



DDCI SON LA 2024

GENDER - RESPONSIVE AND INCLUSIVE DEVELOPMENT

April, 2025



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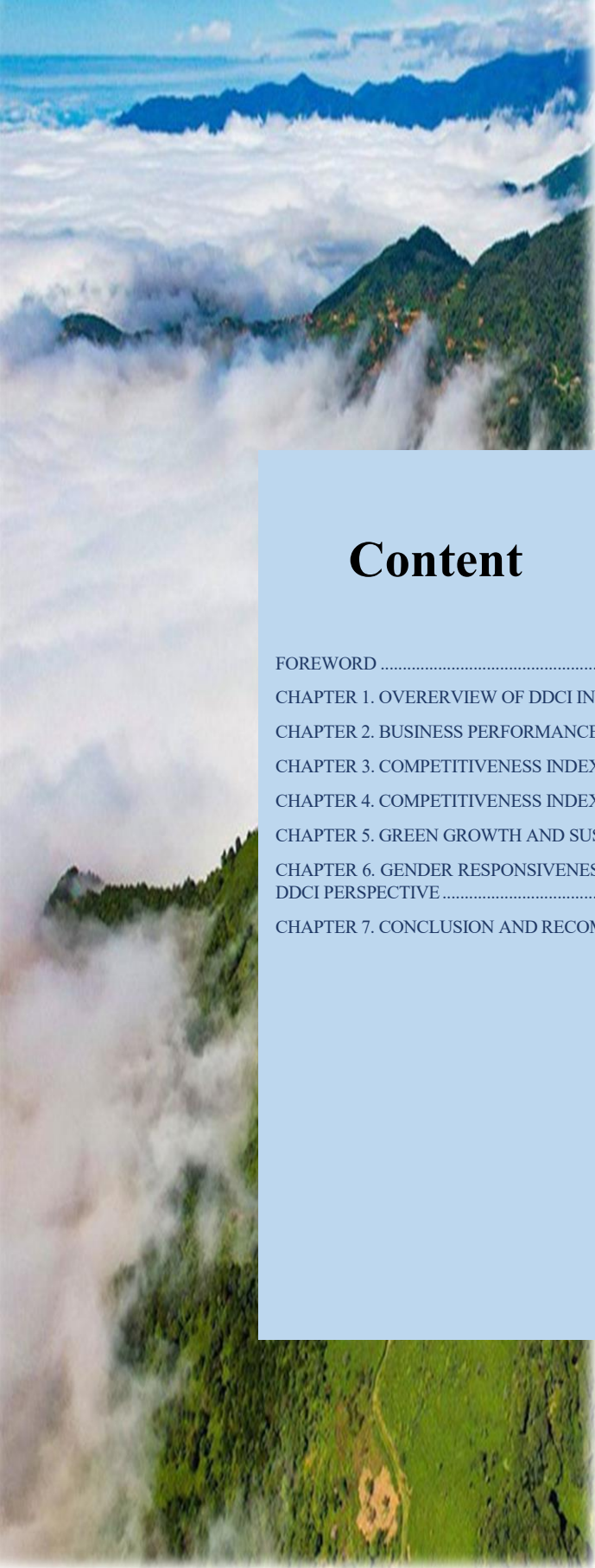
FOREWORD

The Department and District Competitiveness Index (DDCI) in Son La is a practical initiative aimed to evaluate the ease of doing business, quality of economic governance and the results of administrative efforts by the provincial departments and districts – level authorities. Based on surveys of the perceptions of business entities in Son La – including enterprises, cooperatives, and household business, the DDCI Son La report reflect the collective voice of the business entities regrading economic governance.

The ultimate goal of the project is to bring benefits to enterprises, cooperatives, and household businesses especially those owned by women, people with disabilities by fostering a more transparent, trustworthy business environment, thereby enhancing economic development momentum in Son La.

The DDCI initiative was supported by the project “Gender Responsive Equitable Agriculture and Tourism” (GREAT), funded by Government of Australia.

The DDCI Son La 2024 report summarizes key implementation steps and highlights major results, serving as a tool for local government and departments to assess strengths, address weaknesses, and enhance their competitiveness.



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CHAPTER 1. OVERVIEW OF DDCI IN SON LA

1.1. Introduction

Recently, the national government at all levels has made Improving the business environment a top economic policy priority. Resolution 02/NQ-CP affirms the key role of enterprises, cooperatives, and household businesses in driving economic development, while assigning direct responsibility to the Chairperson of the Provincial People’s Committee for improving the business environment. In this context, The DDCI Son La has become an essential tool for assessing the quality of public service delivery, investment climate through collective voice of the business community – particularly businesses led by women, ethnic minorities, and people with disabilities.

Notably in 2024, as part of its commitment to sustainable development, Son La has integrated green growth and gender – responsive and inclusive development indicators into its DDCI framework. Moreover, the recent restructuring and merging of certain departments has necessitated a new approach to DDCI assessment and ranking. The score and ranking are applied not only to the departments themselves but also to their respective areas of management. Gender – responsive, inclusive development and green growth approaches in Son La’s DDCI will be further illustrated in the following section.

