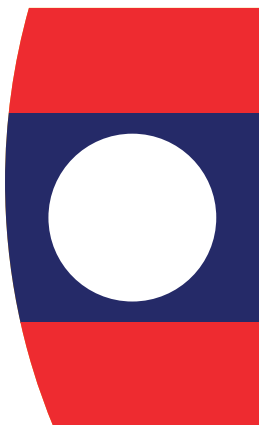


EVALUATION REPORT

MID-TERM EVALUATION •

2025 • — • LAOS



Skills for tourism,
agriculture and forestry
(STAF)



PROGRAMME RATING BY THE ASSESSMENT MISSION

Criteria	Scoring
Effectiveness	3
Relevance	2.5
Coherence	3
Efficiency	3.5
Sustainability	3.5
Impact	3
Project code	LAO/336
Report version	07.2025

Note: Scale from 1 (excellent results, significantly exceeding expectations) to 6 (development action unsuccessful or situation rather worse).

EXECUTIVE SUMMARY

Overview of the programme

The Skills for Tourism, Agriculture and Forestry (STAF) programme (LAO/336) is a five-year initiative (2023-2027) implemented in Lao People's Democratic Republic (PDR) and co-financed by Luxembourg, Switzerland, and the European Union. With a total budget of EUR 25.18 million, it aims to enhance the employability of Lao people, especially youth, women, and disadvantaged groups, by improving the quality, relevance, and accessibility of Vocational Skills Development (VSD) services in the Tourism and Hospitality (T/H), Agriculture and Forestry (A/F) sectors. The STAF programme builds on the earlier skills for tourism (LAO/029) project and is part of the Indicative Cooperation Programme V (ICP V). It operates through a collaborative steering involving key ministries of the Government of Lao PDR - the Ministry of Education and Sports, Lao PDR (MoES, implementing agency), and the Ministry of Labour and Social Welfare, Lao PDR (MoLSW), Ministry of Culture and Tourism, Lao PDR (MCT), and Ministry of Agriculture and Forestry (MAF) - as well as provincial administrations, the private sector, and the donors. It is implemented by the Department of Technical and Vocational Education and Training (DTVET) of MoES, with the support of LuxDev.

Evaluation context, scope and objectives

The Mid-Term Evaluation (MTE) was commissioned by LuxDev to assess the performance of the STAF programme during its first half of implementation (January 2023 to May 2025). Its key objectives are to:

- evaluate progress toward results based on the programme's Theory of Change (ToC);
- identify early outcomes, strategic adjustments, and areas for improvement;
- generate lessons learned and inform forward planning for the remainder of the programme;
- contribute to broader learning across ICP V.

The MTE focused on 22 consolidated Evaluation Question (EQ) derived from the Terms of Reference (ToR). The evaluation prioritised the Organisation for Economic Co-operation and Development - Development Assistance Committee (OECD-DAC) criteria of relevance, coherence, effectiveness, and efficiency, while addressing impact and sustainability more lightly. It also addressed general EQ and cross-cutting themes.

Methods

The MTE adopted a theory-based and utility-oriented approach, integrating outcome harvesting and adaptive inquiry methods. Data collection methods and sources of information included document and data review, semi-structured interviews with more than 100 stakeholders, focus group discussions with learners, teachers and trainers, as well as members of two rural communities, and spotlights (narrative deep dives).

Methodological limitations include the geographic and stakeholder coverage, a tendency toward formal dialogue that constrained critical feedback in some meetings, and a potential loss of nuance resulting from real-time translation. These limitations should be considered when interpreting the findings, though the data drawn from diverse sources provides a solid foundation.

Results

The evaluation's main results are as follows:

Relevance

The programme is well-aligned with national priorities (e.g. 9th national socio-economic development plan 2021-2025, draft Technical and Vocational Education and Training (TVET) development plan 2026-2030), stakeholder needs, and the socioeconomic context. Its flexible, modular training formats are well-received among disadvantaged rural populations. However, declining youth enrolment in formal TVET, low perceived returns on training, and ongoing youth migration challenge its continued relevance. Digital literacy limitations, technical complexities, as well as challenges related to behaviour change raise questions about the practicality of some planned IT-based interventions.

Coherence

The STAF programme has fostered effective coordination with ICP V's local development programme (LAO/338), especially in A/F. Joint activities are taking place. In relation to other donor-funded VSD projects, no overlaps or conflicts were reported but there is limited evidence of structured or sustained collaboration. The continued inactivity of the formal TVET working group, alongside fragmentation among government counterparts, further limits coherence.

