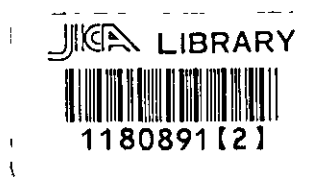


Final Report
on
the Project for the Development of the
Faculty of Economics and Management
of the National University of Laos

September 2005



Kobe University

HM
JR
05-45

Contents

1. Background of the Project.....	1
2. The Objective of Project and Expected Outputs.....	1
3. Contents of the Present Support Program by Kobe University ...	2
3.1 Scope of the program.....	2
3.2 The Basic Principle of the Program	3
3.3 Organization and Procedure for Program Implementation.....	4
3.4 Plan and Record of Actual Operation	6
4. Record of Operation.....	6
4.1 Program management, educational and research activity training, and support for textbook writing on International Investment.....	7
4.2 Support for textbook writing on Entrepreneurship	8
4.3 Support for field work on industry	9
4.4 Short-term expert in the field of Economics and support for field work on Environmental Economics	10
4.5 Support for preparing the final report of the project	11
4.6 Support for textbook writing on Money and Banking	12
4.7 Support for textbook writing on Comparative Economics 2.....	12
4.8 Support for textbook writing on International Monetary Economics	13
4.9 Support for textbook writing on International Marketing.....	13
4.10 Support for textbook revision on Business Law	14
4.11 Long-distance lecture on Economic Policy.....	15
4.12 Long-distance lecture on International Marketing.....	16
5. Lessons and Conclusion.....	16
5.1 Lessons learned from the program	16
5.2 Conclusion	17
List of Outputs.....	19



1180891【2】

1. Background of the Project

Lao P.D.R. has undergone the process of transition from a planned to a market economy. The human resource development has been a prime object of the New Economic Mechanism (NEM) launched in 1986 and the National Government of Laos established the National University of Laos (NUOL) in June 1995. The Faculty of Economics and Management (FEM)¹ was newly founded with the aid of the Asian Development Bank (ADB) within NUOL and started to accept students from October 1996.

After the initial support by ADB, FEM has continued to develop under the technical support project for the faculty by Japan International Cooperation Agency (JICA). The project was launched in September 2000 to further develop the faculty with the aid of JICA experts mostly sent from Japan. In December 2004, JICA consigned a part of the technical support program to Kobe University. During the contracted period from December 2004 to August 2005 when the five year technical support project terminated, Kobe University was responsible to make use of its expertise on academic affairs required by FEM to develop the capability of its teaching staff.

2. The Objective of Project and Expected Outputs

The object of the support project is clearly stipulated in the PDM² agreed by JICA and FEM. The overall goal is to make FEM graduates contribute to development of a market economy of Lao.P.D.R. Under the goal, the project is purposed to have students graduated from FEM with essential academic and professional knowledge and skills.

Prescribed outputs are classified into four: quality of teaching staff is enhanced, curricula and teaching materials are developed and improved, necessary equipment and facilities are available, and management system of FEM is improved. To produce these outputs the project developed a set of activities throughout the five year support project. Short-term and long-term trainings have given opportunities to study abroad for FEM staff and some of those who completed overseas master or doctoral programs have already returned to FEM. Other activities were developed at FEM or within Lao. P.D.R. Textbook revision or new writings were the most urgent requirements for FEM to supply adequate teaching materials for its students. A bunch of textbooks had been written and printed with the aid of ADB at the initial stage of the FEM development. However, as the faculty expanded in terms of students and staff numbers, FEM has conceived of new concentrations as the way of curriculum

¹ The Faculty of Economics and Management was renamed as The Faculty of Economics and Business Management (FEBM) in February 2005. However, throughout the present report the previous abbreviation FEM is used to express the faculty in continuation.

² The original PDM of the project was revised first in February 2003 and again in March 2004. The present report makes use of the latest version as the reference.

reorganization. Accordingly, textbook publication has become increasingly imminent and the support from short-term experts is greatly appreciated.

Textbook revision or new development comprises a part of staff training. The project expects the improvement in academic capability of FEM teachers who have engaged in the textbook development activity. Another way of training for improving staff capability can be provided by field studies conducted by FEM teachers and supervised by short-term experts. FEM members learn how to prepare questionnaires, how to make interviews and to produce reports on what they observed. Experts sent from Japan contributed in the whole process of the field studies and the participants from FEM are better equipped with research methodologies than before.

Teaching staff training can be implemented through long-distance education as well. During the support project several lectures were transmitted through JICA-Net from Japan to FEM with the audiences being FEM students. For each lecturing subject FEM appointed a coordinator/interpreter to facilitate the lecture class. Lecture notes sent by experts in advance were to be translated into Lao by the coordinator. Translation naturally urges the appointed staff to work hard to make the distance lectures as effective as expected.

3. Contents of the Present Support Program by Kobe University

3.1 Scope of the program

The JICA technical support project has been conducted based on the Record of Discussion signed by the Governments of Japan and Lao, P.D.R on 6th of June 2000. The present program³ implemented by Kobe University (hereafter, the university) comprises a part of the project focusing on the dispatch of short-term experts and long distance education. The program duration was from December 2004 to August 2005, the end point of the JICA main project. The program was designed to conduct more efficiently the already implemented technical support extended by JICA on its own initiative by the end of 2004. The Kobe University team was supposed to work in conjunction with the long-term experts who had been sent to FEM by JICA.

The improvement in faculty management was not included in the program carried by the university. However, the short-term experts sent by the university were to help long-term experts give advisory instructions and recommendations to FEM on the faculty management system whenever possible. The reason is as follows. In the project, the long-term experts were directly sent by JICA and instruction on faculty management was a part of their stipulated duties

³ To distinguish the set of activities designed and implemented by Kobe University from the overall technical support project undergone by JICA, the activity by the university is labeled as "program" throughout the report. This is just for convenience.

to which the short-term experts dispatched in the program found it appropriate to propose to cooperate. For example, even if the schedule for long distance education and field research trips was precisely determined in advance, FEM teachers were not effectively allocated in some cases for the program and we could not but readjust the personnel deployment on the spot. The short-term experts, thus, proposed the way for improving personnel allocation in the FEM activities by appointing deputy coordinator for each program.

3.2 The Basic Principle of the Program

1. Based on the previous achievement toward the end of 2004, the program emphasized the following two objectives.

- to improve the educational and research abilities of FEM lecturers
- to support FEM staff for their autonomous management of the faculty

The first objective had been the prime concern throughout the JICA project. The university program followed the line to extend supportive activities to raise research and educational capabilities of FEM staff through the inputs of short-term experts and long-distance education. The second objective is to provide necessary measures to make FEM stand by itself prior to the end of the JICA project.

The program to accomplish the above objectives emphasizes the importance of field study and long-distance education.

2. Strengthening of training through field research

Through the experience to take part in the project as long-term or short-term experts, the university has learned that the following observations are vital to formulate the extending support program.

- 1 Although educational activities in FEM have been fairly well enhanced, the research ability of FEM lecturers is yet to be much improved.
- 2 Limited knowledge on the present situation of Laos itself has been hampering the lecturing activities of FEM staff. It is by no means easy for the teaching staff to explain effectively on various measures on poverty reduction in class rooms, if they, who even have known that their country is a least less-developed country, are not familiar with how severe the actual situation of poverty and the degree of income distribution in their country have been.
- 3 Field study is effective to draw the willingness of lecturers to engage in research activities.
- 4 Some improvements were shown in the quality of reports written by lecturers who participated the previous field studies. It is preferable to keep this line of study

opportunities until the outcome of support program is firmly secured.

3. Effectiveness of long-distance education using JICA-Net

The program recognized the following reasons why long-distance education must be included in the support activity.

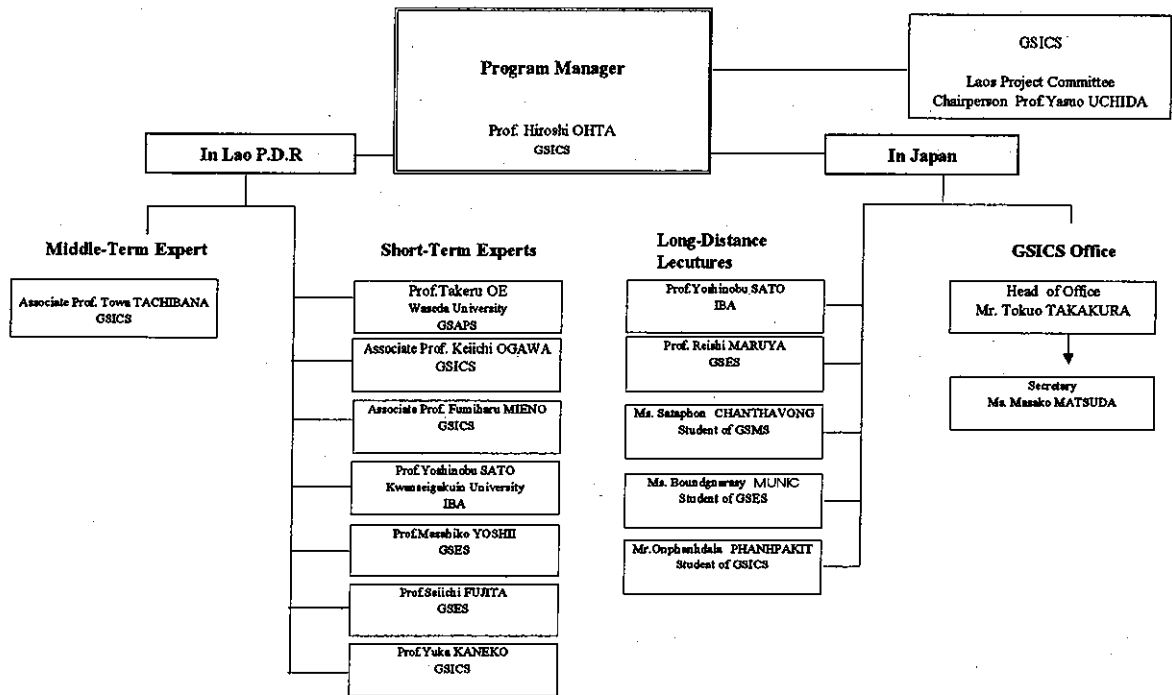
- 1 The number of students has continued to increase. FEM started to accept NUOL students from their second year since October 2004. (Previously, the enrolment of students to individual faculties was made in the third year after the entrance to NUOL.)
- 2 Younger lecturers have been given opportunities to study abroad. It causes a shortage of staffs who give lectures to students.
- 3 It is by no means easy to recruit lecturers from outside who are able to present lectures of the international standard as expected.
- 4 Improvements in lecturers' pedagogical ability can be expected by long-distance education. FEM staff learns how to prepare lecture notes, how to select lecture contents and how to present lectures in class rooms by taking roles of coordinator, interpreter and translator for the distance education.

3.3 Organization and Procedure for Program Implementation

The structure of the program implementation is shown by Figure 1. The program manager took the full responsibility for the overall implementation of support program designed by the university. The office of the Graduate School of International Cooperation Studies (GSICS), Kobe University, (hereafter, the school office) arranged all the travel documents for short-run experts to FEM and contacts with JICA Headquarter as well as other organizations which have contributed the implemented program.

The program manager was to instruct the school office to help experts conduct their duties without fail and clarify the JICA office on the necessary procedure of itinerary alterations concerning experts dispatch and long-distance lecturers. Short-term experts were supposed to consult with the program manager in addition to the long-term experts stationed in Laos for their works at FEM. Direct contacts between short-term experts to be sent from Japan and their counterparts at FEM were primarily arranged by the long-term experts. The program manager requested FEM to confirm that the counterpart against each expert to be sent from Japan must be ready to cooperate at FEM upon the arrival of expert.

Figure1 Program Implementation Structure



GSICS Graduate School of International Cooperation Studies, Kobe University
 GSES Graduate School of Economics, Kobe University
 GSMS Graduate School of Business Administration, Kobe University
 GSAPS Graduate School of Asia-Pacific Studies, Waseda University
 IBA Institute of Business and Accounting, Kwansei Gakuin University

For long-distance education, the program manager was responsible for smooth operation of lecture transmission from Kobe to FEM. The lectures from Kobe were transmitted from JICA Hyogo Center with the help by the Center staff. The program decided to recruit Laotian students in Kobe University to support the lecturers as interpreter and operator of TV camera. All the arrangements, including the reservation of JICA-Net, at the receiver's side at FEM were prepared by long-term experts and the local staff of FEM.

The school office of GSICS engaged in the following supportive works during the program period.