1.2. Gender – responsive, inclusive development, and green growth

Gender – responsiveness and inclusive development

The gender – responsive and inclusive development approach in DDCI’s methodology has been developed based on GREAT’s women’s Economic Empowerment Framework. It is designed to assess the accessibility, benefits, and empowerment potential that government programs and policies provide to businesses owned by women and ethnic minorities. Specifically:

- **Access:** Government service and administrative procedure are assessed on how effectively they reach various business groups – including those owned by vulnerable populations – and how well they address the barriers that limit their participation.
- **Benefits:** Government services, policies, and procedures are evaluated based on the extent to which they deliver benefits to

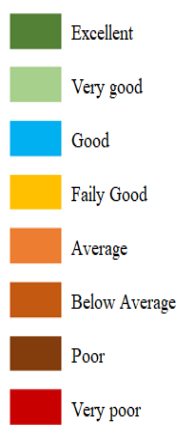
businesses in general, especially to those owned by disadvantaged groups.

- **Empowerment:** The approach examines how government services, policies, and procedures help businesses – particularly those led by women and ethnic minority women – gain greater decision – making power in their business operations.

Green growth

The green growth approach in the DDCI framework in Son La focuses on encouraging environmentally sustainable governance and enterprise practices. It assesses how local departments and agencies incorporate environmental considerations into public services, policy implementation, and regulatory procedures.

1.3. Ranking method



The scores of the indicators and subindices are converted to a scale of 10, and then aggregated into the final DDCI scores (on a 100 – point scale)

DDCI overall performance ranking (score out of 100)

Score range	Performance group
≥ 90	Excellent
80 to < 90	Very Good
70 to < 80	Good
60 to < 70	Fairly Good
50 to < 60	Average
40 to < 50	Below Average
30 to < 40	Poor
<30	Very poor

Sub-indices/Indicator score ranking (score out of 10)

Score range	Performance group
≥ 9	Excellent
8 to < 9	Very Good
7 to < 8	Good
6 to < 7	Fairly Good
5 to < 6	Average
4 to < 5	Below Average
3 to < 4	Poor
<3	Very poor

1.4. DDCI indicators

CORE DDCI SUBINDICES	
DDCI DEPARTMENT	DDCI DISTRICT
The indicators of DDCI department used to access the economic governance capacity of department include the following:	The indicators of DDCI district used to access the economic governance capacity of districts include the following:
<div><div>1. Entry cost</div><div>2. Transparency and Digital transformation</div><div>3. Proactivity</div><div>4. Time costs</div><div>5. Informal charges</div><div>6. Policy bias</div><div>7. Business support policy</div><div>8. Law and order</div><div>9. Gender responsiveness</div></div>	<div><div>1. Entry cost</div><div>2. Transparency and Digital transformation</div><div>3. Proactivity</div><div>4. Time costs</div><div>5. Informal charges</div><div>6. Policy bias</div><div>7. Business support policy</div><div>8. Law and order</div><div>9. Land access and Tenure</div><div>10. Gender responsiveness</div></div>

Besides the core indicators, the index has been further developed to incorporate the Green and Sustainable development subindices. However, this indicator is not scored as part of the overall DDCI score, but analyzed separately (see chapter 5)

1.5. DDCI survey and datasets

Enterprises and cooperatives surveyed under the DDCI assessment of departments (DDCI department)

Annual survey of 500 existing businesses for assessing DDCI department. In 2024, feedback was collected from 500 firms, accounting for 43.74 percent of the total targeted sample of 1,143 enterprises and cooperatives. Among the respondents, 32.05 percent of businesses are owned by women, and 8.1 percent are owned by individuals from ethnic minority group. Additionally, only 0.42 percent of the businesses are either owned by or employ people with disabilities.

In terms of sectoral distribution, 72 percent of the surveyed enterprises and cooperatives operate in the trade and service sector, 21 percent are engaged in industry and construction, and 7 percent active in agriculture, forestry, ad fisheries.

Household businesses surveyed under the DDCI assessment of districts (DDCI district)

Annual survey of 800 household businesses for assessing DDCI district. The DDCI district was compiled based on feedback from 800 household businesses, with a response rate of 30.55 percent from a total sample of 2,618 household businesses. Of the respondents, 39.61 percent are from ethnic minority groups, while 40.10 percent are women-owned. Only 0.53 percent either owned by or employing people with disabilities.

Regarding the sectoral distribution, most household businesses operate in the trade and service sector (80.98 percent). A small portion, 13.08 percent, are engaged in industry and construction, while 5.81% operate in agriculture, forestry, and fisheries.

CHAPTER 2. BUSINESS PERFORMANCE AND OUTLOOK

2.1. Business performance and outlook from DDCI department

Most businesses made profit. According to the 2024 DDCI survey at the department sector, over 70 percent of enterprises and cooperatives reported making profit, while just over 10% incurred losses – indicating a relatively positive business performance.

Low expansion plans despite profitability. The business environment remains insufficiently attractive, as up to 83% of enterprises and cooperatives chose to maintain their current scale, and only 17 percent expressed plans to expand operation.

Gender-based business performance difference and intent:

- Male-owned businesses had a higher profit rate than female-owned businesses (74.43 percent and 65 percent, respectively)
- Female-owned businesses recorded higher rates of breaking even or incurring losses, suggesting they often operate more cautiously but face greater profitability challenges.
- 20.70 percent of male-owned businesses had plans to expand, compare to 15.65 percent of female-owned businesses.
- A majority of female-led businesses (74.15 percent) chose to maintain their current scale.

2.2. Business performance and outlook from DDCI district

Positive business performance. The 2024 DDCI survey reveals that the household businesses (HBs) reported positive business outcomes, similar to enterprise and cooperatives with over 75 percent of HBs reported profits; 18 percent breakeven; and only about 6 percent incurred losses.

