



SKILLS FOR TOURISM PROJECT • LAO/029

Expanding industry-led hospitality training in the Lao PDR



1 The Situation

The Lao PDR still numbers among the world's least developed countries. A third of the population lives below the poverty level. Against this background, tourism has grown rapidly and offers significant income-generation and inclusive growth opportunities for the tourism workforce and the staggering amount of 40% of micro and small enterprises with an average size of 15 employees serving the trending tourism destination.

2 Challenges

A number of challenges for employees as well as micro and small enterprises hinder inclusive growth in the tourism and hospitality sector in the Lao PDR:

- Very limited service quality and lack of customer-orientation
- Limited access to training opportunities for employees of micro and small enterprises
- Reluctance to invest
- Lack of suitable training programmes
- Private-public sector coordination capacities and innovative models for improved training are rare

3 Our Solution

We facilitate the local private sector to lead on industry upskilling tourism and hospitality businesses in 9 provinces in the Lao PDR.

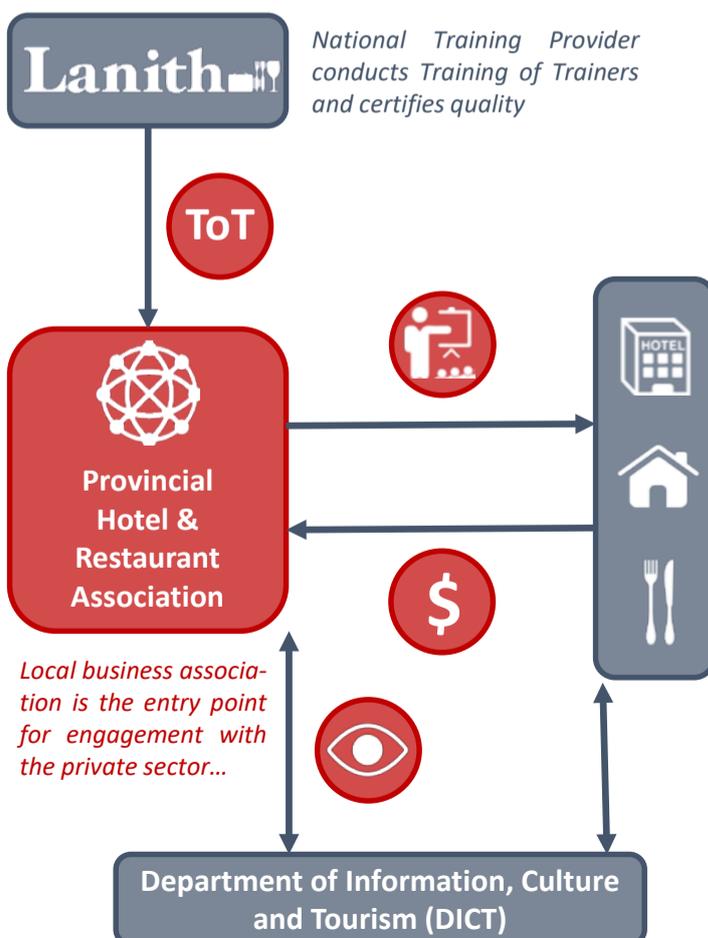
Our partners at provincial level are local Provincial Hotel and Restaurant Associations and Groups (PHRAs).

We support these associations to deliver on their mandate to build capacity of their members.

Local micro, small and medium enterprises pay for market-relevant training for their staff, which has national accreditation and quality assurance.

We partner with the Lao National Institute of Tourism and Hospitality (Lanith) to develop local trainer pools, provide quality assurance, and register trainees on a national database.

Through this approach, we are supporting local industry to implement a successful and sustainable model for hospitality training in the Lao PDR.



4 Key Results

The following key results have been achieved through facilitation and support of local industry associations to deliver relevant training:

1

From the original pilot in Champasak in 2014, the model is now operated and taken up in a total of **9 industry associations** in the Lao PDR.



2

21 upskilling courses run with each student taking **12** competency based assessment in **3** occupation areas.



3

Overcoming challenges in training access and coordination specifically benefits the **40%** of SMEs in the tourism industry and their average number of **15** employees.

Impact story: **Strengthening Industry Associations** to deliver market relevant training

As the President of the Savannakhet Hotel, Guesthouse and Restaurant Group (SHGRG), Mr. Soulin has been a big advocate for capacity training in tourism and hospitality. And as the owner of a small resort in Savannakhet, he knows exactly what he is talking about.



“Members of the SHGRG see the benefits of upskilling training, and their willing to invest in their staff...”

Mr. Soulin, President of the Savannakhet Hotel, Guesthouse and Restaurant Group (SHGRG)

Furthermore, Mr. Soulin often talks about this training programme and its benefits as a selling point to attract more businesses to the SHGRG. “Members are very happy and see the benefits of the training. We’re all very eager to see the difference that training will make on the hospitality and tourism industry in Savannakhet.”

4 PTHAS in numbers...

Our external evaluation conducted in 2018 has confirmed the following results achieved in the regular PTHAS Training Programme:



189

participants from 124 businesses



63%

of participants are female



35

industry trainers trained



9

industry associations supported



16 Mio

LAK invested for training by SMEs

Impact story: **Upskilling local hospitality staff** through industry trainers

Phoukhan Bounphailod knows about the hardship to get access to relevant training. Coming from a rural village, he had to fight for his desired degree in tourism at the Champasak university. Yet, it was at his first work place where he truly started to gain the relevant skills for his profession through upskilling under the PTHAS training programme – delivered by the local industry’s Champasak Hotel and Restaurant Association.

“In my opinion, the industry training is the key to pass on the right knowledge and skills for my profession.”

Phoukhan Bounphailod, Waiter and Front Desk Assistant at Résidence Sisouk/Pakse, professional industry trainer in the PTHAS programme



Inspired by the associations work and his trainer, he decided to become an industry trainer himself to pass on his knowledge and skills and participated in the PTHAS-TOT programme.

The Pheun Than Heng A Sip (PTHAS) Training Programme

In collaboration with Skills for Tourism (Project LAO/029) Swisscontact implements the Pheun Than Heng A Sip Training Programme.

This seeks to upgrade hospitality skills amongst 500 MSME staff (upskilling) and support 500 more people from disadvantaged backgrounds to enter the tourism and hospitality sector (labour market insertion) in selected southern and central provinces.

The Skills for Tourism Project (LAO/029) is co-financed by the Governments of Lao PDR, the Grand Duchy of Luxembourg and Switzerland, and is implemented by the Ministry of Education and Sports of Lao PDR and the Luxembourg Development Cooperation Agency (LuxDev).