- 1 flight bookings, ticket arrangements and visa application for short-term experts
- 2 information collection for immunology and recommendation on preventive vaccination to experts
- 3 preparation and circulation of documents and notices for smooth operation of the program
- 4 arrangements for emergency contact networks
- 5 management of accounting for the program and filings of vouchers and receipts
- 6 consultation with JICA Headquarter on amendments and alterations of expert dispatch

and corresponding recalculation of the program budget

7 consultation with Kobe University Headquarter on disbursement of the program budget

GSICS formulated the Committee for Laos Project before the contract of present program by the university with JICA. Selection and dispatch of long-term experts were endorsed by the committee. The present program also received supports from the committee.

Upon the completion of operation by each short-term expert, the program manager received a copy of the Report of Operation which was submitted by the expert to the JICA Laos Office. Each report was examined by the program manager to grasp the progress of operation. Earlier reports greatly helped the manager adjust the following operations by experts who were to be sent later.

3.4 Plan and Record of Actual Operation

Utmost effort was paid to manage the implementation of activities as planned. However, several changes in the schedule of experts' operation were inevitable due to the alterations in overseas study schedule of the coordinator in charge of long distance education, the revelation of the effectiveness in research and data correction in Thailand relating to the supporting activities by experts, and the Lao Government recommendation on refrain from traveling into Laos during the ASEAN Ministerial Meeting held in July. "Plan and Actual of Operation" is attached to the present report as Deliverable Table. The hatched bar in the Table shows the date of research conducted by the experts on their own expense in Thailand which are closely related to Laos in economy. The research and data correction in Thailand were included in the experts' operation as a result of prior consultation between the experts and their counterparts in FEM, indicating that the cooperation between the two parties have been successfully deepened throughout the program. It is preferable to approve the alteration and rescheduling of similar kind in operation based on the coordination in the future, for they are regarded as effective in promoting the supportive project

4. Record of Operation

Throughout the program period, from December 2004 to August 2005, ten short-term experts were sent to FEM from Japan and two lecturers engaged in long-distance education. The present section summaries the record of activities and contributions by these experts.⁴

⁴ Operations by experts are recorded not in the chronology of dispatch of experts but in the same order as in Section 3.4 (roles of experts and expected outputs) of the Proposal of

4.1 Program management, educational and research activity training, and support for textbook writing on International Investment

Name of expert: Hiroshi Ohta (GSICS, Kobe University)

Period of Operation at FEM: March 4 to 30 and July 31 to August 14, 2005

- 1 The expert was sent twice to FEM during the program. The purpose of the first visit was to help FEM staff write a textbook on international investment. The expert had frequent meetings with his counterparts to discuss the possible contents for the textbook. FEM had initially appointed two staff in charge of this textbook. However, one of them was in Japan at the time of the expert's arrival at FEM. The other staff had been preoccupied with preparing manuscripts of another textbook. These two staffs are responsible for textbook publication in the field of international economics. The expert and counterpart decided to reexamine the overall publication plan of textbooks on the subject. Initially, FEM had a plan to publish one textbook on international economics. It was supposed to cover three main parts of teaching topics: theory of international trade, open macroeconomics and the world economy. However, as the number of students increased, as mentioned earlier in Section 2, FEM intended to provide more lectures in this field. The suggested subjects are international economics 1 and 2, world economy, international trade and policy and economics of international investment. The program decided to send the expert this time to support for the last subject, since the same expert visited FEM earlier in September 2004 to discuss how to enlarge the scope of international economics as a teaching subject at FEM and advised to break the originally planned one-volume textbook on international economics into three. The three volumes were to be named as International Economics 1, International Economics 2, and World economy, respectively. Then, the counterparts conceived of further two books, International Trade and Policy and Economics of International Investment, which, they thought, are necessary for their teaching activities. After several discussions, the expert agreed to produce four textbooks. International Economics 1, International Economics 2, and World economy are off springs of the originally planned one-volume textbook. The first one contains the theory of international trade under perfect competition but not under imperfect competition which has been much developed over the past two decades. The latter topic is to be picked up by the forth volume, International Trade and Policy. Finally, after intensive discussion, the expert and his counterparts came to agree that the fifth book, Economics of International Investment, is to be published only when FEM has

Operations submitted by Kobe University to JICA in December 2004.

become certain to find enough resource in terms of time for preparing manuscripts and appropriate authors.

- 2 The expert had several discussions with Dean and the long-term experts at FEM as well as other FEM staff in his capacity as the program manager. Dean Khamlusa emphasized that more lecturers had been out of FEM on overseas training than before and the work load of the remaining staff had rapidly increased. It implies that the JICA project has been functioning well but at the same time it may be expected some delay in other activities than overseas training.
- 3 One of the long-term experts, Professor N. Matsunaga (GSICS), was to leave FEM at the end of March and to be taken place by Professor T. Tachibana (GISCS) who had already arrived at FEM. All the Japanese experts including other long-term experts directly sent by JICA convened to confirm what were required in the program and who were to be assigned to individual activities toward the end of the JICA program in August.
- 4 The said expert was sent to FEM again in August. This second operation had two purposes. The first one was to visit three universities in Thailand and JICA Thailand Office to pay gratitude as the program manager for their understanding and cooperation to the JICA support project for FEM. To do so, Dean Khamlusa and the expert visited Kasetsart University, the Asian Institute of Technology and Rhamkhamhaeng University which have accepted several FEM staff to their master/doctoral programs. Also a couple of scholars from these universities have come to FEM to support on textbook writing as third country experts. Dean and the expert discussed the terms of their requirement on the FEM staffs who have been accepted to these universities to complete their degree programs. Finally, at the JICA Bangkok Office Dean and the expert requested, after they expressed their gratitude for the past cooperation, a further support on the plan of sending FEM staff for higher degrees in Thailand.

The second purpose of the August operation by the expert was to examine the undergoing operations in the university program and to coordinate activities extended by experts concurrently sent by the university in the very last month of the project. The expert interviewed many staff in FEM and discussed with Dean, Vice Deans and Japanese long-term experts to try to figure out the desirable program to support FEM during the extension project after the present project terminated in August.

4.2 Support for textbook writing on Entrepreneurship

Name of Expert: Takeru Ohe (Waseda University)

Period of Operation at FEM: January 3 – 16, 2005

- 1 During the two weeks of operation, the expert and his counterpart cooperated to produce the first drafts of all chapters in the textbook. The expert had selected appropriate reference books and materials before he arrived at FEM. On the first day at FEM the expert proposed the planned contents of the volume and prepared the underlying manuscript for the first chapter. From the second day, the expert explained the chapter structure and content to the counterpart by a chapter per a working day. The textbook has eight chapters altogether. The first draft prepared by the counterpart is to be sent, chapter by chapter, to the expert who examines the content and proposes necessary amendments. The titles of chapters and the table of contents are shown in Output 1 at the end of the present report.
- 2 The expert donated a set of reference books to FEM (Output 2). They are directly concerned on the topics for the textbook of entrepreneurship.

4.3 Support for field work on industry

Name of Expert: Keiichi Ogawa (GSICS)

Period of Operation at FEM: March 11 -27, 2005

- 1 The expert organized a study team with FEM staff⁵ and visited 21 garment factories within Vientiane City. The team interviewed managers on the factory management and operations based on the prepared questionnaire. The FEM staff took a role of interpreter on top as interviewer. The questionnaire is shown by Output 3. The result of the interviews was summarized as *Profiles of Garment Factories in Vientiane Area* (Output 4).
- 2 The study team visited UNIDO, Ministry of Industry and Handicraft, and GTZ (Gesellschaft für Technische Zusammenarbeit), a bilateral donor organization, before the interviews at garment factories. By doing so, the team could have accurate understanding of the present situation of the industry and appropriate perspectives on the future course of industry development
- 3 The participating FEM staff was requested by the expert to review a set of documents published by the World Bank, UNIDO and GTZ on garment industry development before they visited factories. With the preparatory document survey, the expert lectured on the method of producing research proposals and academic papers based on field survey. The lecture on report writing was also presented by the expert after the team finished the study visits to factories.

⁵ Some graduate students of GSICS took this opportunity to work together with the FEM staff in conducting the survey.

4. In addition to the interviews to the managers of factories, the team distributed questionnaires to factory workers to ask the working conditions and their perceptions of the situation. The answer sheets of the questionnaires were collected by the team and processed at FEM by using EXCEL software. The project local secretaries and intern students from outside supported the data processing. The expert instructed the team members how to analyze the collected data by SPSS, a statistical software package.

4.4 Short-term expert in the field of Economics and support for field work on Environmental Economics

Name of Expert: Towa Tachibana (GSICS)

Period of Operation at FEM: March 12- August 31, 2005

1. The expert was sent to FEM primarily for replacing the former long-term expert in the field of Economics. He was supposed to continue the support activities born by the previous long-term expert until the end of the project. Long-term experts are responsible for the broad array of operations throughout the project. They supervise the overall planned project and advise to FEM on faculty management. The final evaluation study team sent by JICA to FEM in February 2005 proposed that the main operations expected to the program during the last stage of the project in 2005 were development and revision of textbooks, research capability development of FEM lecturers, and improvement of the faculty management⁶. After the long-term expert on Economics left FEM on the completion of his planned operation period, the said expert took over those operations and became responsible for implementing the program in collaboration with other long-term experts.
2. The expert also conducted a field survey in a village on environmental economics by organizing a study team composed of FEM staff⁷. The team stayed in a village in Luang Prabang Province from March 26 to April 4. The participants learned how to design questionnaire based on preliminary survey at site and revise the contents of questionnaire as the survey went on. The FEM staff was required to submit ex post facto reports on the study. Output 5 shows the document prepared by the expert in advance to the field study. Output 6 is the questionnaire designed and used by the team.
3. The expert paid effort to reexamine the planned list of textbook development and

⁶ See the Minutes of Meeting between JICA and Lao P.D.R. signed by Resident Representative of JICA Laos Office and President of NUOL on February 22 2005, pp.29-30.

⁷ As in the case of the garment industry survey (footnote 5), some students from GSICS participated the field study.

revision. Dean and the long-term experts had agreed by the end of March 2005 on a list of textbooks that they thought appropriate to publish and improve. However, in order for FEM to request an extended support to JICA after the present project terminated in August 2005, some alterations seemed preferable and the expert classified all the possible textbooks required by FEM into four groups. The textbooks that have already been published by the project are classified as Group A. Those to be published by the end of the project are in Group B. The most important part of the classified list is Group C containing twelve books that FEM intends to publish within a couple of years with the aid of JICA support after September 2005. The remaining textbooks are classified as Group D. The classified list is attached as Output 7.

- 4 As an extremely grave incidence, cheatings and disorder during the regular term-end examinations in FEM were found by the expert. Output 8 is the report by the expert on his observations in the examination rooms. The issue is directly related to the management capability of FEM that the project must have paid greater effort to scrutinize and not to allow students from cheating on a regular basis.
- 5 The expert accompanied FEM staff to the business establishment survey conducted in Attapeu Province. The questionnaire used by FEM is attached as Output 9.

4.5 Support for preparing the final report of the project

Name of Expert: Nobuaki Matsunaga (GSICS)

Period of Operation at FEM: July 30 to August 26, 2005

- 1 The said expert was a long-term expert stationed at FEM for two year until the end of March 2005 and has acquired adequate knowledge of FEM and the support project by JICA. Upon his arrival at FEM this time he started to collect the necessary documents accumulated by the project and interviewed FEM staff and Japanese support team members. The long-term experts were requested by the said expert to produce memoranda on their perceptions and evaluations of what have accomplished throughout the project. Then, the draft of the final report prepared by the expert was presented to the long-term experts and FEM by the middle of August. The draft was revised by taking into account the comments and corrections by those who reviewed the first draft in addition to discussions held among the said expert and other personnel. The finalized version of the report written by the expert was submitted to JICA after he returned to GSICS.⁸
- 2 The expert also engaged in coordinating some short-term experts who concurrently

⁸ See, *Joint Final Report of FEM/JICA Five Year Project by FEM/NUOL*, August 2005.

stayed at FEM and their counterparts to establish the feasible operation for textbook writings. In spite of the prior notification of the arrival of short-term experts to FEM some counterparts were absent from the faculty. Some of them were abroad for attending their higher degree program. Others were to participate to domestic seminars and/or engage in research activities put forward by FEM. Efforts to arbitrate between FEM and Japanese experts were paid by the expert to put the textbook development program onto the right track.

4.6 Support for textbook writing on Money and Banking

Name of Expert: Fumiharu Mieno (GSICS)

Period of Operation at FEM: May 15 to 22, 2005

- 1 Upon arrival at FEM the expert discussed with his counterparts the structure and contents of the textbook. Output 10 shows the proposed list of contents of the volume.
- 2 The expert presented the idea of adding two further chapters in response to the request by counterparts to include issues on Lao-specific financial problems and suggested the appropriate reference books. Further proposals on improvement on the contents were brought forward by the counterparts by themselves. Output 11 summarizes the relation between the chapter contents and the reference books for the contents.
- 3 The expert agreed with the counterparts on supply of additional reference materials from Japan, drafting of chapter summaries and further information referred to the topics for the volume.