Limited intention to expand: A large majority (87 percent) plan to maintain their current scale. Only 6 percent intend to expand, while 5 percent plan to downsize or close. This suggests that the business landscape has not sufficient sufficiently attractive to stimulate expansion.

Gender-based business performance difference and intent:

- Male-owned HBs had a higher rate of profitability than female-owned HBs (77.82 percent and 73.08 percent, respectively)
- Female household business owners showed a significantly higher rate of breaking even.
- Most household businesses chose to maintain operations (85 percent for men and 89 percent for women).
- Only small proportion planned to expand or convert into enterprises (6.35 percent for men and 4.47 percent for women).

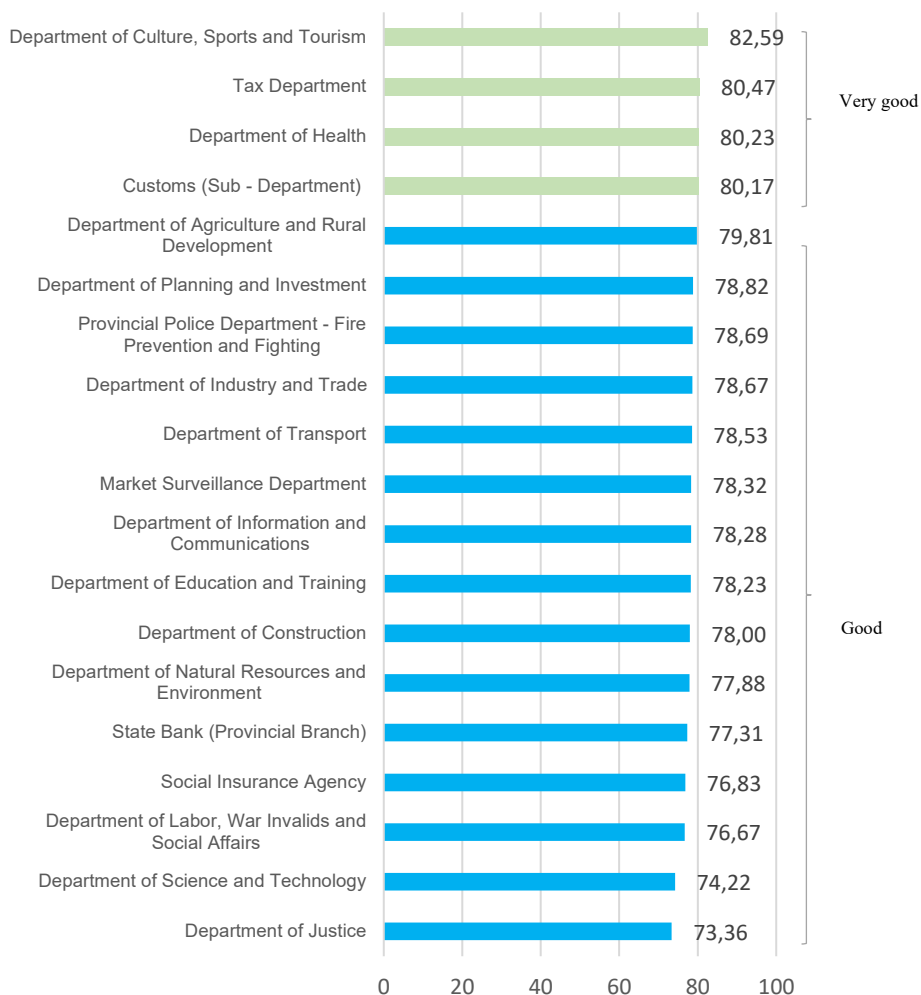
CHAPTER 3. COMPETITIVENESS INDEX OF DEPARTMENTS

DEPARTMENTAL COMPETITIVENESS INDEX

Figure 3.1. DDCI rankings by sectors of management



Figure 3.2. DDCI rankings by departments



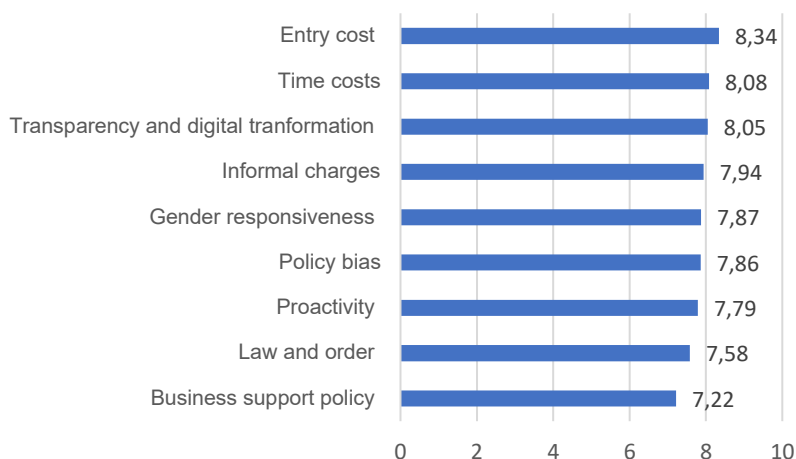
The average DDCI score in 2024 is 78.58/100, belonging to the ranking of “good”, however, the DDCI score down by 3.2 points compared to 2021.

Ranking by sector of management, leading the rankings were the sectors of tourism (82.87), culture and sports (82,16), and taxation (80.47), while areas such as justice, science and technology, and labor remained at the lower end.

