

External environment	continue improving public governance and rule of law, in line with the national policies			the 11 <sup>th</sup> Party Congress as well as to continue the implementation of the 10-year National Strategy on Socio-Economic Development 2016-2025 and Vision 2030 of the Lao PDR.
Planning, processes and systems	Weak capacity of national actors in planning and monitoring processes and systems.	High	Low	The project design assumes weak capacity of national actors. It provides technical support with capacity building and soft skills trainings to address this risk.
Planning, processes and systems	Weak cross-sectoral coordination reduces the potential of the project to make meaningful impact.	Medium	Medium	The project will maintain close, regular, and pro-active communications with all project partners, and organise regular cross-sectoral meetings to bring project partners together. The annual Advisory Board meetings will provide the opportunity for higher-level cross-sectoral coordination within the scope of the project.
People and the organisation	CSOs are unable to absorb funds.	Medium	Medium	To ease absorption capacity, the project will prioritise coordination with other grant-providing donors. It proposes to utilise a sectoral theme for the provision of small grants, which will assist coordination with other donors. In addition, it will employ different funding strategies depending on whether the programme will target ‘mature’ and developed CSOs (for research, advocacy and communications) or ‘less mature’ and younger CSOs (for basic organisational development) to also assist with absorption capacity.
Legality and regulatory aspects	Lao state partners are reluctant to agree on CEGGA’s implementing strategy to work in close partnership with INGOs and local CSOs.	Medium	Medium	The GoL has participated in the design of the Action since its outset and coordination will be ensured also during the implementation of the project activities, including those implemented by CSOs. CEGGA II also benefits from the positive relationships and momentum produced by CEGGA I.
Communication and information	Weak or irregular flow of information within project stakeholders, including communication to central-level ministry counterparts	Medium	Medium	The management structure of the Action will ensure a participatory and inclusive approach, to prevent this risk and be able to manage it if happening. Reporting formats and schedules will be established at the start of the project, to ensure that data required for project reporting is being gathered, processed and provided at each level of GoL.

**Lessons Learnt:** The near-end evaluation (2021) identified key lessons learnt from CEGGA I’s experience, which focused mainly on regulatory frameworks and institution-building at central level. **Taking time to build relationships**