4.7 Support for textbook writing on Comparative Economics 2

Name of Expert: Masahiko Yoshii (Graduate School of Economics, Kobe University)

Period of Operation at FEM: July 30 to August 7, 2005

- 1 FEM published a textbook on comparative economics in December 2004 with the aid of the said expert. The author of the volume had strongly requested a dispatch of the expert again to work together and publish a new volume on the same subject. The expert agreed to cooperate again to FEM on the line suggest by the author of the first volume which was to be labeled as Comparative Economics 1.
- 2 The new volume is to be Comparative Economics 2. Lao.P.D.R has paved the way to transform from a planned economy to a market one and the FEM staff has highly appreciated the expertise of the Japanese expert on figuring out the scope and contents of the teaching materials on comparative economics which deals with transitional

economy. Also, the counterparts expect to learn from the expert on the recent development of Asian economies and regional integration. The proposed contents and the corresponding reference materials are summarized in Output 12.

- 3 The expert has agreed to visit FEM again after the present project terminated and to continue support on the textbook writing.

4.8 Support for textbook writing on International Monetary Economics

Name of Expert: Seiichi Fujita (Graduate School of Economics, Kobe University)

Period of Operation at FEM: August 1 to 16, 2005

- 1 The subject to be supported by the expert is related to international economics. As mentioned in Section 4.1, the textbooks on international economics have divided into at least four separate volumes. The most closely related volume to International Monetary Economics is International Economics 2 dealing with open macroeconomics. The expert and counterparts as well as the team for publishing textbooks on international economics had well aware of the importance in demarcating between the contents of International Monetary Economics and other volumes.
- 2 The expert had consulted with the program manager and the former long-term expert on economics on how to establish the demarcation. In addition, prior correspondence through emails with the counterparts at FEM had figured out the items that must be cleared after the expert was dispatched to FEM.
- 3 Upon the arrival of the expert at FEM the proposed contents by the expert were jointly examined by the counterparts and extended by augmenting the reference to real economy with information on the actual situation of Laos. Output 13 shows the contents and reference materials agreed upon by the expert and the counterparts.

4.9 Support for textbook writing on International Marketing

Name of Experts: Yoshinobu Sato (Kwansei Gakuin University)

Period of Operation at FEM: February 13 to March 9 2005

- 1 The expert and his counterpart agreed on the structure and contents of the said textbook. The first draft was to be prepared by the expert and the counterpart is to translate it into Lao. Those parts of the draft which had not been written by the expert during his stay at FEM were to be worked out in Japan by the expert and sent to FEM afterward. The basic idea on the contents of the textbook is shown in Output 14.
- 2 The expert helped FEM in developing teaching capability of lecturer by transmitting a

long-distance lecture from Kobe. (See, Section 4.11 below.)

4.10 Support for textbook revision on Business Law

Name of Expert: Yuka Kaneko (GSICS)

Period of Operation at FEM: July 30 to August 21, 2005

- 1 Business law is one of the subjects which are greatly demanded by FEM students. The faculty had already possessed a textbook on the subject. However, the expert noticed that the existing textbook is a mere collection of articles of the law and utterly inadequate for the purpose of undergraduate education.
- 2 The expert and the program manager as well as the former long-term expert had been informed that the law has been on a revision process by Lao Government. It made the program to assume that the expert could not finalize the textbook contents by a single dispatch to FEM. However, the expert and FEM could have a chance to learn on the draft of the revised law or at least proper information on the basic direction of the revision during the period of operation by the expert at FEM
- 3 The FEM staff who had been originally appointed as the author of the textbook had moved out from FEM to other faculty within NUOL by the time of dispatch of the said expert. The new counterpart assigned by FEM was found by the expert to be not in the ready position to cooperate with the expert in the textbook revision in terms of ability and willingness. Dean and long-term experts rushed to convene to discuss the possibility of counterpart alteration. The meeting was effective to decide that the originally appointed author who had moved out from FEM is to be assigned to the revision works collaborated with the expert. FEM will invite the author as a part time lecturer on business law in the coming semester at FEM.
- 4 The expert sought for the possibility of obtaining a draft of the business law the revision of which is undergone by the Ministry of Justice, Lao.P.D.R. The JICA Laos Office was supportive for the request by the expert and advised the expert to contact to the long-term expert stationed in the Ministry. However, the appropriate draft could not be in use of the expert at the time of the request. It was due to the formal procedure not to circulate documents being under revision by Ministries of Laos.
- 5 Independently from the request made on the advice by JICA Office, a draft of the revised law was provided and made available to the expert. The renewed author and the expert started to discuss the possible structure and the contents of Business Law textbook for FEM based on the information that the obtained draft has carried. Output 15 shows the proposed contents of the textbook.

- 6 The expert had prepared a background document as handout to explain the overall structure of business law and related judicial system. Unfortunately, it was not fully utilized, since the new counterpart and the expert could not have enough time to go through on it. The handout is shown in Output 16. The expert and the counterpart are expecting to work together for the textbook revision after the present project terminated.

4.11 Long-distance lecture on Economic Policy

Name of Expert: Reishi Maruya (Graduate School of Economics, Kobe University)

Period of Operation: May 31 to June 22 2005

- 1 Long-distance education to FEM was first implemented in May to June 2004. Within the academic year, International Economics and Human Resource Management were taught directly to FEM students via JICA-Net by Kobe University staff. Students learned the latest academic achievements in those subjects and the distance lectures became popular among them. More importantly, each series of the lectures appointed a coordinator from FEM staff for organizing the class. He/she took roles of interpreter during the lectures and translator for handouts prepared by Japanese lecturer into Lao in advance to the lecture. Through these duties the staff was trained to become better qualified teacher.
- 2 The lecture on Economic Policy was transmitted to FEM from a studio in JICA Hyogo Center. The lecture series run for five weeks from May 31 on every Tuesday and Wednesday. The lecturer provided handout for each lecture and the appointed coordinator translated it and interpreted the lecture from Japanese into Lao.
- 3 On June 7 the transmission was cut out during the lecture and could not resume. It was the first time to have transmission line disruption in the distance lectures in the project. The program manager had examined the transmission procedure for the said lecture before it was started on May 31. The same process for line connection was followed as in November – December 2004 when the lecture on Human Resource Management was sent to FEM. However, the line was disconnected with unknown reason and could not be connected again within the lecturing time. The technical support staff for emergency was not provided by the program nor JICA Hyogo Center. The disconnection was a important lesson for the project to proceed distance education in the future.
- 4 For the remaining lectures the line had no problem and the lecturer completed the series of distance education as planned by transmitting on the reserved day for supplementary lecture.
- 5 To assist the lecturer in non-technical matters during the lecture, the program assigned a Lao student as assistant. The assistant took a role of sub-interpreter for the lecturer and

operated the switching handset to control screen display.

4.12 Long-distance lecture on International Marketing

Name of Expert: Yoshinobu Sato (Kwansei Gakuin University)

Period of Operation: June 3 – 24, 2005

- 1 The lecture was originally designed to run for 7 weeks. However, after the program began to be implemented, it turned out that the appointed coordinator who had been supposed to be in an overseas training was ready at FEM to give the same lecture to his students by himself in the semester. It was because the overseas training itinerary for the coordinator was altered in the university in Thailand where the training was undergone. The program consulted with Dean and decided that the said lecture must be divided into two parts, one by the FEM lecturer and the other by the Japanese expert. Thus, the expert supplied four lectures on the same subject but with emphasis on case studies of Japanese companies after the FEM lecturer explained theoretical part of international marketing.
- 2 The lecture was delivered in English. An assistant was provided by the program for sub-interpretation assisting the coordinator at FEM and switching operator.

5. Lessons and Conclusion

5.1 Lessons learned from the program

The overall contents of the support program from December 2004 to August 2005 given out in the previous section render several lessons and comments.

- 1 At the end of December 2004 when the support program started to operate, the present JICA project was regarded as successful in the sense that capabilities of FEM staff have been raised through their overseas training for obtaining higher degrees and textbook development has continued to progress if not in the desirable pace. As reviewed in the previous section, the report by the final evaluation study team sent to FEM in February 2005 recommends the continued effort to proceed in the lecturer training and textbook publication. The program followed suits to the recommendation by putting necessary human resources. As the result it was revealed that the training by way of sending FEM staff to foreign universities and textbook development may have caused some conflict in personnel deployment. The program has kept firm to regard that the both activities are vital for ideal development and performance of FEM. However, in actual operations, textbook developments tend to be delayed because of a shortage of lecturers who are ready

- at FEM and competent to write manuscripts. This tendency is expected to become increasingly pressing. Semi-senior lecturers are now to be trained abroad as most juniors have already been sent overseas or even returned after they finished their training programs. Those semi-senior lecturers are the core force to manage the faculty not just for textbook development and daily lecturing activities. As the number of students continued to increase, FEM has recruited many young lecturers. Not all of these newly recruited are immediately in proper position to deliver lectures and let alone to write textbooks.
- 2 As a part of academic capability development, the project has encouraged consultancy works or joint researches by FEM lecturers. The report by the final evaluation study team in February 2005 recorded 18 of those works. Those activities by themselves are the evidence of academic achievements aspired by the support project. However, they may be hindering textbook writing by causing mismanagement in time allocation. The program learned sometimes a possibility of staff shortage because of multiple assignments given to lecturers. The worst cases were found in that dispatched short-term experts could not find their counterparts at FEM. Engaging in consultancy and joint research with outside sources may not be the single reason why counterparts were not available for cooperation with short-term experts, but it is advisable to pay attention to staff allocation within FEM.
 - 3 The multiple assignments and the resulting misallocation, if any, of lecturers are the critical issue of faculty management. The project had recognized the importance of strengthening the faculty management capability from the right start and repeatedly emphasized that it should be paid attention. Should FEM has, by now, established appropriate internal management system on personnel allocation and job assignment, the textbook development with the aid of dispatched short-term experts must have worked as effective as the project had expected, even if not a few number of promising lecturers were sent abroad for higher degrees. To establish an effective management system within FEM, the executives and semi-senior staff are to be well aware of the pressing issue and become self-responsible in constructing the ideal decision and management system based on the locality of Lao society. It, by no means, implies that the project could not extend support to the faculty for its management improvement, but it is also true that without autonomous and deep commitments by the faculty itself a greater success of any kind in the field of faculty management could be expected to the degree assumed by the project.

5.2 Conclusion

All the planned operations under the support program have been completed. The main effort of helping textbook writings has found that authors are in need of certain time to compose their own sentences in Lao to write down the contents chosen by consultation with the experts.

However, the authors are well aware that their students are waiting for the textbooks to come out as soon as possible since textbooks are only materials to work on the subjects they wish to learn.

FEM has yet a long list of textbooks to be published. The project is expected to reexamine the schedule of textbook development and adjust, if necessary, the support program for guiding FEM toward an appropriate direction in the future.

List of Outputs

Table: Plan and Actual of Operation

- Output 1: List of Contents, Entrepreneurship**
- Output 2: Books donated by Professor Takeru Ohe**
- Output 3: Questionnaire for Textile Industry Employees in Vientian**
- Output 4: Profiles of Garment Factories in Vientiane Area**
- Output 5: Introduction to Rural Household Survey**
- Output 6: Rural Household Survey**
- Output 7: List of FEM Textbooks**
- Output 8: Observations in Exams at FEBM**
- Output 9: Questionnaire for Business Establishments in Attapeu Province**
- Output 10: List of Contents, Money and Banking**
- Output 11: List of Contents and Reference Materials, Money and Banking**
- Output 12: List of Contents and Reference Materials, Comparative Economic 2**
- Output 13: List of Contents, International Monetary Economics**
- Output 14: List of Contents, International Marketing**
- Output 15: List of Contents, Business Law**
- Output 16: Handouts Prepared for FEM Counterpart**

Plan and Actual of Operation

The Project for the Development of the Faculty of Economics and Management of the National University of Laos