Key observations:

- Sectors with natural advantages and development priority such as tourism; culture; agriculture are leading the ranks
- The group of “narrow” public services (those not common to all businesses) – including fire prevention; industry and trade; transport; investment; market management; Telecommunications – falls into the mid – range of the rankings.
- Foundational public services, which provide common input factors for business operations (land; banking; social insurance; labor; science and technology; and justice) are in the lower group, scoring below the median.

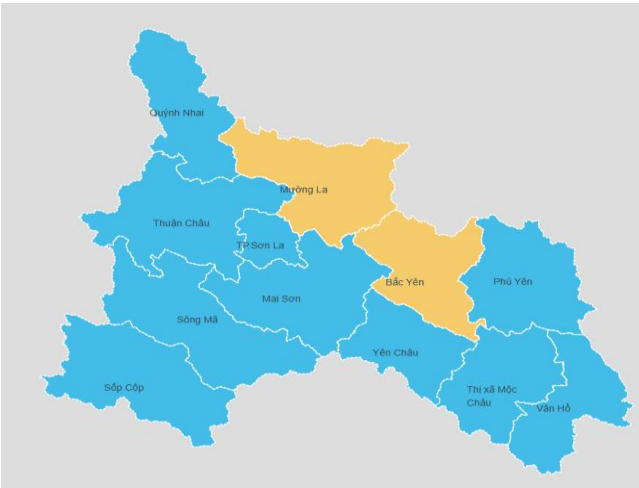
Figure 3.3. Component indicator scores in the DDCI department



According to the component indicators, the entry cost (8.34); time cost (8.08); and transparency and digital transformation (8.05) were the component indicators that brought about the most positive change in the province’s business environment over the past year. However, in addition to these indicators showing encouraging signs, departmental sectors still need to improve areas with lower scores such as business support policy (7.22); law and order (7.58), and proactivity (7.79).

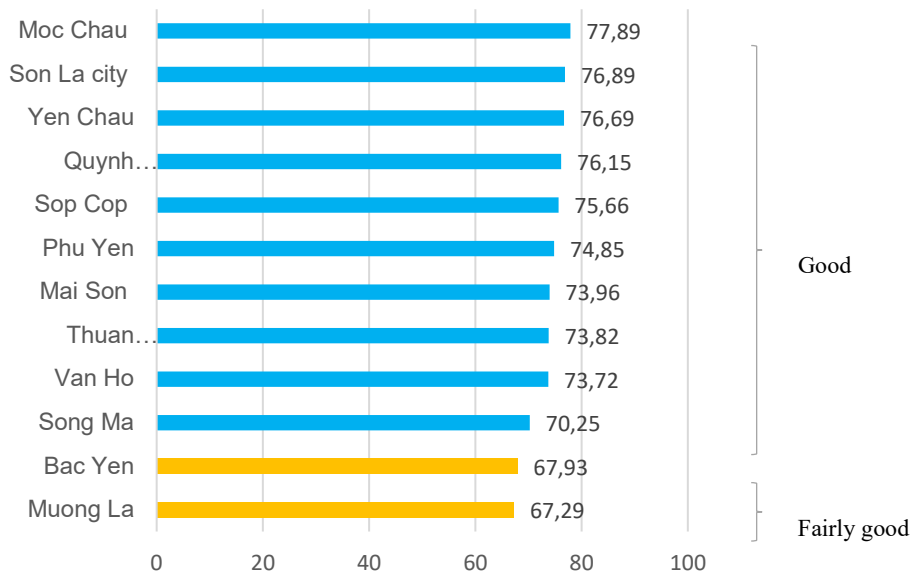
CHAPTER 4. COMPETITIVENESS INDEX OF DISTRICTS

Figure 4.1. Economic governance capacity grouping of localities in Son La province



Note: Yellow: Good; Blue: Very good

Figure 4.2. District-level DDCI scores and rankings 2024 – Son La province

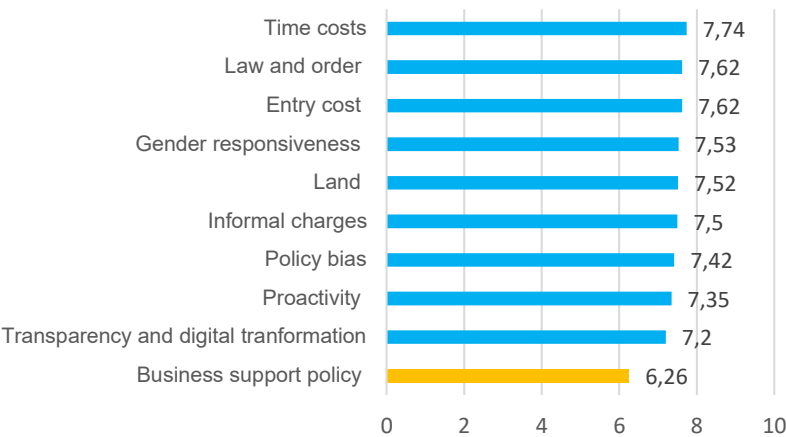


Source: Son La DDCI Survey 2024

The average DDCI score of districts in 2024 was 73.76/100, classified as “good”, however, the score decreased by 3.02 points compared to 2021, similar trend as the departmental DDCI score.

