



Executive Summary

**GENDER-RESPONSIVE AND
INCLUSIVE BUSINESS ENVIRONMENT
IN LAO CAI PROVINCE, VIETNAM, 2025**

EXECUTIVE SUMMARY

Gender-Responsive and Inclusive Business Environment in Lao Cai Province, Vietnam

Based on the DCCI Lao Cai 2025 Survey | GREAT Project | Lao Cai Provincial People's Committee

Background. Lao Cai Province, a mountainous, border province in Northwest Vietnam formed in mid-2025 through the merger with Yen Bai Province and now operating under a new two-tier local government model - is undertaking systematic reforms to improve its business environment. This report analyses the 2025 Department, Agency, and Commune Competitiveness Index (DCCI) survey data through a gender and inclusion lens, examining whether ongoing reforms benefit all business operators equally, with particular attention to enterprises, cooperatives, and household businesses owned by women, ethnic minorities, ethnic minority women, and persons with disabilities.

Survey Scope. A total of 1,721 respondents from registered enterprises, cooperatives, and household businesses (DN/HTX/HKD) participated across three administrative blocks: 239 in sector-specific vertical agencies, 663 in provincial departments and agencies, and 819 at the commune/ward level. Female-owned respondents ranged from 32.2% (vertical block) to 55.8% (commune/ward level); ethnic-minority-owned respondents ranged from 6.3% to 22.5%; disability-owned respondents accounted for 0.7-1.7% across blocks.

Analytical Framework. The analysis applies the Gender Equality, Disability and Social Inclusion (GEDSI) framework promoted by the GREAT Project 2 (DFAT). It goes beyond measuring formal process equality to assess substantive access - examining whether different groups can equally reach, understand, and benefit from public services, particularly in the context of Lao Cai's post-merger transition.

KEY FIGURES FROM THE 2025 SURVEY

1,721 Business respondents across 3 blocks	32-56% Female-owned across all blocks	6-22% Ethnic minority-owned across blocks	0.7-1.7% Disability-owned across blocks
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DATA AT A GLANCE | Infographic Summary

● BUSINESS PERFORMANCE & OUTLOOK (DCCI Lao Cai 2025 Survey)

Group	Profitable (as wished / slightly)	Break-even	Plan to expand (next 2 years)	Risk of downsizing / closure (2 years)
Male-owned	50.9%	-	17.3%	11.4%
Female-owned	55.9%	-	12.0%	15.2%
Kinh-owned	53.8%	25.9%	14.3%	13.4%
Ethnic minority-owned	50.0%	29.9%	18.3%	12.0%
Disability-owned*	-	46.7% (highest)	-	13.3% (closure only)

*Disability-owned sample is very small (<2% of respondents); figures are indicative only. Combined loss/downsizing risk for disability-owned businesses reaches 33.4%, the highest of any group.

● DCCI ACCESS GAP: POSITIVE RATINGS BY GROUP (% of respondents)

Indicator	Male-owned	Female-owned	Kinh-owned	Ethnic minority - owned	Gap (Kinh-EM)
Admin procedure guidance quality (commune/ward block)	56.9%	55.5%	59.1%	44.7%	▲ 14.4 pp
Received feedback on petitions (dept/agency block)	63.9%	65.7%	66.0%	50.9%	▲ 15.1 pp
Satisfied with feedback received (dept/agency block)	56.3%	56.2%	~56%	47.4%	▲ ~9 pp
Ease of accessing support programmes (commune/ward block)	29.3%	29.3%	29.3%	29.5%	≈ 0 pp
Access to online information usefulness (commune/ward)	56.1%	53.6%	57.1%	45.9%	▲ 11.2 pp

Legend: ■ ≥60% (Good) ■ 45–59% (Moderate) ■ <45% (Needs attention); pp = percentage points

