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.
**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 willingness 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."

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

Phoukhon 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 workplace 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."

Phoukhon Bounphailod, Waiter and Front Desk Assistant at Résidence Sisouk/Pakse, professional industry trainer in the PTHAS 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).