increased smallholder farmers' knowledge and capacities to adapt their production patterns to existing and new constraints such as climate variability or scarcity of land will improve the nutritional status of targeted poor families.
- At operational level** the focus will be on addressing the needs and concerns of smallholder farmers in remote areas through:
  - the promotion of better nutrition-oriented production systems, with a specific focus on women's roles and requirements regarding family food security and diversity as well as WASH;
  - increasing resilience capacities of vulnerable communities to address climate variability;
  - increasing attractiveness of agriculture as a professional option for youth responding to the demand of the labour market.
- At policy level**, the focus will be on promoting the role of smallholder farmers and reducing negative impacts affecting rural livelihoods caused by factors such as climate change, unsustainable agriculture practises, land concessions and natural resource extraction, or resettlement.

#### Risks:

- Despite the presence of many projects to support smallholder farmers in remote areas, authorities may continue some policies and practises that could weaken food security in remote areas and jeopardize the efforts of development efforts. Climate change impacts need increasingly to be taken into consideration. The shift towards wage labour in Lao agriculture needs close attention as well.

### Country development outcomes

#### Outcome Statement 1

Growth in agriculture is pursued at a constant level through commercialization and modernization as well as through provision of comprehensive infrastructure, ensuring food security and food quality in terms of nutrition, and producing agricultural products that are highly competitive on the market and adaptable to climate change.

(ADS 2025 - 2030, p. 16)

#### Indicator

- Enhanced food production systems and agricultural productivity (8th NSEDP, p.178; no indicator set).
- Lower percentage (baseline 2015: 20.1%) of population consuming less than the minimum dietary energy requirements of 2100 call/day/person (8th NSEDP, p. 178; however, no target set within 8th NSEDP).
- Reduce chronic malnutrition rates among women and children (National Nutrition Strategy and Plan of Action, NNSPA, p. 8) (Baseline 2015: 42, Target 2020: 34)
- Improve agriculture and forestry colleges under the management of MAF (ADS 2025 -2030, p. 29; five colleges, no indicator set).

## Outcome statement 2

Smallholder farmers increase their income by improved market-oriented production capacities.

### Indicator 2.1

- # of farmers' organizations providing demand-oriented and market-related services to their members

- Baseline: 300<sup>16</sup>

- Target 2021: plus 100 farmers' organizations  
(Source: reports of TABI and LURAS projects)

### Indicator 2.2

- # of women and men farmers in target areas with increased income (ARI E1)

- Baseline: 50'000<sup>17</sup>

- Target 2021: plus 36'500 women and men  
(Source: reports of TABI, LURAS and ENUFF projects)

The AFS Domain will target women and men smallholder farmers in an inclusive approach, with a particular focus on vulnerable groups in remote mountainous areas.

### Trends and drivers of change:

- Despite increased government awareness that commercial agriculture also needs to be fostered to the benefit of the rural poor, many challenges persist, such as monopolies, intransparent private arrangements, corruption, or an accumulative tax system for many agro-products. These factors can undermine the efforts of smallholder producers and the private sector, as well as development projects, to establish a dynamic, pro-poor production environment and enhance access to markets.

### Impact hypothesis:

- The building of inclusive, agro-biodiversity-based and profitable value chains as well as self-determined, voluntary, and independent farmer organizations will improve farmers' production opportunities, the sustainable management of natural resources, and their engagement in the market economy.
- **At operational level**, the focus will be on:
  - i) demand-driven and gender inclusive rural advisory services by government and non-state service providers;
  - ii) continued support to self-determined and independent farmer organizations;
  - iii) farmer skills development, targeting improved quality, better market understanding and bargaining power;
  - iv) fostering fair and transparent contracting and commercial arrangements for smallholder farmers;
  - v) promotion of niche-market and agro-biodiversity-based value chains, linking them to the private sector;
  - vi) supporting farmers' access to financial services and other commercial inputs under equitable and affordable terms;
  - viii) education efforts and social learning with a focus on sustainable agriculture practises.
- **At policy level**, the focus will be on:
  - i) promotion of agro-biodiversity;
  - ii) removing local practises which hinder the development potential of value chains (such as commercial monopolies);
  - iii) creation and enforcement of regulations to ensure that the production environment and access to markets are appropriate for smallholder farmers.