● THREE SYSTEMIC GAPS IDENTIFIED

GAP 1 Access in Practice Information, procedures and support programs are formally available but do not consistently reach ethnic minority women, remote/border communes, and disability-owned businesses in a clear, usable format.	GAP 2 Absorptive Capacity Time poverty from unpaid care work, limited digital and administrative literacy, and unfamiliarity with post-merger procedures constrain the ability of women and ethnic minorities to use available support.	GAP 3 Fit of Support Support programs are largely generic. Community tourism, OCOP, and agricultural value chains led by ethnic minority women face unresolved cross-agency barriers (land, permits, infrastructure).
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★ SPOTLIGHT: Intersectional Disadvantage - Ethnic Minority Women Business Owners

Ethnic minority women who own enterprises, cooperatives, or household businesses face compounded barriers from gender, ethnicity, remote/border location, small business scale, and limited familiarity with administrative procedures. At the commune/ward level, only 43.0% rate procedural guidance positively (lowest of any group) and just 44.6% are satisfied with policy feedback. At the department/agency level, satisfaction with feedback falls to 41.9% - the lowest recorded across all groups surveyed - and only 31.6% agree that government provides concrete support tailored to women/ethnic-minority-owned businesses, also the lowest of any group.

CONTEXT, METHODOLOGY & SAMPLE PROFILE

Lao Cai Province - Economic and Social Context

- **Location & demographics:** Northwest Vietnam, bordering China (>182 km). Formed in June 2025 through the merger with Yen Bai (National Assembly Resolution 202/2025/QH15) and now operating a two-tier local government model (Resolution 60-NQ/TW). Area 13,256.92 km²; population 1,778,785; ethnic minorities comprise 61.1% of the population across 99 commune-level units (10 wards, 89 communes).
- **Economic structure:** Agriculture, forestry and fisheries remain vital for rural and ethnic-minority livelihoods. Trade, services and tourism are key growth drivers - 2025 retail/services revenue reached ~85,000 billion VND and tourism drew over 10 million visitors. Enterprises are highly fragmented, dominated by micro/small firms and household businesses.
- **Business landscape:** Women-owned businesses in the survey sample are concentrated in trade and services, with only 5–9% present in agriculture/forestry/fishery - reflecting that much female agricultural activity remains informal, household-based, and outside registered business channels.
- **Role of vulnerable groups:** Women, ethnic-minority, and disability-owned businesses concentrate in trade-services, community tourism, OCOP products, and herbal/agricultural products - serving as bridges between remote and border communities and the formal public service system.

Methodology

Approach	Mixed methods: quantitative analysis of the DCCI Lao Cai 2025 structured survey (Likert-scale and open-ended questions), implemented by Lao Cai Provincial Post Office, combined with post-verification qualitative interviews (42 ethnic-minority-women-owned businesses; 10 disability-related businesses) and secondary data review.
Disaggregation	All data disaggregated by: gender (male/female owner), ethnicity (Kinh/ethnic minority), disability status, business type (enterprise/cooperative/household business), administrative block, and the intersectional group of ethnic minority women.
Analytical lens	GEDSI framework (GREAT Project 2/DFAT): focus on substantive access - not just whether procedures are formally equal, but whether different groups can realistically reach and benefit from public services.
Limitations	Survey data reflects perceived (subjective) experience. The disability-owned sample is very small (0.7–1.7%), limiting representativeness. Lao Cai did not run a 2024 DCCI survey for the newly merged province, so the analysis is a 2025 cross-sectional snapshot rather than a year-on-year comparison.

Survey Sample Profile

Respondent Group	Vertical/Sector Block	Dept. & Agency Block	Commune/Ward Block	Total
Female-owned	77 (32.2%)	246 (37.1%)	457 (55.8%)	780 (45.3%)
Male-owned	162 (67.8%)	417 (62.9%)	362 (44.2%)	941 (54.7%)
Ethnic minority-owned	15 (6.3%)	65 (9.8%)	184 (22.5%)	264 (15.3%)
Ethnic minority women-owned	8 (10.4% of women)	32 (13.0% of women)	103 (22.5% of women)	143
Disability-owned	4 (1.7%)	5 (0.8%)	6 (0.7%)	15 (0.9%)
Total respondents	239	663	819	1,721

KEY FINDINGS: DCCI 2025 THROUGH A GENDER & INCLUSION LENS

Finding 1: Overall Business Environment - Broadly Stable, Perceived Improvement Uneven

- Most respondents rate the 2025 environment as “unchanged” (33.3–40.3% across groups) rather than markedly improved; “much better” ratings are very low across all groups (0.0–1.2%).
- Female-owned businesses report less positive perceptions than male-owned: only 18.7% rate the environment as “better” (vs 22.5% male), while 14.6% rate it “much worse” (vs 10.9% male).