Effectiveness

Key output and outcome indicators show early success (e.g. 97% course completion, 82% employment continuation) but are based on limited tracer data. Enrolment (4,428 of 7,593) and outreach (48 of 88 villages) are behind targets, and many systems-level interventions (e.g. challenge fund, public employment platform) are still in early phases or delayed. Implementation varies across provinces and sectors, with A/F requiring more time to establish partnerships and delivery modalities.

Efficiency

The programme demonstrates good adaptive capacity and technical quality, including timely pivots to non-formal training and seed capital support. However, approval bottlenecks, reliance on small-scale Operational Partnership Agreements (OPA), and internal restructuring have slowed disbursement (only 28% spent by mid-2025). Planned investments (e.g. infrastructure, IT systems) raise value-for-money concerns given limited uptake.

Impact

Preliminary impact data are promising but not yet robust. While course satisfaction and early employment outcomes are high, long-term effects on livelihoods remain uncertain, and the 20,000-beneficiary target is at risk. System-level contributions (e.g. private sector partnerships, data-driven planning) are emerging but need consolidation.

Sustainability

There is strong alignment with national strategies and initial evidence of individual and institutional ownership. However, continued reliance on external funding, capacity gaps, and fragile institutional mechanisms (e.g. TVET development fund, inter-agency coordination) threaten long-term viability. Income-generating facilities are not yet financially self-sustaining.

Cross-cutting themes

The STAF programme has made progress in integrating gender and social inclusion, notably through the scholarship scheme and the development of a gender action plan. Rights-Based Approaches (RBA) are reflected in participatory planning and local needs assessments. However, progress on environmental sustainability and digital development has been limited due to staffing gaps and delayed implementation, with green practices and digital tools largely absent from institutional strategies and training content at the time of the MTE. Greater attention and resourcing are needed to embed these dimensions more systematically.

General evaluation questions

The programme's ToC and Theory of Action (ToA) provided a strategic foundation but were not widely understood or used in implementation. Implementation modalities were appropriate but varied in efficiency, with direct management enabling rapid delivery and OPA fostering ownership but adding administrative complexity. The Monitoring & Evaluation (M&E) system is robust, but questions remain about whether access can be expanded, and tracer data made available in a more timely manner. The focus on contribution to outcomes is appropriate for a systemic programme like the STAF programme but requires clearer communication, timely data, and stronger use of evidence across projects.

The evaluation concludes that the STAF programme is relevant and a strategically important initiative within Lao PDR's skills development landscape. Its flexible design, local alignment, and rights-based targeting are commendable. However, implementation challenges, institutional constraints, and socio-economic context, characterized by high emigration, have slowed progress.

DAC criterion	Rating	Summary conclusion
 Relevance	2.5	Strong alignment, but contextual barriers challenge uptake and risks dilution
 Coherence	3	Promising provincial collaboration with the local development programme, limited coordination with other VSD donor-funded initiatives
 Effectiveness	3	Early, small-scale results achieved, but behind on targets and delivery timelines
 Efficiency	3.5	Flexible and adaptive but slowed by long proposal approval and disbursement procedures
 Impact	3	Early signs positive; systemic and large-scale effects yet to be achieved
 Sustainability	3.5	Ownership increasing, but institutional readiness and financial sustainability remain limited

Note: The scale ranges from 1 (excellent results, far exceeding expectations) to 6 (programme failure or severe deterioration); 3 indicates “Expected results achieved, but with room for improvement”. The ratings presented above are based on the understanding that delays in implementation primarily relate to efficiency rather than to the programme’s overall effectiveness or impact. For this reason, a rating below 3 has been assigned for efficiency to reflect this issue. To prevent double counting, this aspect has not been included in the assessments for effectiveness and impact. Despite some delays against the original timeline, there is strong evidence that the programme is on course to recover the time lost; therefore, a rating of 3 for effectiveness and impact is considered appropriate.

Recommendations

The report provides the following recommendations:

Recommendation 1:
Develop a contingency
plan to maintain
momentum

Recommendation 2:
Conduct second-round
ToC/ToA workshops

Recommendation 3:
Support dialogue to
streamline TVET
provision

Recommendation 4:
Reassess the
relevance, coherence,
and efficiency (value for
money) of major
investments

Recommendation 5:
Strengthen private
sector partnerships
and co-investment

Recommendation 6:
Support employers to
improve informal
training and skills
recognition

Recommendation 7:
Strengthen pathways to
successful self-
employment and
reassess targeting
accordingly

Recommendation 8:
Embed green
ambitions and
practices

Recommendation 9:
Continue strengthening
evidence-based
decision making

Recommendation 10:
Streamline approval
and coordination
processes