### Risks:

- Data sharing remains poor. Authorities often prefer international commercial operators, thereby creating a difficult competition for Lao smallholders, SMEs and local traders. Robust and interlinked farmer organizations will allow Lao farmers to cope with this competition.

## Outcome Statement 2

Gradually enhance production of agricultural commodities, ensuring that both quantity and quality allow to access domestic, regional and international markets. Enhance the role of farmers' and producers' groups, and agriculture processing associations.

(ADS 2025 - 2030, p. 17)

### Indicators

- Create an enabling environment for sustainable and productive agriculture by supporting farmers' organizations in having access to relevant information, practical and quality education, and appropriate technology; with an emphasis on intensification of yield growth as a major source of increased productivity rather than expansion of land area  
(8th NSEDP, p.101; no indicator given).
- Strengthen capacity at the grass-root level to enable knowledge sharing and on-the-job training for farmers on a regular basis (e.g. on techniques of planting and animal husbandry); reduce production costs and ensure products are in line with market demand; enable regular and timely production  
(8th NSEDP, p.129; no indicator given).
- Upgrade the existing agriculture extension and development centres to become comprehensive centres capable of demonstrating techniques of agricultural production  
(8th NSEDP, p.100; indicator: # out of 264 technical centres are upgraded).

<p><b>Outcome statement 3</b></p> <p>Smallholder farmers have secured and equitable access to and control over agricultural land, forest and water resources.</p> <p><u>Indicator 3.1</u></p> <ul style="list-style-type: none"> <li>- # of households managing their land in government-approved land-use plans</li> <li>- Baseline: 33'000 households; 800'000 hectares<sup>18</sup></li> <li>- Target 2021: plus 12'000 households, plus 700'000 hectares (Source: reports of TABI, project)</li> </ul> <p><u>Indicator 3.2</u></p> <ul style="list-style-type: none"> <li>- # of land-related policies, laws, strategies and plans developed at national level (ARI FS2)</li> <li>- Baseline N.A. in current monitoring system</li> <li>- Target 2021: 6 policies, laws, strategies or plans (Source: reports of TABI and LURAS projects)</li> </ul>	<p>The AFS Domain will target women and men smallholder farmers in an inclusive approach, with a particular focus on vulnerable groups in remote mountainous areas.</p> <p><b>Trends and drivers of change:</b></p> <ul style="list-style-type: none"> <li>Even though the "turning land into capital" policy was formally abandoned in 2017, and social inclusion objectives have their place in the 8th NSEDP, access to land and natural resources (incl. water) and the use of land and forest remains critical for many rural poor in the target areas.</li> </ul> <p><b>Impact hypothesis:</b></p> <ul style="list-style-type: none"> <li>Improving stakeholders' (government, civil society, private sector, local communities, smallholders) capacity, knowledge and participation in dealing with land-related issues will empower rural communities to claim secured access to land and the right to use their land for their livelihoods.</li> <li><b>At operational level</b>, the focus will be on: <ul style="list-style-type: none"> <li>(i) participatory land-use planning;</li> <li>(ii) strengthening local decision-making capacities about land-related issues;</li> <li>(iii) fostering the use of community land titles accepted by decentralized authorities;</li> <li>(iv) sustainable cultivation strategies recognized by the government.</li> </ul> </li> <li><b>At policy level</b>, the focus will be on: <ul style="list-style-type: none"> <li>(i) promoting open dissemination and exchange of information on land issues, based on more consolidated knowledge produced by stakeholders involved;</li> <li>(ii) building partnerships in order to promote the dialogue on land issues;</li> <li>(iii) contributing to the creation and revision of relevant policies, strategies, laws and plans.</li> </ul> </li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>Land rights and tenure are not only politically sensitive in the context of Lao PDR, but also strongly connected to vested interests. Access to information, awareness-raising, developing useful tools and confidence-building are necessary to influence political will and strengthen partnerships and alliances.</li> </ul>	<p><b>Outcome Statement 3</b></p> <p>Develop and manage agricultural land for rice crops, vegetables and livestock: ensure land registration and prohibit conversion of irrigated rice fields to other purposes; undertake land allocation survey and evaluation of soil quality for rice farming; complete the issuance of agricultural land titles to farmer families in priority areas no later than 2020 (8th NSEDP, p.101)</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>- Strive to complete the development of the national master plan on land use and complete the comprehensive land allocation in 18 provinces, 92 districts and 3,455 villages across the country (8th NSEDP, p.138; target to be reached by 2020; no baseline given).</li> <li>- Complete the survey, allocation and identification of national forest areas and classify them according to three standard forest types (8th NSEDP, p.140; target to be reached by 2020).</li> <li>- Apply a policy promoting linkages between land use and land protection to ensure people's rights by law on land use for their livelihood, housing and production; harmonize land allocation, land capitalization and use as a source of wealth for the people and the nation; ensure ownership (8th NSEDP, p.140; no indicator given).</li> </ul>
<p><b>(4) Lines of intervention (Swiss programme)</b></p> <ul style="list-style-type: none"> <li>Outcomes will mainly be achieved through four large projects dealing with agrobiodiversity and land-use planning (TABI; until 2020), pluralistic advisory service provision and support to farmer organizations (LURAS; throughout the whole period of this strategy), agriculture education (SURAFCCO; until 2020) and nutrition (ENUFF; throughout the whole period of this strategy). Smaller contributions by SDC will target bamboo and rattan value-chains as well as the establishment of a national policy for these non-timer forest products. Where ever possible, the projects will focus on disadvantaged women and men in remote districts. Specific support for policy dialogue will be done through support for the Policy Think Tank of the Ministry of Agriculture and Forestry.</li> </ul>		
<p><b>(5) Resources, partnerships (Swiss programme)</b></p> <ul style="list-style-type: none"> <li>CHF 6m per year; 24 million for 4 years; COOF human resources: one head of domain (expat, part-time) and two national programme officers/agricultural advisors.</li> <li>The main projects are all mandated; they are being implemented with the Ministry of Agriculture and Forestry (TABI, LURAS, SURAFCCO) or with the Ministry of Health (ENUFF), each with the technical assistance of a Swiss or international NGO or private company, selected through open international tender.</li> <li>In three projects, SDC contributes to programmes together with other partners: PTT (FAO, IFAD, IWM); bamboo initiative by WWF (contributions by private sector).</li> </ul>		
<p><b>(6) Management/performance results, including indicators (Swiss programme)</b></p>		