Top-ranked localities including Moc Chau (77.89); Son La city (76.89), and Yen Chau (76.69). Lowest-ranked localities including Bac Yen (67.93); Muong La (67.29)

Figure 4.3. Component indicator scores in the DDCI district



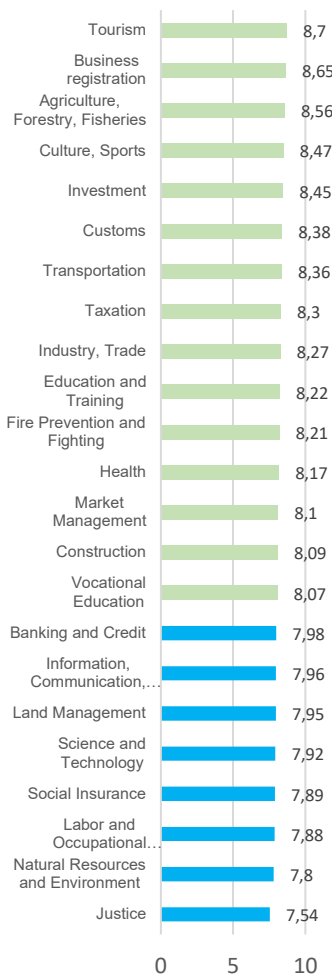
Source: Son La DDCI Survey 2024

The entry cost (7.74); law and order (7.62); and entry cost (7.62) were the component indicators that contributed most positively to improvements in the DDCI score of districts. However, despite these encouraging developments, various departments still need to address weaker areas such as business support policies (6.26) and transparency and digital transformation (7.2), where performance remains below expectations.

CHAPTER 5. GREEN GROWTH AND SUSTAINABLE DEVELOPMENT

5.1. Green growth and sustainable development at the DDCI department

Figure 5.1. Score indicators of green and sustainable growth by management sector



Source: Son La DDCI Survey 2024



GREEN GROWTH AND SUSTAINABLE DEVELOPMENT

The assessment of green and sustainable growth in terms of economic governance also reflects the increasing prioritization by the government, ministries, and provincial authorities of issues related to green and sustainable growth. This, in turn, encourages greater awareness and actions from government to work in tandem with the business community-including enterprises, cooperatives, and household businesses – to promote the province’s green growth process.

Similar to the approach with the PGI and PCI, the Green Growth and Sustainable Development Index is not part of the overall DDCI ranking. Instead, it focuses on evaluating how well green growth policies are implemented at the provincial level, providing a valuable basis for analysis by departments and localities, and serving as a future complement to the PGI.

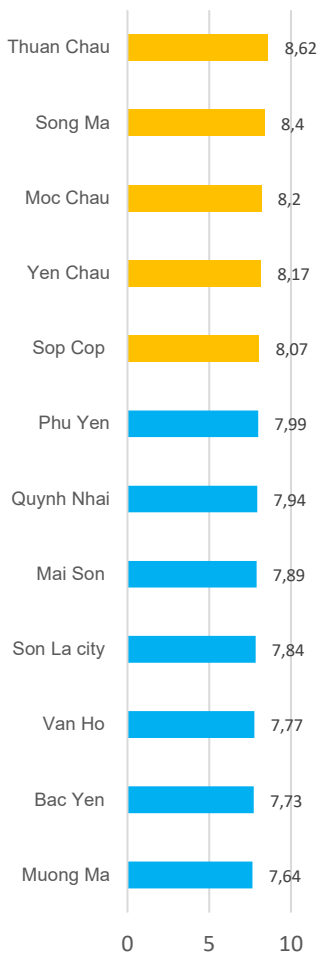
In Son La, the average score for green growth and sustainability across administrative sectors was 8.19. Departments and agencies were praised for raising awareness and integrating green practices into business and management activities.

The business community has noted positive efforts by provincial authorities to promote environmentally friendly business models.

Survey results also highlight a strong link between green growth and competitiveness: sectors with lower green growth scores tended to rank lower in competitiveness, underscoring that environmental focus is both a responsibility and a strategic advantage.

5.2. Green growth and sustainable development at the DDCI district

Figure 5.2. Score indicators of green and sustainable growth by management sector



Source: Son La DDCI Survey 2024

Sustainable development is becoming a key objective for Vietnam, with green growth regarded as a vital approach to harmonize socio-economic development and environmental protection. This is considered an essential pathway to ensure long-term development while restoring and preserving natural ecosystems.

At the COP26 Summit, Vietnam pledged to achieve net-zero carbon emissions by 2050, which underscores the urgent need for joint efforts from government agencies, organizations, and businesses. In this context, the Provincial Green Index (PGI) has emerged as an important tool for assessing the effectiveness of environmental governance at the provincial level.

To operationalize this goal, many localities in Son La have recently stepped up efforts to promote environmentally responsible business models aligned with green growth and sustainable development. By closely adhering to the directives of the central and provincial governments, many units have gradually improved awareness and implemented solutions aimed at sustainability.

According to the DDCI results, Son La achieved an average score of 8.02 in the green growth and sustainable development sub-index. Specifically, the criterion on raising awareness among enterprises, cooperatives, and household businesses regarding environmental issues and sustainability received a score of 7.97; encouraging environmental protection actions scored 8.08; pioneering green practices scored 8.06; and integrating sustainability into management scored 7.98.

These figures reflect a positive shift in both mindset and actions among local authorities, businesses, and the community, contributing to Son La's progress toward its sustainable development goals.

