

9TH

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LAO

Lao National Chamber of Commerce and Industry (LNCCI)

Curriculum vitae and professional role

Mr. Oudet Souvannavong was born in Khammouane, Laos on 4th February 1957, he hold a license of secondary education in mathematics and physics from the Ecole Superieure de Pedagogie Vientiane, Laos and a Certificate of Forest Industry Management from the University of Agricultural Sciences, Sweden. He joined the LNCCI as a board member in 2000. In 2005 he was elected and appointed as the Executive Vice-President of LNCCI in charge of international relations. He was re-elected in 2008 and in 2012, and assumes this function until today. In 2012, he was officially appointed Chairman of the Lao Employers' Activity Bureau.

He is very active in the chamber international cooperation and holds a number of important regional functions such as; the Secretary General of the Greater Mekong Sub-Region Business Forum (GMS-BF) since 2007. Mr. Oudet is a Founding Council Member of the ASEAN Business and Advisory Council (ASEAN-BAC) since 2002. He manages and chairs a number of corporates boards. The most important ones are: Societe Commerciale Lao Import-Export (SCL); Best Western Area Development Office for Laos; Best Western Vientiane Hotel; Best Western Champasak Resort; Fuji Japanese Restaurant 1 and 2; and Mixai Techno Engineering and Consulting Ltd.

Opportunities and challenges for entrepreneurship in your country/region

The Lao economy grew steadily at 8% since the last 5 years, it is fueled by a vibrant resource sector, continued Foreign Direct Investment in all sectors, accommodative macro economic policies. The accession to the WTO in 2012 and the application of

the ASEAN FTA have further encouraged FDIs and local investment, the non-resource sector driven by garment, manufacturing and services are growing fast due to new supply chains network in the region are providing large opportunities for entrepreneurs operating in the country.

The major challenges encountered by entrepreneurs are the lack of adequate infrastructure, difficult topography, poor infrastructure, inefficient logistics systems, and weak institutions compounding with the adverse effects of land locked geography, lead to high trade transaction costs. Enterprises in Laos have difficulty to take full advantage of the opportunities of global value chains. Supply response has been weak for a variety of structural reasons, including weak institutional capacity but also because of incompatible policies, lack of transparency and consistency.

The challenge in accessing international trading markets is the high cost of doing business that makes products uncompetitive in the international market as well as to the strict market requirements in terms of quality and standards.

Description of the Chamber: public or private? Local, regional, national? How many member businesses does your Chamber have? Which sectors?

LNCCI is established in 1989. It is an independent body that represents state and private enterprises across all sectors that are established under the laws of Lao PDR. The vision of LNCCI is to develop a vibrant and competitive private sector to cope with growing economic development in the country and in the World. It currently has more than 1000 members represented through Provincial Chambers of Commerce and Industries, and National Business Associations. The sectors represented in the chamber are:

- Agriculture,
- Advertising and Printing,
- Automotive,
- Banking, Finance and Insurance
- Construction,
- Consulting,
- Education and Training,
- Electrical,
- Furniture and Wooden Products,
- Garment and Textiles,
- Handicraft,
- Hotel and Restaurants
- Hydro-powers and energy
- ICT and Telecommunication,
- Jewellery,
- Manufacturing,
- Mining,
- Petroleum and Gas,
- Pharmaceutical and Medical Equipment,
- Steel and Cement Industry,
- Trading,
- Transportation and Logistic, and
- Travel and Tourism.

Which key projects does your Chamber realize?

LNCCI is organized to provide service to its members and to entrepreneurs in general, which comprise of: certifying the origin of goods produced in Lao PDR; providing information on trade and investment to members and foreign investors; conducting trade shows, road shows for entrepreneurs and foreign investors in country and abroad; and organizing and providing business service to SMEs including training and value chain development.

LNCCI is the secretariat for the Lao Business Forum (LBF), which is a high level platform for public and private dialogue for improving the business environment in the country.

LNCCI officially represents the Lao employers. The Lao Employers' Activity Bureau centers around organizational capacity building for tri-parties and social dialogue, labor law reform, and measures to promote enterprise development, job creation, and improved productivity and competitiveness. LNCCI has made it a strategic priority in the coming years to advocate for development of an effective framework for national skills standards, covering key occupational areas and sectors of the economy, and designed in conjunction with the private sector.

LNCCI and the European Chamber of Commerce and Industry in Laos (ECCIL) have developed a 6 months joint periodic "Enterprise Survey" to collect and analyse the business conditions in Laos.

The most important challenge for your Chamber in the future

LNCCI is involved in reforming the trade and investment procedures and legislations and in improving the linkages between policy and planning, increasing consultation with the private sector during policy development. The important challenges are:

- To encourage greater private sector participation in delivering public services and attract private capital to fund the country's infrastructure and related services.
- To define the proper role of the governments in economic activities, which would centers on its regulatory role. In Laos the policies are in place, however implementation remains a challenge.
- To develop a comprehensive communication strategy and intervention, which equips the enterprises with the requisite knowledge and enable them to more effectively utilize whatever mechanisms are in place.
- The issue of business informality is critical to the development of the private sector in Laos, and yet little is known about the nature, extent and underlying drivers of informality. So a comprehensive diagnostic is required on this issue.

Any interesting experience or success story your Chamber went through

LNCCI is now considered as the main public and private dialogue partner with the government. Through the years it has been able to enhance private sector participation in consultation with government agencies on new regulations, new laws and on reducing red tapes and impediments into the doing business in the Lao PDR. There are a number of problems that have been solved under the LBF public and private consultation such as: abolition of transport barrier control between districts and provinces, the issuance of visa on arrival for tourists, and others.

LNCCI has actively participating in the regional arena, it is operating the secretariat of the Greater Mekong Sub-region Business Forum (GMS-BF) and is preparing for the Chairmanship of the ASEAN Business and Advisory Council in 2016.

LNCCI has been mandated to conduct a number of international business forum and conferences. The most successful one was the organization of the Asian-Europe Business Forum (AEBF), which is organized back to back with the Asian-Europe Summit Meeting (ASEM) in 2012.

Photo of Mr. Oudet Souvannavong



Photo of LNCCI



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