- Yearly context analysis in view of programme adaption, including evaluation of up-dated scenarios. Formal and informal policy dialogue with a wide range of stakeholders such as Gol\_ and development partners. Explicitly apply human rights-based approach and conflict-sensitive programme management; achieve/maintain workforce diversity. The Thematic Reference Indicators for Conflict and Human Rights are reflected in indicator 3.2.

## 9 Skills Development and Employment in Lao PDR

**Domain objective:** Better skilled women and men, in particular from disadvantaged groups<sup>19</sup>, benefit from gainful and decent employment and self-employment.

### Contribution of Swiss programme

### Country development outcomes

#### Outcome statement 1

Skills development and employment is aligned with:

Improved quality and relevance of skills provision, responding to labour market demand.

Indicator 1.1  
- % of employers who are satisfied with the skills level and job performance of graduates of Swiss-supported training courses

#### Trends and drivers of change:

- GOL is pursuing an industrialisation and modernisation strategy in order to reach its strategic goal to graduate out of the LDC status. Two of the sectors of the Lao economy with most sustainable growth outlook have been identified as tourism and agribusiness. To accelerate the shift from agriculture toward technology-intensive industry and service sectors, a sufficient supply of labour with advanced skills is necessary. Currently, there is a mismatch of skills delivery and labour market demand. In addition, the ASEAN Economic Community (AEC) leads to higher competition from neighbouring countries. GOL has recognized the important role of SD/TVET to tackle this challenge. There is also high demand from Lao companies for quality SD/TVET, as in a recent ILO-survey 56% of Lao companies stated that lack of skilled labour has limited their growth.

