

Stakeholder Consultations Lao PDR Country Partnership Framework FY22-26

Lessons Learned from Completion and Learning Review of CPF FY17-21

December 2021



Lao PDR Completion and Learning Review: Learning from Experience

Accountability

- Serves as accountability tool on achievement of results
- Self-evaluation of CPF program outcomes and WBG performance

Learning

- Draw lessons from implementation of CPF
- CLR findings as critical input to design of new CPF

Draft CLR findings based on desk review and discussions with current and former sector task teams and management, and consultations with the government and key stakeholders.

CPF FY17-21: Overarching Goals

Lasting Accessible Opportunities for all including sustained green growth, improved access to human and infrastructure services, and opportunities for all

Focus Area 1 Supporting Inclusive Growth

- **1.1** Putting public finance on a sustainable path and supporting financial sector stability
- **1.2** Making it easier to do business
- **1.3** Investing in infrastructure for growth and inclusion

Focus Area 2 Investing in People

- **2.1** Reducing prevalence of malnutrition
- **2.2** Improving quality of primary and pre-primary education and keeping girls in school
- **2.3** Improving access to and quality of maternal and child health services

Focus Area 3 Protecting the Environment

- **3.1** Promoting protection of the environment and responsible management of natural resources
- **3.2**. Enhancing disaster risk management and climate and disaster resilience

Cross Cutting Theme: Strengthening Institutions and Systems for Improved Policy Implementation

Progress toward the achievement of CPF development outcomes

8 objectives and 1 cross-cutting theme:

- √ 1 achieved
- 4 mostly achieved
- 4 partially achieved

Hence an overall rating -> "moderately unsatisfactory" for the CPF development outcomes

Key Lessons Learned

LESSON 1:

Targets should account for the longer time frames while continuing to strengthen implementation support and capacity

- Delays in attaining targets due to slow pace of project start-up as opposed to divergences or reversals in policy
- Slower than anticipated program implementation
- This suggests that...
 - ✓ achieving results has often taken longer than expected
 - ✓ program targets should be calibrated on this reality
 - ✓ ratings during implementation should be more candid
 - ✓ capacity-building should continue and even be intensified, and
 - ✓ the focus of improvement efforts should be on strengthening implementation capacity within the existing strategic priorities

Lesson 2:

Implementation challenges increased with more multi-sectoral activities and increasing implementation by the local entities

Ambitious and complex project designs complicate implementation and adversely impact project time frames.

Therefore, ...

- ✓ Pursue simplicity
- ✓ Multi-sectoral program need to be selective in tackling critical and complex development challenges
- ✓ Focus more on "fit-for-purpose" interventions informed by robust analytical work and political economy analysis
- ✓ Move towards portfolio consolidation, by focusing on proven approaches then scale-up, fewer and larger projects

Lesson 3:

In sensitive areas, be mindful of political economy realities and take long-term approach

Initiating or resuming operational engagement in sensitive areas takes time, trust, and responsiveness to political economy realities (e.g., public debt, SOEs, energy)

Therefore, ...

- ✓ Acknowledge sensitivities and set realistic expectations for policy dialogue
- ✓ Selectively utilize expertise to strengthen dialogue on technical and management issues (i.e. PFM, Financial Safety Net)
- ✓ Take a long-term approach to cultivate possible entry points
- ✓ Patient and sustained dialogue

Lesson 4: Data and impact evaluations

Pervasive data constraints (availability, access, quality) severely impact the government's capacity broadly as well as the design and implementation of the WB program.

Therefore, ...

- ✓ Invest in statistical systems and institutional modernization
- ✓ Ensure adequate program and project assessments → baseline and impact assessments

Lesson 5: Realism of Results Framework

Challenges of linking higher level objectives with WB interventions requires careful formulation of CPF objectives, indicators, and targets.

Therefore ...

- ✓ Formulate CPF RF with clear linkages between higher level objectives, WBG interventions and CPF indicators
- ✓ Avoid a mismatch between the ambition of objectives and the reality of interventions

Thank you