Field	Name of Expert	Class		JFY2004			JFY2005					
				1	2	3	4	5	6	7	8	9
Program management, educational and research activity training, and support for textbook writing on International Investment	Hiroshi OHTA	2	Planned	[] (27) (9)								
			Actual	3/4	3/30	4/4~8,11~14			7/31	8/14		(27) (9) (15)
Support for textbook writing on Entrepreneurship	Takeru OE	2	Planned	[] 1/17, 18 (14) (2)								
			Actual	1/3	1/16	2 days in the period between 1/17 and 1/31						
Support for field work on industry	Keiichi OGAWA	4	Planned	3/11 3/23 [] 3/28,29 (13) (2)								
			Actual	3/11	3/27	3/28,4/5~6						
Support for textbook writing on International Marketing, Long-distance lecture on International Marketing	Yoshinobu SATO	2	Planned	[] 3/10~14 21 days in the period between 5/6 and 6/24 (25) (4) (21)								
			Actual	2/9, 10	2/13	3/9	3/10, 14	8/1~3, 8~10, 15~17, 22~24				(2) (25) (2) (12)
Short-term expert in the field of Economics and support for field work on Environmental Economics	Towa TACHIBANA	4	Planned	3/7~9 [] 3/10 8/31 (3) (175)								
			Actual	3/1~4,7~10	3/11	[] 8/31						(8) (174)
Support for textbook writing on Money and Banking	Fumiharu MIENO	4	Planned	4/1 [] 4/15 4/16,17 (15) (2)								
			Actual	5/9~13		5/15	5/22	[]				(5) (8)
Support for preparing the final report of the project	Nobuaki MATSUNAGA	2	Planned	7/21~23 [] 7/24 [] 8/27 8/28~29 (3) (35) (2)								
			Actual	7/21, 22, 25~29		7/30	8/26	[]				(7) (28)
Support for textbook writing on Comparative Economics 2	Masahiko YOSHII	2	Planned	8/1 [] 8/22 8/23~25 (22) (3)								
			Actual	7/26~29	7/30	8/6	8/7	8/8				(4) (8) (1) (1)
Support for textbook writing on International Monetary Economics	Seiichi FUJITA	2	Planned	7/25 8/6 [] 8/7,8 (13) (2)								
			Actual	7/28,29	8/1	8/14	8/15,16	[]				(2) (14) (2)
Support for textbook revision on Business Law	Yuka KANEKO	3	Planned	7/18 8/13 [] 8/14~17 (27) (4)								
			Actual	7/25~29	7/30	8/21	8/22~25				(5) (23) (4)	
Long-distance lecture on Economic Policy	Reishi MARUYA	2	Planned	21 days in the period between 5/6 and 6/24 (21)								
			Actual	21 days in the period between 5/17 and 6/25 (21)								
Assistance of Long-distance lecture	Sataphon CHANTHAVONG	6	Planned	21 days in the period between 5/6 and 6/24 (21)								
			Actual	5/27, 30, 31, 6/1 (4)								
Assistance of Long-distance lecture	Boundgnarasy MUNIC	6	Planned									
			Actual	6/6,7,13,14,20,21 (8)								
Assistance of Long-distance lecture	Onphanhdala PHANHPAKIT	6	Planned									
			Actual	6/3,7,8,10,14,15,17,24 (8)								

[] in Laos [] in Japan

Output 1 List of Contents, Entrepreneurship

Part	Name of Part	Chapter	Name of Chapter	Contents
I	Entrepreneurship	1	Introduction to Entrepreneurship	What's an Entrepreneur, anyway?
				Ten ways to spark your entrepreneurial spirit
II	Business Idea	2	Business Idea	Preparing to hear when opportunity knocks
				Beginning with a Brainstorm
				Ten best resources for gathering competitive intelligence(in Laos)
				Ten ways to Evaluate a new business ideas
III	Business Plan	3	Business Plan Preparation	Testing an opportunity before your leap
				Getting ready to do a business plan
				Putting your plan together
		4	Marketing Plan	Listening to What your industry tells you
				What your customers can tell you
		5	Financial Plan	Figuring out financials
				Forecasting and Budgeting
Ten ways to fund your business plan(in Laos)				
6	Organization Plan	Organizing Your Business for Growth		
IV	Company Establishment	7	How to establish a company in Laos	Starting with the right legal structure
V	Sample Business Plan	8	Sample Business Plan	Learning from others
				Ten questions to ask about your plan
	Appendix			Commercial Law in Laos

Output 2 Books donated by Professor Takeru Ohe

Steven Peterson

	References Books	Publishers	Authors
1	Business Plans for Dummies	IDG Books	Steven Peterson
2	Business Plan Kits for Dummies	IDG Books	Steven Peterson
3	Entrepreneurship for Dummies	IDG Books	Kathleen Allen
4	Small Business for Dummies	IDG Books	Eric Tyson
5	MBA for Dummies	IDG Books	Kathleen Allen
6	Corporate Venture	Harvard Business School	Ian MacMillan
7	Entrepreneurial Mind Set	Harvard Business School	Ian MacMillan
8	Kigyō Senryaku	Koudansha	Takeru Ohe
9	Naze Shinkijigyou wa Shitsupaisuru noka	Nihon Keizai Shinbunsha	Takeru Ohe
10	Shinkijigyou Tachiage · Unei Knowhow	Subaru-sha	Takeru Ohe
11	Mouke no Senryaku	Toyo Keizai	Takeru Ohe

Questionnaire for Textile Industry employees in Vientiane, Laos

22	Why did you decide to work for this factory? (You can choose more than one)	1) Friends are working 2) The factory is air-conditioned 3) I want to get skills 4) I need money to live for 5) The factory has a dormitory. 6) The factory has transportation services for commuting 7) The factory provides meals 8) The factory listens to workers' opinions 9) Others (Please specify:)
----	--	--

For managers only, please answer following additional questions.

23	What kind of skills does your factory the most urgently need?	1) Line manager 2) Quality control worker 3) Skilled work, such as sewing and cutting 4) Factory manager 5) Administration officer, such as finance, accounting, and marketing. 6) Others (please specify:)
----	---	---

No.1: Fancy Garment Limited (Meeting with Ms. Phengphanh Boutsivongsakd, Managing Director)		
1	Ownership	100% Lao national
2	Start up Year	Approved in mid-1992 Start production in 1993. Land and factory buildings were gained from the Government in an exchange of land for Kaysone Museum that her family used to own.
3	CEO	Ms. Phengphanh Boutsivongsakd (She also owns Fancy Garment II, which was started in 2003 and currently has 36 workers with 30 machines.)
4	Paid-up Capital (Capital Investment)	153,000 USD that was borrowed from Central Bank for the purpose of purchasing of 66 brand-new sewing machines. Payments were completed within 6 years.
5	Annual Gross Sales in 2004	480,000 USD (gross) (40,000 USD per month at minimum)
6	Profit or Loss	Gained profit in 2004
7	Main Products	T-shirts, fleeces, sweatpants, and female underwear.
8	Number of Machines	200 (mainly from Japan and Korea)
9	Capacity of Production	75,000 pieces per month
10	CMT or FOB	CMT
11	Design by yourself or others	Designed by clients. Fancy Garment is a CMT manufacturer. Fancy has three clients from Thailand, one of which is only for female underwear.
12	Market for Product, Export to USA	85% for UK. 15% are for France and others.
13	Raw material buying sources	100% from Thailand
14	Sales Channel	N.A. (seems no direct channels)
15	Transportation of products (to where and cost)	N.A.
16	Number of Workers	258 workers. Average age is around 23 years old. Most of them have a elementary or lower secondary degree.
17	% of Female Workers	80% of all the workers. Males are mainly working at cutting and packing section. Females are

Profiles of Garment Factories in Vientiane areas

		mainly for sewing section.
18	% of workers from provinces	N.A.
19	Wage per Worker (minimum, average)	Average 30 USD per month
20	Fringe Benefit (such as meals, dormitories, etc.)	Accommodation at a dormitory, lunch, transportation.
21	Dormitory for Workers	Yes. 70% of workers are living in a dormitory. There is a night shift.
22	Transportation Services	Yes
23	Turnover of employees/ year	N.A.
24	Attendance ratio/ average	N.A.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	On the job training. Beginners on sewing are on training for the first one to two weeks on training, cutting requires training for 2 months. JICA experts are offering two-hour training 2-3 times in a week, which helps workers to improve their skills. In addition, a Thai expert who used to be a manger at a factory is hired in three years. Samples made on training are not used for products.
26	Recruitment of Workers	65% of workers are coming from remote areas, especially from Northern part of the country. They are recruited mainly through the word-of-mouth communication among friends.
27	Trouble with Workers	1) lack of skilled labors, especially in packing 2) product quality control. Improvement of workers' quality is a big issue which the government should consider to take actions.
28	Request to the government	<ul style="list-style-type: none"> ■ In addition to the government's export promotion policies, advices are welcomed on how to increase exports, such as financial supports to increase capital for FOB business, employees training, and production management. ■ Preferential interest rates to textile business (reduction of current interest (12%) to 6 to 7 %) are desirable since investment to industry takes time to make a profit.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Ms. Boutsivongsakd is a wife of a person who is a chairman of textile and garment industry association in Laos. Fancy Garment is her own business. She was a government official before starting the factory, has no previous experiences in the industry. She attended JICA training. ■ Transportation to Thailand is very expensive. To carrying products to Nonkai costs 9000 baht

Profiles of Garment Factories in Vientiane areas

		<p>per container. We got a copy of a receipt of transportation.</p> <ul style="list-style-type: none"> ■ Ms. Boutsivongsakd is interested in shifting her business from CMT to FOB if financially supported.
30	Comments on the factory	<ul style="list-style-type: none"> ■ Factory is air-conditioned. ■ There is a training room for beginners in a factory ■ Workers seem working in a very friendly environment compared to other JV and FDI factory. ■ Production lines are: cutting, sewing (3 lines), and pressing and packing. There is a small storage. ■ Photos are allowed inside the factory.

Profiles of Garment Factories in Vientiane areas

No.2: Aporn Lao, Co., Ltd. Meeting with Mr. Somhiene Saiyadeth, Chairman		
1	Ownership	100% Lao national
2	Start up Year	1990.
3	Paid-up Capital (Capital Investment)	Around 300,000 USD at the launching (registration was done by Lao kip. It could now worth of 500,000 USD substantially including buildings and machines. For purchasing sewing machines, the company borrowed 1,100,000 USD as a bank loan and 200,000 USD from IFC. All the payments were completed.
4	CEO	Mr. Somhiene Saiyadeth, Chairman. He is also Managing Director of Lao Garment Co. Ltd. (J/V) and Adviser for Trio Export Co., Ltd. (FDI).
5	Annual Sales in 2004	3.6 million USD. (16-18 million USD for the three companies)
6	Profit or Loss	Gained profit in 2004
7	Main Product	T-shirts, trousers, and jackets.
8	Number of Machines	357 (=500/1.4)
9	Capacity of Production	40,000 pieces of T-shirts per month. (138,000 among three companies he has)
10	CMT or FOB	Mainly CMT. Sometimes, does FOB based on client's request, but difficult to increase FBO due to financial constraints.
11	Design by yourself or others	Sometimes designs by itself based on a client's request.
12	Raw material buying sources	N.A.
13	Market for Product	95% to EU market. 70% to France and Germany as a entry point of EU market. Export to US market has just started in 2004 and expect to increase.
14	Sales Channel	Not directly
15	Transportation of products (to where and cost)	N.A.
16	Number of Workers	500 workers. Average age is between 23- 24 years old.
17	% of Female Workers	92% of all the workers.

Profiles of Garment Factories in Vientiane areas

18	% of workers from provinces	Mostly from Vientiane area.
19	Wage per Worker (minimum, average)	Minimum base salary is 30 USD per month, plus additional salary based on performance. A line manager earns 70 USD per month.
20	Fringe Benefit (such as meals, dormitories, etc.)	Transportation services. No dormitory.
21	Dormitory for Workers	No. Lao Garment and Trio Lao have.
22	Transportation Services	Yes
23	Turnover of employees/ year	N.A.
24	Attendance ratio/ average	N.A.
25	Training for Workers	On the job training. Beginners are on training for the first two weeks on training. Technical experts and supervisors are from Thailand, the Philippines, China, Sri Lanka, and Pakistan. No Lao supervisors. There is a training room for beginners in a factory.
26	Recruitment of Workers	Lao Garment (employees from Northern part), and Trio Lao (from Southern part of the country). Recruitment through introduction from village chiefs, and putting advertisement in front of the factory.
27	Problem with Workers	A major issue (not troubles) is lack of skilled labors. There is an urgent need to train skilled labors and management staff at technical schools and universities. In Lao, there is no official training program, even though there are 25,000 employees working in textile and garment industry.
28	Request to the governments	<ul style="list-style-type: none"> ■ a) Financial support to start FOB business; b) deregulation, such as speeding up documentation procedures; c) marketing related support, such as making bilateral investment and trade agreements to boost Lao's exports.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Advices on how to export to the Japanese market is welcomed. ■ Mr. Saiyadeth used to be a government official, has studied abroad. He is a successful Lao businessman, and also very active in human resources development and education in Laos, and a managing committee President of the Foundation for Promoting Education.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Factory is mostly air-conditioned and has ceiling fans. ■ Five Production lines on sewing section. ■ Photos are allowed inside of the factory.