#### Impact hypothesis:

- Switzerland will improve quality, quantity and relevance of skills provision in selected TVET institutions throughout the country. Through policy dialogue with GOL, close coordination with other Development partners in the sector and strengthened cooperation with the private sector, good practise will be upscaled to further private and public institutions and additional measures for enhancing labour market insertion will be introduced, leading ultimately to increased employment opportunities.
- **Assumption:** Policy dialogue between GOL and Development partners in the Sector is further institutionalized, and DPs are ready to learn and adapt to identified best practises.
- **Instifutional level:** For the skills provision to be relevant and of good quality, close cooperation between the public and the private sector is necessary and thus will be promoted in all Swiss interventions.
- **Operational level:** Measures such as for example dual cooperative training mechanisms and curricula development /adaption in collaboration with the private sector will be considered. A particular focus will be put on sectoral skills development, such as in the tourism and agribusiness sectors. Further measures for labour market insertion, strengthening labour market information or career counselling mechanisms will be tested.

- Baseline: 0 (2017)

- Target 2021 : 350

(Source: Project monitoring Skills for tourism)

#### Risks:

- There is a risk that the reputation of skills training remains low and that women and men enrol in skills/TVET training mainly to upgrade their capacities and to find jobs in the government.
- Limited employment opportunities in remote areas are also a risk.

#### Outcome Statement 1

"Improved public/private labour force capacity: Develop the workforce in both quantity and quality (...) by focusing on the agriculture, industry and services areas in respect of the national development demand. Build capacity of workforce to compete in the ASEAN Region (...)."

"Create employment opportunities for Lao workers that are consistent with international labour standards (...). Increase international cooperation to mobilize financial and technical assistance on Lao labour skills development to improve the quality of the Labour force."  
(Source: 8th NSEDP, Outcome 1, output 5: improved public/private labour force capacity).

#### Indicator

- Number of employed persons in Lao PDR.

Target: 4'470'000 (2020); Baseline: 3'021'212 (2010)

(Source: 8th NSEDP/results framework; outcome 1, output 5)

<sup>19</sup> Disadvantaged groups comprise: young men and women who have not completed compulsory secondary school, ethnic minorities, poor women and men, women and men from rural areas.