- Ethnic-minority-owned businesses show the highest “unchanged” rate (40.3%) and a lower “better” rating than Kinh-owned businesses (18.3% vs 21.5%).
- Disability-owned businesses report the highest “much worse” rate of any group (20.0%; small sample, indicative only).

Finding 2: Administrative Procedures - Formal Equality, Unequal Practical Access

- At commune/ward level, positive ratings of procedural guidance quality are 56.9% (male), 55.5% (female), 59.1% (Kinh), and 44.7% (ethnic minority) - a 14.4-percentage-point ethnic gap. Ethnic minority women rate lowest of all subgroups at 43.0%.
- At the department/agency level the ethnic gap narrows to 6.3 pp (67.7% Kinh vs 61.4% ethnic minority); ethnic minority women rate 60.0% here, close to the ethnic-minority average.
- Processing-time ratings are positive across almost all groups (~90%+ report on-time or early processing), but post-verification interviews reveal hidden compliance costs - repeat trips, document revisions, and help-seeking for online submission - that fall disproportionately on ethnic minority women, remote and border-area businesses.
- The core barrier is not discriminatory treatment but the real cost of access: travel time, document literacy, digital skills, and language - the gap between formal equality and substantive equality that is central to this report.

Finding 3: Transparency, Information Access & Policy Feedback

- At the department/agency level, feedback-receipt rates are 63.9% (male), 65.7% (female), 66.0% (Kinh), and 50.9% (ethnic minority) - a 15.1-pp ethnic gap. Ethnic minority women report a comparatively high 67.7% receipt rate, but far lower satisfaction (below).
- Satisfaction with feedback consistently lags receipt rates: at the department/agency level only 47.4% of ethnic-minority-owned and just 41.9% of ethnic-minority-women-owned businesses are satisfied - the lowest of any group surveyed.
- Usefulness ratings for commune-portal online information fall to 40.2% among ethnic minority women, the lowest of any group, versus 56–57% for male- and Kinh-owned businesses.
- Ethnic minority women emerge repeatedly as the group at greatest risk of exclusion from the information and policy-dialogue space - information may be published, but is not always reaching them in a usable, understandable form.

Finding 4: Compliance Costs - Burden Falls Unevenly on Vulnerable Groups

- Rates of undergoing two or more inspections in the past year vary widely by block and group, and are notably higher for ethnic-minority-owned businesses at commune level (40.5% in comparing 29.8% for Kinh-owned) and for female-owned businesses at the department/agency level (45.0% in comparing 33.8% for male-owned).

- Informal payments reported as common or very common are markedly higher among ethnic-minority-owned businesses: 14.3% in comparing with 4.7% (Kinh) at commune level, and 12.3% in comparing with 3.0–6.5% (Kinh) at the department/agency level - a 7–9% gap.
- The true compliance burden lies not in the number of procedural steps but in opportunity costs - time away from production, travel to administrative canter, and navigating requirements without support - disproportionately affecting women (due to unpaid care responsibilities) and ethnic-minority, remote, and border-area businesses.

Finding 5: Business Support Programs - Awareness Exists, Substantive Access Gaps Persist

- Awareness of, or invitation to, support programs at commune level is 20.6% (male), 18.4% (female), 20.4% (Kinh), and 15.8% (ethnic minority) - modest in absolute terms for all groups.
- Agreement that government provides concrete support tailored to women/ethnic-minority-owned businesses (commune level) is low across the board - 36.4% (male), 34.3% (female), 33.9% (ethnic minority) - and lowest among ethnic minority women at just 31.6%.
- Qualitative interviews with 42 ethnic-minority-women-owned businesses found limited awareness of support conditions and procedures; existing support skews toward short-term cash subsidies and gifts rather than skills training, market linkage, or e-commerce support.
- Qualitative interviews with 10 disability-related businesses found support remains largely welfare-oriented; infrastructure accessibility, policy consultation channels, and market-linkage support remain limited, and needs vary by disability type (hearing/visual impairments are underserved relative to physical-accessibility measures).
- Community-tourism, OCOP, and agricultural value-chain models led by ethnic minority women (e.g., in Sa Pa, Bac Ha, Y Ty, Bat Xat) face unresolved cross-agency barriers - land, construction permits, and infrastructure - that uniform, single-agency program designs do not address.