Profiles of Garment Factories in Vientiane areas

No.3: VM Inter Garment (Meeting with Mr. Sang, Export/Quality Control Manager)		
1	Ownership	JV (80%Thailand and 20%Laos)
2	Start up Year	1990
3	CEO	Mr. CHOCHARA MAHRTHI VANITCHA(Thai) visits Laos 3 days in a week,
4	Paid-up Capital (Capital Investment)	800,000 USD
5	Annual Gross Sales in 2004	N.A.
6	Profit or Loss	Profit
7	Main Products	Trouser, Pants and Short
8	Number of Machines	450 (JUKI)
9	Capacity of Production	100,000 ~ 150,000 pieces / month
10	CMT or FOB	CMT
11	Design by yourself or others	Mainly by customers in Thailand
12	Market for Product, Export to USA	EU (Norway, Sweden, Finland, Iceland, Germany and Denmark)
13	Raw material buying sources	Customers in Thailand
14	Sales Channel	No
15	Transportation of products (to where and cost)	Transport via Nongkhai to Bangkok port, then to EU market.
16	Number of Workers	850
17	% of Female Workers	88% (Male: 76 Female: 749) (average age 15 - 18)
18	% of workers from provinces	N.A.
19	Wage per Worker (minimum, average)	Lower: 230,000~300,000 kip Higher 800,000~1,000,000 kip (After tax)
20	Fringe Benefit (such as meals, dormitories, etc.)	1,000 kip/day for lunch Overtime work is paid double for wage plus 1000 kip for dinner
21	Dormitory for Workers	Yes (1 Dormitory).
22	Transportation Services	Yes (3 trucks)

Profiles of Garment Factories in Vientiane areas

23	Turnover of employees/ month	N.A.
24	Attendance ratio/ average	N.A.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	On the job training for 3 months (minimum salary 200,000 kip/month paid)
26	Recruitment of Workers	Local recruitment
27	Trouble with Workers	Quality control
28	Request to the government	<ul style="list-style-type: none"> ■ Improvement of documentation's process, such as export licenses because the process takes time too long and there is no standardized format.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Quality control - Every week the manager comes from Thailand to check the quality. ■ Trainer and supervisor are also from Thailand. ■ Laotian workers with 1 or 2 year experiences area in charge of quality control. ■ Mr. Sang used to be a public officer, and joined the company in 1997. ■ Working hours : regular 8-5, overtime 5:30 – 9:00
30	Comments on the Factory	<ul style="list-style-type: none"> ■ 4 detached facilities, separated sections of cleaning packing, washing, iron and training. ■ Some workers are wearing masks. ■ Air conditioned ■ There is a training room. ■ Taking photos were prohibited.

Profiles of Garment Factories in Vientiane areas

No.4: Lao Euro Asia Co. Ltd (Meeting with Mr. Hafeedh Ben Mariem-General Manager)		
1	Ownership	FDI (100% France)
2	Start up Year	1992
3	CEO	French Managing Director based in Bangkok (headquarter)
4	Paid-up Capital (Capital Investment)	1 million USD
5	Annual Gross Sales in 2004	3 -4 million USD from export
6	Profit or Loss	N.A.
7	Main Products	80% of products are garment for babies and 20% is for ladies
8	Number of Machines	500 with 8 production lines
9	Capacity of Production (piece/ year)	1,555,000 /month (about 50% capacity)
10	CMT or FOB	FOB
11	Design by yourself or others	Most cases are as orders but sometimes making designs if required
12	Market for Product, Export to USA	France (70%), Germany, UK and USA in near future (negotiating about trade agreement now)
13	Raw material buying sources	Thailand (majority), China, Vietnam Accessories are mainly from Thailand
14	Sales Channel	Direct
15	Transportation of products (to where and cost)	Friendship Bridge – Nongkhai - Bangkok port
16	Number of Workers	60 at the beginning and 350 now
17	% of Female Workers	> 70 %
18	% of workers from provinces	N.A.
19	Wage per Worker (minimum, average)	Count by pieces – give objective per day. Basic salary: 200 000 kip/month Ranging from 30 -40 USD/month to 120USD/month
20	Fringe Benefit (such as meals, dormitories, etc.)	Meals and accommodation

Profiles of Garment Factories in Vientiane areas

21	Dormitory for Workers	1 but few live there since they do not like to live in dorm (10-15 workers)
22	Transportation Services	5 buses
23	Turnover of employees/ year	N.A.
24	Attendance ratio/ average	N.A.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	On the job training by foreign supervisors(mainly recruit workers with experiences) about 2 weeks, depends on the person
26	Recruitment of Workers	From recommendation of village chief, workers and drivers from 15 – 20 km around
27	Trouble with Workers	No problem
28	Request to the government	N.A.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Average age of workers: 18-20 years old ■ The manager was a factory supervisor on training in Tunisia prior to working in Laos and now apply that experiences on the line training such as giving people notes while working to tell him/her to observe who is working efficiently.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ No air condition ■ Have cutting machines ■ Taking photos were prohibited inside factories

Profiles of Garment Factories in Vientiane areas

No.5: Creative Business Corp. (L.A.U) Ltd. (Meeting with Mrs. Tomita)		
1	Ownership	100% Japan
2	Start up Year	1997
3	CEO	Mr. Yasusuke Tomita (Managing Director)
4	Paid-up Capital (Capital Investment)	30 million YEN
5	Annual Gross Sales in 2004	1 million USD
6	Profit or Loss	Gained Profit
7	Main Products	Baby garment("PAPP"), home furnishing goods ("Polo Ralf Lauren")
8	Number of Machines	50 - 60
9	Capacity of Production (piece/ year)	60,000 pieces in 2004
10	CMT or FOB	FOB
11	Design by yourself or others	Designed by customers for baby garment
12	Market for Product, Export to USA	Only Japan
13	Raw material buying sources	90% from Thailand 10% from Japan. 80% of accessory from Japan
14	Sales Channel	Direct (for baby garment, all the orders come from chogin.)
15	Transportation of products (to where and cost)	From Vientiane via Thailand to Japan by either air or sea cargo.
16	Number of Workers	70-80
17	% of Female Workers	About 90% of all the workers.
18	% of workers from provinces	N.A.
19	Wage per Worker (minimum, average)	Minimum 300,000 kip as a base salary, plus performance salary
20	Fringe Benefit (such as meals, dormitories, etc.)	1,000 kip for each lunch and OT dinner, transportation by truck.
21	Dormitory for Workers	No
22	Transportation Services	Yes
23	Turnover of employees/ year	10 workers quit per month

Profiles of Garment Factories in Vientiane areas

24	Attendance ratio/ average	2 or 3 people are sure to absent in a day.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	No formal training session and section. New unskilled employees begin from simple task and more to higher skilled tasks gradually in a line.
26	Recruitment of Workers	No advertisement. Though the word-of-mouth communication among friends.
27	Trouble with Workers	1) High absence ratio is a big problem. The manager wants to know how to increase worker's attendance. 2) Low retention ratio of workers, the manager wants workers to continue to work for them longer. 3) Lack of skilled labors and Laotian line supervisors.
28	Request to the government	N.A.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Mr. and Mrs. Tomita come to Vientiane from Bangkok by turn at 10 days or one week. ■ The determinants of FDI is 1) low wage 2) language (Lao people understand Thai) 3) low corporate tax 4) 0% import tax in Japan.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Factory is no air-conditioned. ■ There are more rooms (spaces) for putting on some more sewing machines in a factory. ■ Photos are allowed inside the factory. ■ Almost all of Workers have no mask.

Profiles of Garment Factories in Vientiane areas

No.6: Great-Lao Garments (Meeting with Mr. Somsouk BANOUYONG, Deputy Managing Director)		
1	Ownership	FDI (100% Taiwan) HQ in Taiwan. Great Lao, Lanxang Garment and Wonderful Garment are the same group company.
2	Start up Year	1990
3	CEO	Mr. George-Wu (Taiwanese)
4	Paid-up Capital (Capital Investment)	1) 2 million USD (registered capital), 2) 3.5 million USD (accrued capital)
5	Annual Gross Sales in 2004	4 million USD gross income
6	Profit or Loss	Gained 100,000 USD profit last year. Some year they gain profit, and some year they lose.
7	Main Products	Women-shirt
8	Number of Machines	500 sewing machines, all machines-700
9	Capacity of Production	25,000 pieces per month
	CMT or FOB	FOB to Bangkok.
10	Design by yourself or others	Mostly Designed by customers.
11	Market for Product, Export to USA	100 % for EU. 8 countries; France, Great Britain, Germany, Italy, Denmark, Swiss, Sweden and Spain)
12	Raw material buying sources	From Thailand. They have a office in Thailand, and that office send the row materials to Vientiane.
13	Sales Channel	No. Sent directly from Bangkok to their client. Parent company does sales.
14	Transportation of products (to where and cost)	By truck. Vientiane-Nongkhai-Thailand, then reload in Nongkhai.
15	Number of Workers	1,000 workers.
16	% of Female Workers	95% of all the workers.
17	% of workers from provinces	70% of all the workers come from provinces.
18	Wage per Worker (minimum, average)	<ul style="list-style-type: none"> ■ Average 45 USD per month including meal (2000kp) and OT. ■ Minimum wage is 150,000kip per month. They have a plan to increase their wage to 270,000 kip per month (1 USD per day). ■ 70,000kip bonus for no absence.

Profiles of Garment Factories in Vientiane areas

19	Fringe Benefit (such as meals, dormitories, etc.)	Accommodation at a dormitory, meal, transportation, and social welfare. As for the social welfare, the company pays 50%, worker pays 45 %, and probably the government pays 5 %.
20	Dormitory for Workers	Yes. 70% of workers are living in a dormitory.
21	Transportation Services	Yes
22	Turnover of employees/ year	3-5% of all the staff quit per month.
23	Attendance ratio/ average	95%
24	Training for Workers (including hours on training for beginners, number of trainers, etc.)	They have 3-7 days training for beginners.
25	Recruitment of Workers	<ul style="list-style-type: none"> ■ They don't use any media advertisement for recruitment. They are recruited mainly through the word-of-mouth communication among friends. ■ They focus on recruitment of female worker aged more than 18 years old.
26	Trouble with Workers	Workers steal the products.
27	Business Environment (wages, request to the government, etc.)	<ul style="list-style-type: none"> ■ Extra wage for OT and Holidays; 1)OT-1.5 times, 2)Holiday-3 times ■ The workers work from Mon. to Sat.
28	Any other information from the meetings	<ul style="list-style-type: none"> ■ 7 supervisors: packing department-Chinese, cut department-Taiwanese, iron department-Taiwanese, sewing department-Laotians, QC-Laotian.
29	Comments on the Factory	<ul style="list-style-type: none"> ■ Factory is air-conditioned. ■ Factor has fan. ■ There is enough light. ■ JUKI sewing machines. ■ Photos are not allowed inside the factory. ■ No mask.

Profiles of Garment Factories in Vientiane areas

No.7: Trima Garment (Meeting with Mr. Narong Souvanasit, General Manager)		
1	Ownership	FDI (100% Thai) Headquarter in Thailand, named as Namyan Textile.
2	Start up Year	1994
3	CEO	Mr. Chavalit (Thai) as Chairman
4	Paid-up Capital (Capital Investment)	Registered capital in 1994 was 3.358 million USD.
5	Annual Gross Sales in 2004	N.A.
6	Profit or Loss	Gained profit in 2004
7	Main Products	Short trouser, jacket, polo shirt, and swimwear
8	Number of Machines	700 sewing machines
9	Capacity of Production (piece/ year)	1,200,000 dozen/months – 14, 400,000 dozen/ year
10	CMT or FOB	FOB
11	Design by yourself or others	80% from Europe, such as France and UK. 20% of designs are modified by the company.
12	Market for Product, Export to USA	France and UK. The company is planning to export to US market in 2005.
13	Raw material buying sources	95% from Thailand, 5% from Taiwan and HK
14	Sales Channel	Sent directly to Europe
15	Transportation of products (to where and cost)	High transportation cost is problematic. Even though the Company is Thai, trucks from Laos are needed to reload products in Nongkhai.
16	Number of Workers	850 workers.
17	% of Female Workers	90% of all the workers.
18	% of workers from provinces	Around 50% of all workers.
19	Wage per Worker (minimum, average)	Minimum: 30 USD per month, which excludes overtime. Average: 50 USD including overtime. Up to 60 hours of overtime are allowed by a law. Overtime is paid 1.5 times higher than regular working hours. Wages are paid twice a month on each 10 th and 25 th . 1500 kip is provided for lunch. 26,000 kip/per month are paid as no-absence bonus.