<p><b>Outcome statement 2</b></p> <p>Increased access to skills development and employment opportunities for women and men, in particular from disadvantaged groups.</p> <p><u>Indicator 2.1</u> # youth (15-24) and # adults (24&lt;) (M/F) gained access to improved vocational skills. Out of these # youth and # adults gained access to gainful employment or self-employment. (ARI EV3)</p> <p>- Baseline (2017): 2'800 youth, 500 adults have access to vocational skills; 1'300 youth and 200 adults gained access to gainful employment or self-employment (2017) - Target (2021): 8'000.; 2000.; ; 5'000.; 1'200 (source: Project monitoring VELA and Skills for Tourism)</p>	<p><b>Trends and drivers of change:</b></p> <ul style="list-style-type: none"> <li>- Significant inequalities exist in accessing post-secondary education. It is particularly difficult for disadvantaged groups (e.g. young men and women who have not completed compulsory secondary school, ethnic minorities; poor women and men or coming from rural areas) to start and complete vocational education and training. Given the high drop-out rate from secondary education, it is vital that GOL provides skills development to out-of-school children.</li> </ul> <p><b>Impact hypothesis:</b></p> <ul style="list-style-type: none"> <li>- Switzerland will support mechanisms which support women and men from disadvantaged groups to have increased access to skills development, which will lead to better and broader employment opportunities and ultimately to increased income.</li> <li>- <b>Assumption:</b> The quality of the training is sufficient and the economic opportunities exist so that graduates find employment.</li> <li>- <b>Institutional level:</b> Collaboration and coordination will be expanded both within Ministry of Education and Sports (to the department of informal skills provision) as well as to the Ministry of Labour and Social Labour (MOLSW) in charge for informal skills development and decent employment measures. Collaboration with Ministry of Information, Culture and Tourism, through the Institute for Mass media, Culture and Tourism will be assessed.</li> <li>- <b>Operational level:</b> mechanisms which support disadvantaged women and men to participate in skills development (for example, scholarships, competitive funds, mobile trainings) will be tested and supported.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>- Lack of coordination between key GOL actors, and between GOL and Private sector, might lead to inefficiencies and duplication of efforts.</li> </ul>	<p><b>Outcome Statement 2</b></p> <p>"Universal access to quality education, including vocational education." (Source: 8th NSEDP, outcome 2, output 3)</p> <p><u>Indicators</u></p> <ul style="list-style-type: none"> <li>- Number of students enrolled in vocational education and training. Target: 105'000 (2020); Baseline: 65'000 (2015) (Source: 8th NSEDP/results framework; Outcome 2, output 3)</li> </ul>
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<p><b>Outcome statement 3</b></p> <p>Strengthened regulatory framework and delivery systems on TVET/skills development and decent employment, with the active involvement of the private sector, and focusing on gender equality and inclusion of disadvantaged people.</p> <p><u>Indicator 3.1</u></p> <p>- The TVET reform is advancing, and gender equality inclusion aspects are increasingly taken into consideration.</p> <p>(to be measured by rubric scales. 4 Criteria to be tracked: regulatory framework, including policy on decent employment; private sector involvement; inclusion of vulnerable groups with focus on gender equality; relevance of TVET provision)</p>	<p><b>Trends and drivers of change:</b></p> <ul style="list-style-type: none"> <li>- In the past, the TVET reform has advanced with the approval of fundamental policy papers and laws; however, their implementation lags behind.</li> </ul> <p><b>Impact hypothesis:</b></p> <ul style="list-style-type: none"> <li>- By supporting the GOL in its efforts to further advance and strengthen the TVET reform, effective implementation and change can be promoted and realized.</li> <li>- Through the Swiss support to ILO /MOLSW a national policy on decent employment will be drafted and implemented and will thus set the groundwork for more decent employment and better labour conditions.</li> <li>- <b>Assumption:</b> The GOL on all levels (national, provincial, cross-sectoral) knows the regulatory framework and is committed to implement.</li> <li>- <b>Policy level:</b> Policy dialogue and relevant messages will be jointly formulated and undertaken with Luxembourg and Germany as main European Partners in the TVET/skills development sector. Close cooperation and synergies will be sought with the Asian Development Bank (ADB), one of the biggest Development Partners in the sector.</li> <li>- Particular focus will be put on (i) to support the effective functioning of the National Training Council (body to bring together public and private actors in pushing forward work place relevant curricula development); (ii) to support the further design and implementation of the national training fund, and (iii) to support a more efficient coordination of different governmental actors (MOES, MOLSW).</li> <li>- <b>Institutional level:</b> Institutional capacities at all levels will be strengthened regarding gender equality and inclusion.</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>- The lack of incentives for TVET/SD staff for implementing reforms constitutes a major risk.</li> </ul>	<p><b>Outcome Statement 3</b></p> <p>"Reform the vocational education system and vocational training that will ensure higher effectiveness and efficiency in labour development and training"</p> <p>(Source: 8th NSEDP, Outcome 1, output 6: Inclusive growth / competitive local entrepreneurs).</p> <p><u>Indicators</u></p> <p>National Policy on Decent Employment approved and implemented.</p> <p>Baseline: no policy (2017); Target: policy adopted and implemented (2020)</p> <p>(Source: GOL information system)</p> <p>(there is no indicator in the 8th NSEDP results framework for measuring the advancement of the regulatory framework and the TVET reform).</p>
<p><b>(4) Lines of intervention (Swiss programme)</b></p> <ul style="list-style-type: none"> <li>- Termination of 1st phase of Swiss-German co-financed project on Vocational Education and Training in Lao PDR (August 2018) (VELA Phase 1), focusing on short-courses for disadvantaged young women and men (provision of scholarships), development of curricula and implementing dual cooperative training mechanism in close cooperation with private sector (trade working groups) and improving TVET governance.</li> <li>- Phase two of joint Swiss-German co-financed project (VELA Phase 2), focusing on all three Swiss outcomes. The intervention lines are yet to be designed. A particular focus will be put on access of young women to skills/TVET provision.</li> <li>- Full implementation of Swiss-Luxembourg co-financed project "Skills for Tourism" (2016-2020), focusing on improvement of quality of skills development in tourism and hospitality, increasing scale and variety of skills provision, ensure inclusion of disadvantaged men and women through effective support measures, and supporting an enabling governance and institutional environment. At least 60% of disadvantaged beneficiaries will be women.</li> <li>- Contribution to ILO for supporting MOLSW for the elaboration of a national decent rural employment strategy, based on evidence in two selected provinces.</li> </ul>		
<p><b>(5) Resources, partnerships (Swiss programme)</b></p> <ul style="list-style-type: none"> <li>- Total financial resources for the skills development and employment domain for 2018-2021: up to CHF4.5m/year.</li> <li>- Co-financed projects with Germany (50%-50%, VELA Project) and Luxembourg (50%-50%, Skills for Tourism Project. Luxembourg, Germany and Switzerland are part of EU Joint Programming; Switzerland has taken the lead in the coordination of the sub-sector of TVET.</li> <li>- 1 Expat (40%), 1 NPO (100%).</li> </ul>		
<p><b>(6) Management/performance results, including indicators (Swiss programme)</b></p> <ul style="list-style-type: none"> <li>- Yearly context analysis will be conducted to inform partner and GOL dialogue.</li> </ul> <p>SDC will take a leading role in the new technical GOL-DP TVET technical working group in order to promote synergies and coordination. The TRI CHR are reflected in indicator 3.1 (inclusion of vulnerable groups)</p>		