KEY GAPS & PRIORITY RECOMMENDATIONS

◆ Gap 1 - Practical Access Deficit

Information, procedures and support programs are formally available but do not reach ethnic minority women, remote/border businesses, and disability-owned businesses in a consistently clear, usable format. The barrier is access cost, not intentional exclusion.

◆ Gap 2 - Absorptive Capacity Deficit

Many operators lack the digital skills, administrative literacy, or available time to fully use support opportunities. Women face particular time constraints from unpaid care responsibilities, compounded by unfamiliarity with new post-merger procedures and contact points.

◆ Gap 3 - Programme Fit Deficit

Support programs are often designed for a general audience. Community-tourism, OCOP, and agricultural-value-chain models led by ethnic minority women face unresolved cross-agency barriers (land, permits, infrastructure) that uniform program designs do not address.

Priority Recommendations & Action Plan

Recommendation	Key Actions	Lead Agency	Timeline
R1. Strengthen disaggregated data on vulnerable groups	Continue disaggregating DCCI data by gender, ethnicity, disability, business type and location; add commune-level data on disability-owned and ethnic-minority-women-owned businesses.	Investment, Trade & Tourism Promotion Centre; Commune/Ward PCs; Dept. of Home Affairs; Women's Union; disability representative bodies	From Q4 2026, ongoing
R2. Standardize and simplify administrative guidance at commune level	Publish plain-language document checklists and common-error guides; deploy phone/Zalo helpdesks and community digital-technology teams for frequent procedures.	Commune/Ward People's Committees; Public Administration Service Centre; Women's Union; Farmers' Union	Q3–Q4 2026
R3. Diversify and clarify information & consultation channels	Combine digital channels (portals, Zalo) with village loudspeakers, village meetings, Women's Union and respected community figures; communicate clearly on post-merger contact points and authority.	Commune/Ward PCs; provincial departments; Women's Union; Farmers' Union; village heads	Q3–Q4 2026
R4. Standardize and strengthen petition feedback	Feedback responses to specify the responsible unit, processing timeline, and clear next steps, in plain, non-legal language.	Provincial departments; Commune/Ward PCs; feedback-receiving units	Q4 2026
R5. Control compliance costs and reduce reliance on informal channels	Publicize inspection plans; strengthen inter-agency coordination to avoid duplicate inspections; communicate official	Provincial Inspectorate; departments; Commune/Ward PCs;	From Q4 2026

Recommendation	Key Actions	Lead Agency	Timeline
	fees and free support channels; maintain confidential grievance channels.	Investment Promotion Centre	
R6. Redesign support programs to be targeted, accessible and results-oriented	Simplify registration criteria; small-group on-site advisory support; flexible training schedules around agricultural seasons and care responsibilities; e-commerce and market-linkage support delivered via Women's Union, Farmers' Union and the Cooperative Alliance.	Departments managing support programs; Commune/Ward PCs; Women's Union; Farmers' Union; Cooperative Alliance	Q3 2026–2027

Overarching Message

Lao Cai has built a positive foundation for improving its business environment even as it manages a complex post-merger transition to a two-tier local government model. The challenge ahead is not simply to reform faster, but to ensure reforms reach the right groups in the right way. Public services must be faster and more transparent, and also more understandable, closer to communities, and more flexible. Support programs must not only increase in number, but must fit the real needs of those most disadvantaged - ethnic minority women, remote and border-area operators, and persons with disabilities. This is both a matter of equity and a driver of more inclusive economic growth for Lao Cai.