Profiles of Garment Factories in Vientiane areas

20	Fringe Benefit (such as meals, dormitories, etc.)	Accommodation and transportation.
21	Dormitory for Workers	Yes. 50% of workers are living in a dormitory.
22	Transportation Services	Yes
23	Turnover of employees/ year	3-5 % per month
24	Attendance ratio/ average	N.A.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	On the job training. 15 days to 2 month training are provided depending on skills of labor. 30 supervisors oversee products line. Some are from Thailand, but most of supervisors are the Laotian, who used to work for other garment factories.
26	Recruitment of Workers	Advertisement on radio, newspapers, and banners.
27	Trouble with Workers	No problem
28	Request to the Governemnt	The company has been requesting the government to reduce transportation cost to Thailand for five years, but no improvement at all on the matter.
29	Any other information from the meetings	■ A peak season is between February and April.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Sewing section is air-conditioned. Sewing machines used are JUKI and Pegasus. ■ The company owns 20 automated sewing machines for sewing appliqué. They are made in Japan. The company receives orders from other garment factories in Vientiane. ■ Workers wear masks especially at sewing sections. Masks are provided for the work by the company. Workers also wear uniforms, which distinguish workers from their function. Navy polo shirts represent workers, red polo-shirts are quality control and quality assurance, and blue shirts stand for supervisors. ■ Inside factory is not perfectly clean. Pieces of cloths are scattered on the floor. Sewing section is the cleanest section, but storage and cutting section is very dark and dirty. Some workers are working outside of factory buildings. Workers at storage and cutting section are listening to music while working. ■ Taking photos are prohibited.

Profiles of Garment Factories in Vientiane areas

No. 5: Kianvilay Garment (Meeting with Mr. Muhammad Akber (SHANY), Factory Director (from Pakistan) and Mr. Phomma Insysingmal, Production Manager, Import-Export Manager)		
1	Ownership	100% Laos national They have another company, RICCARDO GARMENT International since Kianvilay Garment does not have enough capacity. 80% of the products in these two companies are similar.
2	Start up Year	1994
3	CEO	Mr. Kianvilay (Laotian)
4	Paid-up Capital (Capital Investment)	700,000 USD (present total capital)
5	Annual Gross Sales in 2004	800,000 USD / year
6	Profit or Loss	Mostly Profit. About 240,000 USD/ year. But there was no profit last year.
7	Main Products	Pants and Jacket, Polo T-shirt and any clothes for men and women, military clothes
8	Number of Machines	320 (New Japanese JUKI made, new machines)
9	Capacity of Production	50,000 pieces / month
10	CMT or FOB	FOB
11	Design by yourself or others	No design by themselves, 100% customers design (French and UK)
12	Market for Product, Export to USA	Customers are in EU (UK, France) and Thailand. No export to USA
13	Raw material buying sources	70% from Thailand, 15% from Vietnam, 5% from China, 1% from Korea (micro fiber) and sometimes from India.
14	Sales Channel	Direct
15	Transportation of products (to where and cost)	They transport directly to the customers from Laos via Nongkhai and China
16	Number of Workers	560 workers, whose average age is 20 years old.
17	% of Female Workers	90%
18	% of workers from provinces	80% from the other provinces such as Savannakhet, Luangphabang
19	Wage per Worker (minimum, average)	Average: \$50 Min.: \$25 -30 plus performance wage depending on the productivity

Profiles of Garment Factories in Vientiane areas

		Overtime work wage should be 1.5 times of the regular wage Overtime is from 5 to 10 pm . No-absent bonus \$10 /month.
20	Fringe Benefit (such as meals, dormitories, etc.)	Accommodation, transportation and 3 times rice per day
21	Dormitory for Workers	2-3 dormitories with 80% of the workers. The one near the factory is for women. Two more dormitories near the company are under construction.
22	Transportation Services	2 cars for transportation
23	Turnover of employees/ year	3-5 % workers quit per year
24	Attendance ratio/ average	In average, 2-3 % of workers are absent
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	Usually they do not practice OJT because they hire experienced workers. For beginners, there is 1-2 weeks training. 7 supervisors for 7 lines and 2 managers of supervisors for sewing and ironing.
26	Recruitment of Workers	Announcement to workers and workers visit their company for hiring
27	Trouble with Workers	N.A.
28	Request to the government	Zero tax on import and export and GSP are welcomed if the government promotes
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ In peak season (winter), the turnover is about 30 USD/month and in low season the turnover is about 10,000 USD/month. Low season: from June to October. ■ They produce military cloths for EU market (such as Italy, Netherlands etc.) and they display the mannequins in military cloths in the office. <p>CEO's background is business alone, educated abroad. Mr. Insiyengmai, production manager joined the company 4 years ago after having studied in Singapore(MBA) and worked in Thailand.</p>
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Factory is not air-conditioned. There are only fans working. No windows but the doors are opened. The working environment in the factory is not good, hot and wet. ■ Not so automated and disorganized ■ As the factory facility becomes too small to have a number of the workers, an additional large facility is under construction. ■ There is no training room in the factory. ■ All the workers do not wear masks.

Profiles of Garment Factories in Vientiane areas

No.9: Lao Garment (Meeting with Mr. Chamlong Janetanakit, President)		
1	Ownership	FDI(100% Thailand)
2	Start up Year	1990. The owner has following 4 company: 1/ TRIO (LAOS) EXPORT CO.LTD 2/ LAO GARMENT CO. LTD 3/ KTC LIMITED (marketing and financing) (JV with Austrian Company), which has office in HK. 4/ FIRST TRADE CO. LTD (Thailand office)
3	CEO	Mr. Chamlong Janetanakit (Thai), who worked in the buying department of a Canadian company for more than 25 years , and currently is commuting from Bangkok (Wednesday to Friday in Vientiane)
4	Paid-up Capital (Capital Investment)	990,000 USD
5	Annual Gross Sales in 2004	10 million USD / year
6	Profit or Loss	Last year made loss since sales price reduced 50%
7	Main Products	Garment from knitted fabric, T-shirt, Polo shirt, knitted jacket for male and female.
8	Number of Machines	1200 machines (1000 sewing machines and 200 supporting machines)
9	Capacity of Production	4,800,000 pieces / year (400,000 pieces / month)
10	CMT or FOB	FOB
11	Design by yourself or others	Do not design by themselves but by customers
12	Market for Product, Export to USA	<ul style="list-style-type: none"> ■ Puma to German, Argentina, Mexico, UK, Arabic countries, and Thailand ■ Champion to warehouse in Belgium ■ Benetton to Italy and then distributed to other countries ■ The factory exports to USA for Spider and Diesel products
13	Raw material buying sources	<ul style="list-style-type: none"> ■ 100% cotton materials from China (70%), Thailand (20%) and Taiwan (10%) ■ Polyester: Taiwan (60%), Thailand (40%)
14	Sales Channel	Through KTC in charge of marketing and finance
15	Transportation of products (to where and cost)	<ul style="list-style-type: none"> ■ Transportation via Nongkhai to Bangkok

Profiles of Garment Factories in Vientiane areas

		<ul style="list-style-type: none"> ■ Use 40-feet containers which make per unit cost become cheaper than trucks (0.0025 cents/piece of T-shirt) because one container has 55 000pieces on board, and no need to reload on the boarder once it is sealed. ■ In peak season : 5-6 containers per week
16	Number of Workers	650
17	% of Female Workers	95%
18	% of workers from provinces	75%
19	Wage per workers (average, minimum)	Min. : 26USD/month for 8 hours/day and 6 days/week Average: 52USD/month No-absence bonus : 10% of main salary
20	Fringe Benefit (such as meals, dormitories, etc.)	Rice, and dormitory
21	Dormitory for Workers	1 building for 900 peoples
22	Transportation Services	Pay by money to workers
23	Turnover of employees/ year	Average 3%/month
24	Attendance ratio/ average	97%
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	<ul style="list-style-type: none"> ■ Recruit new workers and train in their own training center ■ Always have about 40-50 workers on training ■ 1 training course is 1 month ■ Pay minimum salary during the training time ■ There is 1 supervisor per line (all are Laotians) and there are 32 production lines ■ A Chief supervisor is Thai, a production manager is Pilipino, a technician is German, mechanics are Pilipino and Thai, and QC is from EU (Scotland)
26	Recruitment of Workers	<ul style="list-style-type: none"> ■ Announcement to workers ■ About 10 – 15 new entrants in a month
27	Trouble with Workers	No
28	Request to the government	Requesting to the government through the textile industry association of Lao

Profiles of Garment Factories in Vientiane areas

29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Choose Laos because of quotas. ■ Efficiency of Laotian workers is about 70% of Thai and 50% of Chinese (change style, fabric is not on time). Improving efficiency of workers is a big issue to receive bigger volume of orders ■ Low season for EU market is February – March, and high season for summer clothes is August – September, and high season for winter clothes is April to July Expect to the USA market to fill in production of factory's low season ■ There is harsh competition from China since China can comply with the requirement of the customers which is expensive and in large quantity ■ No subcontractors ■ All orders are approved, just < 0.5% is rejected
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Company is very well-organized and have good management ■ The output and the scale of the company is very impressive ■ With AC and enough lighting ■ Provide mask and cap but just emphasize in the cutting room ■ Music in the factory ■ Machine from Germany ■ Checking materials and color fading of clothes before producing ■ Donate sample products by workers on training to local NGOs ■ For final products, needle detectors check there's no needles inside the products. ■ Transportation by a container to a port in Bangkok. The team will separate the products in case there are many brands in the same containers ■ Photos are not allowed inside factories

Profiles of Garment Factories in Vientiane areas

No.10: LAO UNIVERSE Garment (Meeting with Mrs. Annusone KEOBANDITH Deputy Managing Director)		
1	Ownership	J/V (50% Laos and 50% Thailand) Thai participation is only for capital.
2	Start up Year	1990
3	CEO	Mrs.Chanthachone Vongsay (Managing Director), who is a sister of interviewee.
4	Paid-up Capital (Capital Investment)	2 million USD including machines and building and so on.
5	Annual Gross Sales in 2004	280,000 USD in 2004.
6	Profit or Loss	Gained loss in 2004, but usually every year profit. 2004 was a harsh year for all the Laotian factories, due to less order from France. In September there is no order because an event in France. No one is shopping in Paris. When there is no order, the company do sub-contract
7	Main Products	Woven Pants, Shorts, Bermuda for men women and children. Not jacket now
8	Number of Machines	202 units if the number of workers is 350.
9	Capacity of Production (piece/ year)	According to the company profile paper, 60,000 pieces per month. 350,000 pieces/ year for export.
10	CMT or FOB	CMT. The company wants to do FOB.
11	Design by yourself or others	Customer design
12	Market for Product, Export to USA	100% France (Paris) / but according to the company paper, their market is for EU countries(Interviewee want to export to USA in the future)
13	Raw material buying sources	provide by their customer
14	Sales Channel	Via Nongkhai by truck to Paris
15	Transportation of products (to where and cost)	From Laos through Nongkhai to Bangkok in Thailand. And products are reloaded on the border of Laos and Thai. And then send to France by container.
16	Number of Workers	Maximum number is 325, Minimum one is 315. / According to the company profile paper, the number is 350.
17	Number of Female Workers	About 80% of all the workers.
18	% of workers from provinces	10%

Profiles of Garment Factories in Vientiane areas

19	Wage per Worker (minimum, average)	The factory has a salary grading system.(A)for the high skilled workers, average 120 USD per month which is max. (B) 100 USD per month (C) 50-60 per month, and one more grade for the unskilled workers 30 USD. The workers salary is composed of basic salary, performance salary, meals(150,000 kip/month), and no absence bonus(100,000 kip/month). Unskilled workers are only paid for minimum salary of 30 USD.
20	Fringe Benefit (such as meals, dormitories, etc.)	Dormitory and transportation.
21	Dormitory for Workers	Yes. It has 4 dormitory for female workers in which 80 workers live at the moment.
22	Transportation Services	Yes. 4 trucks
23	Turnover of employees/ year	5-6 persons quit per month. Once some people have gone out and soon come back in one or two week
24	Attendance ratio/ average	2-3 persons are absent in a day.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	On the job training from for 2-3 days to for 2-3 weeks to provide basic skills. There is no training room or section.
26	Recruitment of Workers	Announcement to workers and word of mouth through their family and friends.
27	Trouble with Workers	When the style or pattern of products changes, workers has difficulty in producing. Some workers don't want to be switched to other tasks. Workers tend to stay at the same work.
28	Business Environment (wages, request to the government, etc.)	N.A.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Customers ---DITEX PARIS, (The biggest of all customers) CASINO, AUCHAN, CORA, INDOPRIDE, CARFAX(LONDON), VM LAO, TRIO LAO ■ Supervisors are all women. ■ Her brother-in-law is a manager of LAO BEER Company, who introduced a Thai partner to the factory ■ Interviewee studied in design and worked for a textile company. She participated in a management training course in Singapore.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Sewing section is not air-conditioned. Sewing machines name is JUKI and Brothers which looks all second handed.