## Annex 4: Allocation planning by country and by thematic domain

Planned allocations by country (in million CHF)

	2018	2019	2020	2021	Total	% Total
<b>Regional</b>	8	8	8	8	32	22%
<b>Cambodia</b>	12.5	12.5	12.5	12.5	50	34%
<b>Lao PDR</b>	16	16	16	16	64	44%
<b>Total</b>	36.5	36.5	36.5	36.5	146	100%

Planned allocations by thematic domain (in million CHF)

Domains	2018	2019	2020	2021	Total	% Total
<b>Governance, citizen participation and health</b>	14	14	14	14	56	38%
<b>Agriculture and food security</b>	12.5	12.5	12.5	12.5	50	34%
<b>Skills development and employment</b>	10	10	10	10	40	27%
<b>Total</b>	36.5	36.5	36.5	36.5	146	100%

# Annex 5: SDC Global Programmes active in the Mekong region

The SDC Global Cooperation Department works worldwide to promote a globalisation that is conducive to development. It focuses on a number of cross-border themes.

The department:

- responds with five Global programmes to global challenges in the fields of climate change, food security, water management, health and migration
- engages in dialogue with multilateral institutions and participates in institutional and political dialogue
- observes international trends in development policy and engages in dialogue with international partners and research centres
- carries out a support function for the entire SDC in the fields of information management, knowledge transfer and culture

In the Mekong region, this engagement can be seen with a great number of initiatives funded through the Global Programmes and active in the countries of the region.

Particularly active is the **Global Programme Food Security (GPFS)** with around ten initiatives anchored in the region, linking both regional programmes such as MRLG and RECOFTC, but also projects in the agriculture and food security domain in Cambodia and Laos. For example: **GFRAS** (Global Forum for Rural Advisory Services) in Cambodia, Laos, Myanmar, Thailand and Vietnam; **CORIGAP** (Closing Rice and Yield Gaps in Asia) in Myanmar, Thailand and Vietnam (+China); **ILC** (International Land Coalition) in Cambodia and Laos; **IISD** (International Institute for Sustainable Development in Cambodia, Laos, Myanmar, Thailand and Vietnam (+China)); **RIICE** (Remote sensing-based Information and Insurance for crops in Emerging Economies), in Cambodia and Vietnam.

Another active Global programme in the region is the **Global Programme Water (GPW)** with close links to MRC. For example, **BRIDGE** (Building River Dialogue and Governance) with IUCN (International Union for Conservation of Nature) in Cambodia, Laos and Thailand; and a core contribution to **GGGI** (Global Green Growth Institute) for activities in Cambodia, Laos and Vietnam.