CHAPTER 6. GENDER RESPONSIVENESS AND INCLUSIVE DEPARTMENT FROM DDCI PERSPECTIVE

6.1. DDCI scores and rankings by gender

Figure 6.1. Rankings of management sectors by businesses evaluations, by gender

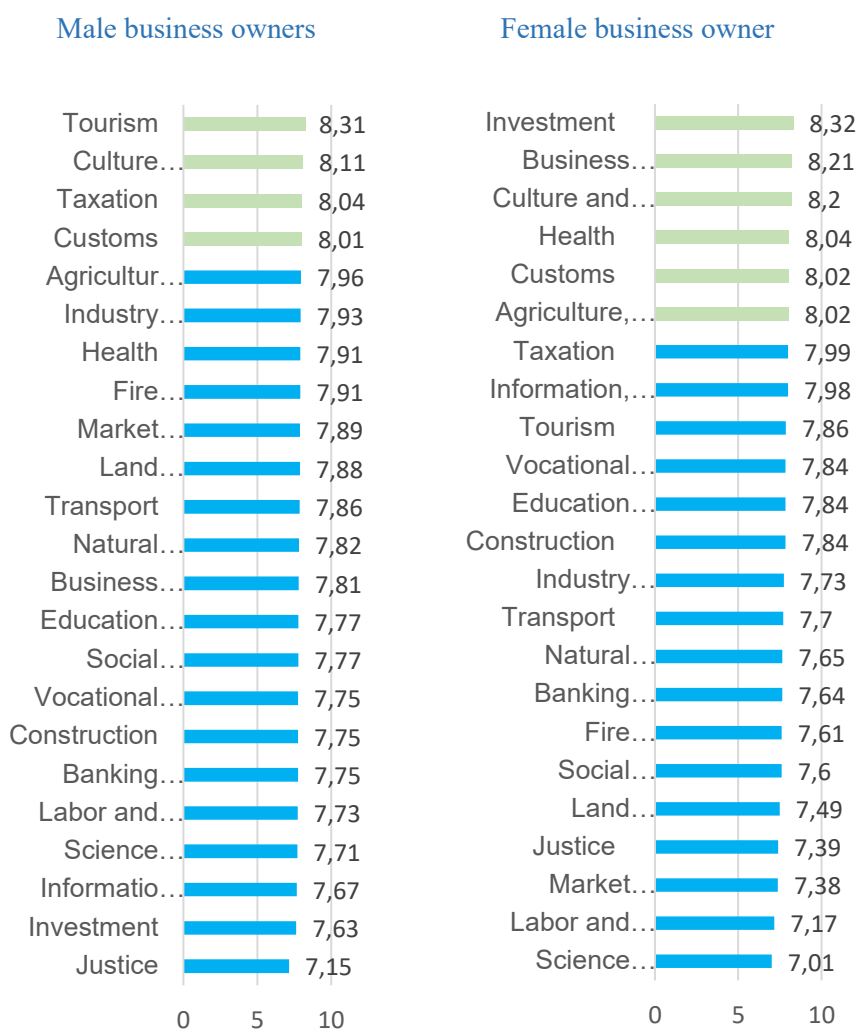


Figure 6.2. DDCI district rankings based on evaluations by male and female business owners

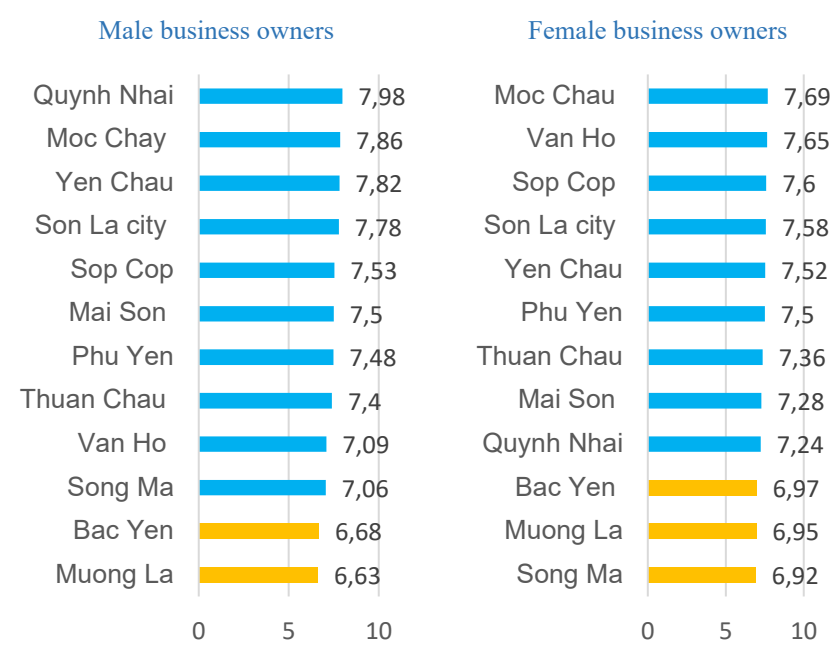
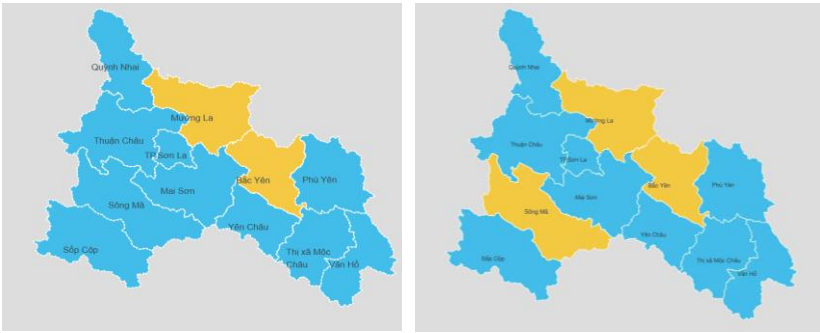