Profiles of Garment Factories in Vientiane areas

	<ul style="list-style-type: none"> ■ Workers wear no masks and no caps. Workers wear purple uniforms ■ Taking photos are allowed. ■ Well-lighted and windows are opened ■ 4 production lines. ■ Their product, jeans, had a price tag (25 Euro)
--	--

Profiles of Garment Factories in Vientiane areas

No. 11: Lao Enterprise (Meeting with Ms. Sommal from Thai Factory Manager)		
1	Ownership	J/V (Thailand and Laos)
2	Start up Year	1990
3	CEO	Mr. Mongrol Vongsyrungraung(Thai/ lives in Thailand)
4	Paid-up Capital (Capital Investment)	The manager doesn't know.
5	Annual Gross Sales in 2004	1.5 million USD/ year.
6	Profit or Loss	Mostly yes, but sometime loss.
7	Main Products	Pants for men and women. Sports use.
8	Number of Machines	120 sewing machines
9	Capacity of Production (piece/ year)	239,730 pieces/ year (6 USD per pieces) in 2004.
10	CMT or FOB	FOB
11	Design by yourself or others	Depend on customers.
12	Market for Product, Export to USA	EU (Especially France). No USA.
13	Raw material buying sources	Mainly from Thailand. Sometimes HK and Taiwan.
14	Sales Channel	Sent directly to customers. Transit in Bangkok mostly by ship.
15	Transportation of products (to where and cost)	This company pays the transportation between Vientiane and Nongkhai, and HQ pays the transportation between Nongkhai and Bangkok.
16	Number of Workers	230 workers.
17	% of Female Workers	90% of all the workers.
18	% of workers from provinces	70 to 80% of all the workers.
19	Wage per Worker (minimum, average)	Average 45 USD/ month. 30 USD/ month (minimum) to 100 USD /month (max.). 40,000 kip/per month are paid for no-absence bonus.
20	Fringe Benefit (such as meals, dormitories, etc.)	3 accommodations, transportation and rice.
21	Dormitory for Workers	Yes. 50% of workers are living in a dormitory. Other workers from provinces (10%) live in their

Profiles of Garment Factories in Vientiane areas

		relatives' house.
22	Transportation Services	Yes (truck)
23	Turnover of employees/ year	15 workers per month quit. Turnover rate is high during the rice planting season (also this is the peak season).
24	Attendance ratio/ average	3-5 workers don't come to work every day.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	Yes. 1 to 2 month training for beginners.
26	Recruitment of Workers	They don't use any media for recruitment. They are recruited mainly through the word-of-mouth communication among friends.
27	Trouble with Workers	Usually no problem. Only one problem is that workers' complaint.
28	Request to the government	The company has no request to the government. They will appreciate if the government establishes a training center so that their workers can get skills.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Many workers go back to their provinces for rice planting from July to Oct. They return to work at this factory when they finish rice planting. ■ Comparing with Thai workers, Thai workers have more efficiency. They can produce more. It is because of the shortage of experiences. Ex. Thai produces 10 pieces per hour, and Laotian do 8 pieces per hour. ■ Thai workers attendance rate is higher than Laotians'.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ No AC. They have fans on the ceiling and enough lighting. ■ Sewing machines used are JUKI. ■ They have uniform (blue shirts). The company provides the uniform to the workers when they work more than two months. ■ Inside factory is clean. Workers have to take off their shoes inside the factory. ■ Taking photos was allowed (both in the office and factory).

Profiles of Garment Factories in Vientiane areas

No.12: Export Garment (Meeting with Mr. Sathit (Thai), Production Manager and Mr. Bounyai (Laotian), Assistant Manager)		
1	Ownership	FDI (100% Thailand)
2	Start up Year	1989
3	CEO	Mr. Viroto (Thai) as Chairman. Mr. Viroto is based in Bangkok, and visits Laos once a week.
4	Paid-up Capital (Capital Investment)	USD 2 million
5	Annual Gross Sales in 2004	100,000 pieces times S7-S8= 700,000 – 800,000 USD
6	Profit or Loss	Profit
7	Main Products	Trouser, jeans, and woven jacket for men and women
8	Number of Machines	500 sewing machines
9	Capacity of Production (piece/ year)	100,000 piece/ year
10	CMT or FOB	FOB
11	Design by yourself or others	100% depending on the customers' request
12	Market for Product, Export to USA	France
13	Raw material buying sources	90% from Thailand, 10 % from Hong Kong for accessories
14	Sales Channel	No direct channels. Either parent company or agents do sales.
15	Transportation of products (to where and cost)	Transport via Nongkhai to Bangkok. They do FOB to Nongkhai. Transportation cost within Laos is covered by the company and cost to a port in Bangkok is by the parent company.
16	Number of Workers	1150 workers.
17	% of Female Workers	65-70 % of all the workers.
18	% of workers from provinces	Around 80% of all workers.
19	Wage per Worker (minimum, average) and bonus	<ul style="list-style-type: none"> ■ Minimum wage is 400,000 kip (40 USD) and average is 600,000 kip (60USD) (7500-8000 kip/day for unskilled workers). ■ No absence bonus is 100,000 kip per month. ■ There is a salary grading system. A for most skilled workers, B for average, and C for beginners.

Profiles of Garment Factories in Vientiane areas

		Currently, 5% of workers at grade C.
20	Fringe Benefit (such as meals, dormitories, etc.)	Cooked rice (3times for workers at dormitory and 2times for commuting workers), accommodation and transportation.
21	Dormitory for Workers	Yes. 6 dormitories
22	Transportation Services	Yes
23	Turnover of employees/ year	1-2 workers quit per month average.
24	Attendance ratio/ average	90 % per day. 20-30 workers do not show up everyday.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	<ul style="list-style-type: none"> ■ One week training for beginners. No training rooms or sections. Government's training center is welcomed if there is. Most of workers hired are unskilled, so if there is a government training center, the company could hire skilled workers. ■ There are 12 supervisors at the factory, who are all Laotian. There are 3 Thai managers at sewing, quality control and production section has each one Thai manager.
26	Recruitment of Workers	Advertisements on newspapers and banners in front of the factory.
27	Problems with Workers	No-show up is a problem. Especially, during rainy seasons 50-80 workers return home to help family for planting rice, which is the same season with the factory's busiest season (July to October and January), so that the company needs to recruit new workers and all the workers need to work overtime.
28	Request to the government	N.A.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ The company has 4-5 subcontractors around Vientiane constantly. The company orders easy and simple works to subcontractors. ■ Mr. Bounyai works for the company for 10 years, and used to work as an air trafficking officer of the government.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ No AC in the factory. ■ At a cutting section, more male workers than female workers. Patterns are hand written. ■ At a sewing section, there are 12 production lines, which of each has 32 machines in a line. 32X12=384 machines operating. Machines (Brother, Pegasus and Toyota) seem to be very old. Second handed machines and brand new machines are mixed. There is a person to clean up

Profiles of Garment Factories in Vientiane areas

		<p>floors.</p> <ul style="list-style-type: none"> ■ At a packing section, workers are waiting for products coming quietly. ■ At a washing section, there are more than 12 big washing machines and dryers. Mostly male workers are doing washing. There is a small room next to the washing section painting and vintage processing for jeans. ■ Working hours are 9:00-noon and 13:00-17:00. Overtime is between 18:00 and 21:00. ■ There is a clinic for workers. ■ No uniform, but masks are provided. ■ Rejection rate of QC is 1.5-2%.
--	--	---

Profiles of Garment Factories in Vientiane areas

No.13. VISION MFG CO LTD. (Meeting with Mr. Olivier, Assistant to Managing Director)		
1	Ownership	FDI Hong Kong – China 100% Joint stock company of French(Mr. Philip in Hong Kong, managing director) and Chinese (Mr. Guen) and the other one (3 share holders)
2	Start up Year	1994
3	CEO	Mr. Philip, whose father had first invested to the company 10 years ago and left the company 7 years ago.
4	Paid-up Capital (Capital Investment)	5.2 million USD
5	Annual Gross Sales in 2004	5.2 million USD / year (FOB price)
6	Profit or Loss	In current 2 years, profit. The company made losses for the first 3 years.
7	Main Products	Jeans, Shirt, Stretch design, casual sports wears (with Cotton, Nylon, Taffeta) such as jacket, short pants, jogging pants etc. for men and women . O'NEIL is the largest brand in their production. Regardless of a range of casual wears they produce, the company is seen as a jeans maker with special skills of processing French style jeans.
8	Number of Machines	240 (JUKI) 6 production lines
9	Capacity of Production	40,000 – 70,000 pieces / month (Jeans)
10	CMT or FOB	FOB to Bangkok through Nongkhai
11	Design by yourself or others	by French or Italian customers, no designers in the company
12	Market for Product, Export to USA	<ul style="list-style-type: none"> ■ Mainly EU. France, Holland and Ireland. Export through the French agencies for sports wears and export through the European represent company "GSI" in Holland for O'NEIL. ■ No export to USA so far. ■ The company pays 10-15 % margins to the customers.
13	Raw material buying sources	Thailand, Pakistan, China, Indonesia and Taiwan
14	Sales Channel	4 agencies, such as "Athletic GS", "super sports" (France) , "GSI" (Holland) and one more agency
15	Transportation of products (to where and cost)	FOB to Bangkok

Profiles of Garment Factories in Vientiane areas

16	Number of Workers	<ul style="list-style-type: none"> ■ 580 (present) ■ 600 workers in high season (Nov. - Feb.) and 500 workers in low season (May – Aug.) ■ adjusting number of workers by seasons
17	% of Female Workers	400 (80% Female)
18	% of workers from provinces	60% are from the province, 40 % are from Vientiane
19	Wage per Worker (minimum, average)	Average: \$40-45/month Min.: \$23 –25/month Supervisor: \$50-70 /month No-absent bonus \$10 /month
20	Fringe Benefit (such as meals, dormitories, etc.)	2 meals/day (rice)
21	Dormitory for Workers	No. 60 % of workers from provinces live in Vientiane with friends.
22	Transportation Services	Yes
23	Turnover of employees/ month	10-15 % per month
24	Attendance ratio/ average	Absent workers are not so many.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	1-2 weeks training for supervisors. There are 10-12 supervisors and 4 managers in the company. (Mr. Olivier and Philippines in production management and cutting section)
26	Recruitment of Workers	Radio advertisement
27	Trouble with Workers	They have few troubles because they try to be a worker-friendly company. <ul style="list-style-type: none"> ■ They place the opinion boxes to each table for the workers. ■ Doctors come to the company 2 – 4 times per week to take care of workers health, such as prevention of Malaria. ■ Working with CARE (NGO) ■ Working with PSI for HIV/AIDS prevention programs.
28	Request to the Government	No special requests to the government. They do not need a government training school.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Originally they started the business as a textile company. - For example, in the case of Thailand, from production of fabric to delivery to Vientiane, it will take 35 – 48 days, compared with 2 weeks in China. The company will open an office in Bangkok shortly to compete with Chinese market and to strengthen quality control capacity of raw

Profiles of Garment Factories in Vientiane areas

		materials.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Clean and organized, basically white colored interior, ■ new and high-tech machines, computerized factory ■ AC or fan, no AC in sewing section. Few workers putting musk. ■ Production management room has a view of whole factory: pattern room, cutting room, sewing and trimming, packing room ■ Foreign workers; 5 Philippines (incl. technicians), 3 Thais, 1 Taiwanese, 2 Vietnamese (supervisors), 1 Sri Lankan (engineer) and 2 French (incl. manager) ■ 1/3 of sewing machines is under operation due to 'low production' season.