The **Global Programme Climate Change (GPCC)** has an initiative at ASEAN level, the **ASFCC** (ASEAN-Swiss Partnership on Social Forestry and Climate Change), with links to RECOTFC, active in Cambodia, Laos, Myanmar, Thailand and Vietnam.

The **Global Programme Migration and Development (GPMD)**, supporting the global Decent Work Agenda has been closely associated with the elaboration of PROMISE (Poverty reduction through safe migration, skills development and enhanced job placement) in Cambodia, Lao PDR, Myanmar and Thailand. It is also actively working at ASEAN level on issues of labour migration.

# Annex 6: Summary of SECO Vietnam Country Strategy 2017-2020

## SWISS ECONOMIC COOPERATION AND DEVELOPMENT WITH VIETNAM

Diplomatic relations between the Socialist Republic of Vietnam and the Swiss Confederation were established as early as 1971 and have emerged into a strong bilateral partnership on economic, social and cultural terms. Swiss Official Development Assistance (ODA) to Vietnam started in 1992 and was implemented by two Governmental development agencies with complementary instruments and programmes: SDC (Swiss Agency for Development and Cooperation) and SECO (Swiss State Secretariat for Economic Affairs), for which Vietnam has become a priority country as of 2008. After two decades of fast socio-economic development and successful reforms, Vietnam achieved notable results under the Millennium Development Goals. It became a middle-income country in 2010 as a result of rapid economic growth. Therefore, Switzerland adjusted its ODA by phasing out SDC's bilateral poverty reduction and governance programme, while substantially increasing SECO's engagement in the area of economic development cooperation. Switzerland remains committed to support Vietnam's reform agenda, in alignment with its Socio-Economic Development Strategy (SEDS) 2011-2020, as well as the Socio-Economic Development Plan (SEDP) for 2016-2020. The SECO Vietnam Country Strategy 2017-2020 has been developed based on the Swiss framework credit for economic and trade policy measures, which is part of a four-year financial envelope for ODA granted by the Swiss Parliament.

## OVERALL GOAL, OBJECTIVES AND MODALITIES

Based on the current development context and its challenges, experience and lessons learnt from our earlier engagement as well as in-depth consultations with various stakeholders, the SECO Vietnam Country Strategy 2017-2020 provides a new strategic framework which has the following overall goal:

**To support inclusive and sustainable economic growth to improve the lives of Vietnamese citizens.**

### **1. Foster effective economic policies and institutions**

Under this objective, SECO fosters growth conducive economic policies and market institutions by promoting a transparent and reliable public finance management system and a diversified and competitive financial sector.

### **2. Create a competitive and resource efficient private sector**

Under this objective, SECO supports Vietnamese SMEs to improve their international competitiveness and gain access to international markets. SECO promotes an efficient business enabling environment, sustainable trade, resource-efficient production as well as targeted skills development.

### **3. Enable sustainable and climate resilient urban development**

Under this objective, SECO contributes to sustainable urban development by improving integrated urban planning capacities and promoting reliable public services



**Modalities**

SECO uses a mix of modalities for its development cooperation, consisting of financial aid, technical assistance and capacity building at individual, organizational and institutional level. SECO engages either through bilateral projects or in collaboration with multilateral organizations and development banks.

SECO's Vietnam Country strategy is implemented in line with the principles of Aid and Development Effectiveness, including alignment with government and development partner harmonization, use of country systems and mutual accountability as well as continuous interaction with public and private actors.

The cross-cutting themes for the Swiss cooperation programmes in Vietnam are gender equality and economic governance, a sub-set of good governance.

**Financial Resources**

Under the Vietnam Country Strategy 2017-2020, SECO indicatively foresees commitments of CHF 80 million of ODA grants. In addition, SECO also supports Vietnam through Regional and Global programmes and initiatives.

**Results Monitoring**

Based on the three objectives of this country strategy, SECO has developed a comprehensive results framework. It contains monitoring and evaluation indicators at outcome level, which are aligned with Vietnamese development objectives, and make both countries accountable for results achieved under this cooperation.

A nutrition improvement focus village in Houaphan, Lao PDR.  
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