Figure 6.3. Local DDCI Rankings Based on Evaluations by Male and Female Business Owners



Note: Yellow: Good; Blue: Very good

Source: DDCI Survey Son La 2024

6.2. Effectiveness of support services for enterprises, cooperatives and household businesses in access, benefit, and empowerment for women, ethnic minorities, and persons with disabilities

Access

Women-owned enterprises, cooperatives, and household businesses face greater challenges in accessing information on opportunities and incentive policies at the local level. This perception is reflected in survey responses: while only 34% of male business owners believe that inequality in access still exists, 38% of female business owners share this belief.

Female-owned enterprises, cooperatives, and household businesses rated the effectiveness of information provided on local government websites as less satisfactory compared to their male-owned counterparts, with average scores of 6.78 and 7.13, respectively.

Women-owned businesses, cooperatives, and household enterprises have fewer opportunities to join local training and support programs. In the local DDCI survey, female household business owners rated their participation frequency at 4.91, compared to 5.03 for males. In the DDCI department survey, female enterprise/cooperative owners rated it 5.56, lower than the 5.75 score from male owners

Benefit

Female-owned enterprises, cooperatives, and household businesses report lower profitability than their male counterparts, with 65% of female household business owners making a profit, compared to 74.43% of males. Similarly, 73.0 percent of female-owned enterprises and cooperatives are profitable, lower than the 77.82 percent of male-owned businesses.

Female business owners also have a higher break-even rate, indicating greater challenges in expanding their businesses and accessing support resources.

Both male and female entrepreneurs are cautious about business expansion, with over 74% of females and 69% of males preferring to maintain their current scale.

These results highlight the need to improve support policies, enhance their effectiveness, and tailor them to the unique needs of female entrepreneurs

Empowerment

Empowering women and vulnerable groups in business goes beyond creating opportunities; it also requires specific support mechanisms to help them access policies, build capacity to foster decision making in business. According to the DDCI assessment, the professional competence and service attitude of government officials have a direct impact on business satisfaction, yet they still fall short of expectations. Female business owners, in particular, are more sensitive to the negative impacts of inspections and audits. At the same time, the attention given by local authorities to the needs of women-owned businesses remains limited—only 42.89% of female household business owners feel adequately supported.

Although 80% of enterprises, cooperatives, and household businesses have opportunities to engage in dialogue with authorities, only about 27.7% regularly provide input, with the participation rate of women being lower than that of men. Access to support programs also remains difficult, especially for ethnic minority women entrepreneurs, due to limited communication channels and family responsibilities.

While authorities have made efforts to promote women's leadership roles, the proportion of women-owned businesses remains lower than the national average. Therefore, more flexible solutions are needed to improve information accessibility, tailor policy design, and strengthen business networks to support the sustainable development of this group.

In general, empowering women and vulnerable groups in business requires not only participation opportunities but also appropriate support mechanisms. Despite the efforts of local authorities (e.g., responding to needs, creating opportunities for women entrepreneurs to contribute to policy-making), women still face multiple barriers in accessing policies, support programs, and business networks. Their participation in policy dialogue remains limited, particularly among female entrepreneurs. It is necessary for authorities to improve outreach methods and enhance the quality of support to better meet the needs of women-owned businesses.

CHAPTER 7. CONCLUSION AND RECOMENDATIONS

DDCI Son La 2024: A Comprehensive Overview of Economic Governance Quality

The 2024 Department and District Competitiveness Index (DDCI) in Son La continues to serve as a vital measure reflecting the province's investment climate, business environment, and competitiveness. This year's survey collected feedback from 1,300 enterprises, cooperatives, and individual business households with 37% being female-owned and 25.8% belonging to ethnic minorities. The results highlight progress in administrative reforms and competitiveness improvements, while also indicating challenges that require attention.

Highlights from the DDCI Son La 2024 Report

Small score gap among sectors of management. The narrow score gap across 24 sectors reflects Son La's strong political will and intense competitiveness among departments. However, most scores in 2024 declined compared to 2021, suggesting that the pace of reform has not met the expectations of the business community. While administrative reforms are ongoing—reflected in the average DDCI scores of 78.58 for departments and 73.76 for districts—key support sectors still lack attention, potentially weakening the overall business ecosystem.

District scores lag behind. District-level performance trails significantly behind departments. Unlike 2021, no district ranks in the top tier in 2024. The average DDCI score for districts dropped to 73.76 from 76.6 in 2021. Key areas with low scores include Transparency and IT Application (5.56), Business Support Activities (average 6.26; Yen Chau: 4.48, Muong La: 5.19, Mai Son: 5.82), and Informal Costs (Bac Yen: 5.64, Muong La: 5.62, Song Ma: 5.62). These require urgent improvement, especially in local leadership responsiveness.

Mixed progress across departments. Sectors like Taxation, Tourism, and Healthcare—which operate with greater autonomy—have shown notable improvements (scores >8.5). However, foundational sectors such as Science & Technology, Justice, Social Insurance, Labor, Banking and Credit, and Investment continue to score poorly. This reveals an unfavorable business environment for startups and expansion and reflects ineffective inter-agency coordination.

Weak business support at local level. The lowest scores were in business support at the local level, signaling a need for timely support mechanisms. 85–89% of businesses reported no plans to expand, revealing limited business motivation. A substantial gap remains between support policy design and implementation, creating access issues due to inconsistencies and lack of coordination. Public servants also lack the skills and attitude to provide proactive support, particularly to women- and minority-owned businesses.

Decline in proactiveness and Leadership Dynamism. The stagnation in scores related to leadership dynamism and proactiveness is alarming. Though reform efforts exist, there remains a significant disconnect between policy intention and business perception. Ineffective public–private dialogue, lack of transparency, and weak coordination among agencies hinder progress. A more responsive and enterprise-friendly public administration is necessary.

Gender and Inclusion Gaps Persist. Women and ethnic minority owned enterprises face difficulties accessing land, relying on connections for information, and lacking scale-up opportunities. Transparency—especially around investment, procurement, and public projects—is still lacking. Government communication channels are ineffective, particularly for women with disabilities or from minority groups. Their voices are limited in policy consultations, weakening the responsiveness of support mechanisms. Some female-owned businesses face excessive inspection burdens, and crisis support policies are not yet effective.

Sustainable development and green Growth. Over 79% of enterprises appreciate environmental production support policies. However, more concrete measures are needed to boost business participation in green transition initiatives.

Proposed Solutions to Improve Competitiveness in Son La province

Enhance the overall quality of economic governance and public services. Son La should prioritize improving the quality of economic governance and public service delivery across all sectors, not only in areas with natural advantages such as tourism and agriculture. Foundational sectors including science and technology, justice, credit, insurance, and labor safety must receive stronger investment to build a sustainable business ecosystem. To achieve this, the province needs a

comprehensive policy approach—focusing on legal and regulatory reforms, technological innovation, infrastructure (including digital infrastructure), human resource development, and improved access to credit and insurance. Furthermore, effective coordination among departments and agencies is essential to ensure support programs align with the real needs of enterprises, especially those led by ethnic minority women.

Strengthen policy implementation capacity at the local level. The provincial government should implement targeted solutions to enhance the dynamism of local leadership, particularly in districts with low DDCI (Department and District Competitiveness Index) scores. This includes stronger administrative reforms, more frequent dialogues with businesses, and training for officials on enterprise support, service-oriented thinking, and needs assessment. Local officials should also be equipped with knowledge on gender equality, ethnic diversity, and inclusive development to better assist enterprises in accessing capital, credit, markets, technology, and value chains. Identifying each district's unique strengths and analyzing the root causes of weak performance will help formulate tailored policies to improve competitiveness.

Develop supporting sectors for business development and entrepreneurship. Son La should promote the growth of key supporting sectors such as credit, social insurance, labor, and science–technology to enhance the business environment and support startups. This includes expanding preferential credit programs, providing labor skills training, and encouraging the application of technology in business operations. Policies should support small and medium enterprises (SMEs) in integrating into supply chains and accessing markets to scale up production and business activities.

Improve the effectiveness of business support mechanisms. Son La should ensure that business support is practical and accessible, especially at the local level. Key actions include enhancing the quality of online public services, promoting the use of information technology in administrative procedures, and increasing transparency in support policies. The province should implement regular satisfaction surveys to adjust support programs according to business needs, thereby building trust in the local business environment. In addition, business associations such as the Son La Business Association should be empowered to protect legitimate business interests, resolve obstacles, and encourage participation in social initiatives. Guidelines should be

developed for handling legal conflicts in investment and business, and regular forums (monthly or quarterly) with entrepreneurs should be held. Administrative procedures should be further simplified and standardized across departments to avoid inconsistencies that hinder businesses. The capacity of civil servants—especially in listening, guiding, and engaging with enterprises—should be strengthened to improve policy enforcement and facilitate business growth.

Strengthen accountability and performance-based management. Heads of departments, and local governments must be held accountable for the improvement of the business environment. The 2024 DDCI results should be used as a basis for performance evaluation, commendation, and reward. Based on DDCI rankings and component indicators, each agency should review, analyze, and assess the current situation to develop actionable plans for improvement. These plans must include specific objectives, responsible units, and mechanisms for monitoring progress, ensuring effectiveness and feasibility. This approach will not only enhance reform outcomes but also foster healthy competition and a more transparent, fair, and business-friendly environment.

Promote gender and ethnic inclusivity in governance and business support

Local authorities should raise awareness and improve responsiveness regarding gender, ethnic, and cultural diversity, aiming to better serve women, ethnic minorities, and other vulnerable groups. This includes:

- Training staff in service skills with a focus on ethnic minority and female owning business.
- Ensuring inclusive communication and outreach for government programs
- Supporting female entrepreneurs in managing risk, improving financial access, and participating in value chains
- Linking business support with social protection to improve economic resilience
- Strengthening platforms for women to voice their priorities and concerns, along with effective feedback mechanisms
- Promoting women's leadership through training and management development programs

Additionally, policies should include targeted support for people with disabilities to ensure equitable access to business opportunities and public services.

Encourage green growth and sustainable development. To align with national and global commitments toward sustainable development and climate resilience, Son La should proactively integrate green growth strategies into its economic governance and business support policies. The province must develop a comprehensive policy framework that incentivizes and supports enterprises—especially small and medium-sized businesses—to adopt sustainable production practices and reduce environmental impact.