Profiles of Garment Factories in Vientiane areas

No.14. K.M.S Garment International Import-Export (Meeting with Mr.Sakum Phanthamith - Managing Director)		
1	Ownership	100% Laos national
2	Start up Year	2001
3	CEO	Mr. Chao Sivilay (Laotian)
4	Paid-up Capital (Capital Investment)	9 billions kip
5	Annual Gross Sales in 2004	4 million USD
6	Profit or Loss	N.A
7	Main Products	Women's underwear, stretches, knitted products
8	Number of Machines	587 (JUKI, MITSUBISHI, SIRUBA and some from Taiwan)
9	Capacity of Production (piece/ year)	12,000 pieces/day
10	CMT or FOB	FOB
11	Design by yourself or others	By customers
12	Market for Product, Export to USA	Mainly EU (UK, Belgium, France , Poland)
13	Raw material buying sources	Thailand (90%), Hong Kong (5%), Korea (5%)
14	Sales Channel	Customers come directly. And through Thai agent (KH company)
15	Transportation of products (to where and cost)	Have trucks to pick up products and bring to Bangkok via Nongkhai
16	Number of Workers	658 (stable throughout a year)
17	% of Female Workers	90%
18	% of workers from provinces	80%
19	Wage per Worker (minimum, average)	Minimum: 30USD Maximum: 300USD Average salary: 45USD include everything
20	Fringe Benefit (such as meals, dormitories, etc.)	Bonus for non-absence: according to labor law. 13 th month salary bonus 3 meals/day for workers in dorm and 1 meal/day for general workers. Provide for transportation fee
21	Dormitory for Workers	Yes 3 dormitories
22	Transportation Services	Yes free shuttle

Profiles of Garment Factories in Vientiane areas

23	Turnover of employees/ year	10 people/month
24	Attendance ratio/ average	Less than 10 people per day because of sickness
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	3 weeks for beginners on the line with separate machines
26	Recruitment of Workers	Workers come directly to the factory
27	Trouble with Workers	If there are festivals, they go. Not ambitious High skilled labors move to Thailand
28	Request to the government	Provision of supervisors, legal representatives, clear tax policy for a limited company; provision of trainings and leasing expensive machines like embroidery machines (which costs about 6 millions. yen).
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ There are 5 buildings. 1st building: 3397 m2 with 5 sections (office, account shipping, production, personal, QC), and 2nd building: 630m2 with cutting, separate cutting, matching cutting and accounting, and 3rd building is 1050m2 with 313 workers ■ There are 7 cutting tables, 5 clothes cutting machines with the capacity of 13 000 pieces per day There are 55 staff. ■ All supervisors are Laotians. Two Thai production experts. ■ Mr.Saleum was a soldier for 12 years and studied management in Vietnam for 2 years and worked here for 10 years. He went out of the army in 1997.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ No air condition. AC is only in the embroidery room ■ No photos were allowed inside factories ■ Factory is very clean and has tiled floors ■ The factory is the most modernized and automated among other Laotian factories ■ There are 6 embroidery machines, and 7 production lines

Profiles of Garment Factories in Vientiane areas

No.15: PV Garment (Meeting with Mr. Phonekeo Vongsaly, President)		
1	Ownership	100% Lao national. Family business (5 members).
2	Start up Year	1993
3	CEO	Mr. Phonekeo Vongsaly and his brother who lives in Thailand. Their father was founder.
4	Paid-up Capital (Capital Investment)	2 million USD.
5	Annual Gross Sales in 2004	Fell 30-40 % last year, because they changed their market strategy three years ago. It is because the customers want cheaper products with high quality.
6	Profit or Loss	Profit has declined.
7	Main Products	Cloths for men and women except for shirts and T-shirts. Has just started producing jeans.
8	Number of Machines	500 sewing machines
9	Capacity of Production (piece/ year)	If they use the 68 % of their capacity, they can produce 600,000 pieces/ year.
10	CMT or FOB	CMT. 95 % FOB business. Sometime customers come for inspections.
11	Design by yourself or others	Depending on customers.
12	Market for Product, Export to USA	Mostly EU. Canada (Canadian customer send the products to Walmart in USA).
13	Raw material buying sources	Mainly from Thailand. Sometimes HK and Taiwan. They use Korean row material to the products for Canada, and Thai row material for Asian markets.
14	Sales Channel	Through agents in Thailand. Not allowed to contact customers directly.
15	Transportation of products (to where and cost)	FOB in Bangkok. They send products to Bangkok by truck, and the customers pick them up there. Containers are too expensive (80,000 Baht).
16	Number of Workers	620-650 workers. Workers are all Laotians. There is no foreign worker. They want to decrease the number of the workers, and increase the level of workers' quality.
17	Number of Female Workers	90% of all the workers.
18	% of workers from provinces	80% of all the workers.
19	Wage per Worker (minimum, average)	■ Average 45 USD/ month. 20 USD/ month (minimum) to 100 USD /month (max.).

Profiles of Garment Factories in Vientiane areas

		<ul style="list-style-type: none"> ■ 40,000 kip/per month are paid for no-absence bonus. ■ When worker doesn't come to work, they cut the salary of that worker. ■ They give bonus (150,000-20,000 kip) for the new workers. ■ They have bonus (10-15% of the salary) when the workers' performance is above the target.
20	Fringe Benefit (such as meals, dormitories, etc.)	4 accommodations. No meal.
21	Dormitory for Workers	Yes. 400 workers live in their 4 dormitories.
22	Transportation Services	No, because it needs high cost.
23	Turnover of employees/ year	<ul style="list-style-type: none"> ■ 4-5 % per month. Number of workers change depending on seasons, but they never lay off the workers. ■ There are three reasons of turnover: the workers want more wages, the workers want promotion, and other company hire the workers away from PV.
24	Attendance ratio/ average	80 % in one line. Total 16 lines. They want 18 lines in future.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	They use the curriculum of UNIDO. They try to select some parts of that curriculum. They will appreciate, if UNIDO has a technical training of sewing and training for leaders of the lines.
26	Recruitment of Workers	<ul style="list-style-type: none"> ■ Banners. Before they used to advertise on media (radio), but it was not efficient. ■ They want to hire the workers aged more than 25 years old, but it is difficult to find such kind of worker. That's why they usually hire younger workers who are less than 18 years old.
27	Trouble with Workers	They have no problem with their turnover rates. Though if the turnover rate rises to 10 %, it will be a serious problem.
28	Request to the government	<ul style="list-style-type: none"> ■ Export tax is too high (1.5%). They try to negotiate with the government, and probably it will be reduced to 1 %. ■ Electricity is also too expensive.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ PV is their father's name. Their father had a trading business of logging between Lao and Thailand. ■ Elder brother is marketing manager in Bangkok, other brothers are production manager and procurement manager, and his sister works as accountant in their company.

Profiles of Garment Factories in Vientiane areas

		<ul style="list-style-type: none"> ■ The order from EU in this year comes late. ■ Their workers are in three grades. 20 % in grade A (wage: 100 USD), 50 % in grade B (wage: 40-50 USD), and 30 % in grade C (wage: 20 USD). Grade A workers usually don't quit because of the good salary and benefits. ■ They hired the foreign manager (Thai) to establish the system from 1999 – 2000. ■ Mr. Phonekeo Vongsaly studied management by himself. He received the training of UNIDO twice: five days in 2002, and 20 days in 2003. ■ High seasons are July-Dec. and now to Mar.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ No AC. They have fans on the ceiling. Inside the factory is very hot. ■ Pattern design room with AC. ■ Sewing machines used are JUKI and SINGER. They bought new machines when they started their business. ■ Music. ■ Many dusts on the floor. ■ They provide blue apron to the workers. Leaders wear red apron, and two QC workers/ line wear green apron. ■ The workers who make the samples are A-grade-workers. Their wage is twice of the other workers'. ■ QC collects dates from production line every two hours. Rejection rate is very low (less than 5%). ■ Taking photos is allowed only in the office, but not in the factory.

Profiles of Garment Factories in Vientiane areas

No.16. KB Garment Company Ltd. (Meeting with Mr. Som Phane, Factory Manager)		
1	Ownership	FDI (100% France)
2	Start up Year	2002
3	CEO	Mr. Khamboth Sananikone (Lao-French) as President, who is currently in Nongkhai.
4	Paid-up Capital (Capital Investment)	USD 120,000 (registered)
5	Annual Gross Sales in 2004	497,432,060.35 Kip in 2004 (about 50,000 USD)
6	Profit or Loss	Making loss because of opening a new factory
7	Main Products	Sportswear, more tops than bottoms (trousers)
8	Number of Machines	350 sewing machines
9	Capacity of Production (piece/ year)	445,482 pieces in 2004
10	CMT or FOB	CMT The company hopes to start FOB in the future. Currently due to scarce financial resource, the company has only CMT orders.
11	Design by yourself or others	Customers design
12	Market for Product, Export to USA	EU (France)
13	Raw material buying sources	100 % provided by customers in Thai
14	Sales Channel	No direct channels. Their customer in Thai sells products to the market.
15	Transportation of products (to where and cost)	The company delivers final products to a client's Vientiane office.
16	Number of Workers	160 workers. No seasonal fluctuations. No lay off according to volume of orders.
17	% of Female Workers	87.5 % of all the workers (140 female workers)
18	% of workers from provinces	90 % of all workers from provinces
19	Wage per Worker (minimum, average) and bonus	<ul style="list-style-type: none"> ■ Minimum wage is 30 USD and average is 50USD. ■ Every three month, no absence bonus (20 USD) is paid if applicable.
20	Fringe Benefit (such as meals, dormitories, etc.)	<ul style="list-style-type: none"> ■ A dormitory, meals (twice for workers in the dormitory, and once for commuting workers' overtime)

Profiles of Garment Factories in Vientiane areas

21	Dormitory for Workers	Yes. In a dormitory 70 workers are living.
22	Transportation Services	Yes
23	Turnover of employees/ month	10 % in a monthly average. June and December with high quitting ratio due to busy farming seasons.
24	Attendance ratio/ average	97 % per day. If reasons of absence are explained, salary is paid.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	<ul style="list-style-type: none"> ■ One month training for beginners. There is a training section and are two trainers. However, the company tries to hire skilled workers. No trainers invited outside of the country.
26	Recruitment of Workers	Advertisement by banners on the street. Also, the company asks village chiefs to introduce someone from the village.
27	Problems with Workers	<ul style="list-style-type: none"> ■ High turnover is not though as a problem. There are employees just after a pay day. To avoid it, the company has a policy that employees to quit should inform in 15 days advance. ■ Current problems at the factory are lack of mechanic, which repair sewing machines. Also, cutting skill is not high enough. ■ Keeping skilled workers at the factory is a major issue since there are 5 factories around. Actually, the company hire all the line mangers and section managers from other garment factories when they start business in 2002.
28	Request to the government	<ul style="list-style-type: none"> ■ If the government support to employees training such as in mechanics and cutting, it is welcomed. The company support workers' training fee up to 50 USD per person per month.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ The Sananikone is a famous family, who fight against the government in 1970s in Laos.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ No AC in the factory. Ceiling fans. Working with music. High ceiling, which was designed to reduce heat inside the factory. There are lots of spaces for further expansion of production. ■ 4 production lines. Each production line has QC person. At the end of production line, 3-5 % of products are rejected by QC. ■ Uniforms (polo shirts and T-shirts) are provided. ■ Machines (JUKI) seem second handed. Photos are allowed. ■ Relatively younger people are working at the factory.

Profiles of Garment Factories in Vientiane areas

No.17: DONE Garment CO. LTD. (Meeting with Mr. Phimma Sone AMINTHALAT)		
1	Ownership	100% Laos national
2	Start up Year	2002
3	CEO	Mr. Phimma Sone AMINTHALAT (Managing Director),
4	Paid-up Capital (Capital Investment)	1,000 USD (100% his own money)
5	Annual Gross Sales in 2004	N.A.
6	Profit or Loss	profit
7	Main Products	Gentlemen's/ lady's Jogging pants, girl sleeves/short, polo shirts, men's knitted sweat shirt, fullzip sweats and others.
8	Number of Machines	Over 300 machines. It started from 1 machine in 2002
9	Capacity of Production (piece/ year)	800,000 pieces/ 2004, 1,000,000 pieces/2005 (objective),
10	CMT or FOB	Both. CMT 70%, FOB 30%. FOB is 3 times higher profit than CMT.
11	Design by yourself or others	Mostly by customers
12	Market for Product, Export to USA	EU(UK 90%, Belgium, Poland) not Japan
13	Raw material buying sources	Thai 80%, China, Hong Kong, and Singapore
14	Sales Channel	Not direct through Thai agents
15	Transportation of products (to where and cost)	From Vientiane via Nongkhai to a seaport in Bangkok and then to England. From Vientiane to Nongkhai is by the company. 3,000 Bht/ truck.
16	Number of Workers	Over 400
17	% of Female Workers	70%
18	% of workers from provinces	60%
19	Wage per Worker (minimum, average)	Minimum 30 USD as a base salary, Average 50 USD, Maximum 200 USD(Supervisor), plus OT/ performance/ no absence bonus.
20	Fringe Benefit (such as meals, dormitories, etc.)	Lunch and OT dinner, dormitory

Profiles of Garment Factories in Vientiane areas

21	Dormitory for Workers	One for 100 female, one for 60 male
22	Transportation Services	no
23	Turnover of employees/ year	10-20% per month. It depends on month.
24	Attendance ratio/ average	30% absence per month
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	<ul style="list-style-type: none"> ■ Sewing trainings for Beginners for 2 weeks, 1 day for experienced worker , the factory hire 90% of new entrants are experienced workers. 15 supervisors (100% Laotian), today 10 supervisors
26	Recruitment of Workers	A signboard, banner, and announcements to workers
27	Trouble with Workers	<ul style="list-style-type: none"> ■ Production capacity is a bottleneck .The factory cant respond to all the orders due to constraints of production capacity. ■ Mr. Done is the only manager
28	Request to the government	<ul style="list-style-type: none"> ■ 1)Asking government for taking overseas orders directly, not through agents ■ 2) Asking for financial support to renew old machines. If financial support is available, willing to pay for interest. ■ 3)High tax for export and import is problem (currently 2%)
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ At first he hired a Thai expert for 6-8 months for the training of Lao people. ■ The company has 12 sub-contractors for simple work such as cutting. ■ Per unit price is too cheap.(50 cents/ jacket) Mr. Done would like to increase per unit price like 'CHOGIN' ■ Mr. Done want to export to Japan. He complain about JICA. He asked JICA 's support but no response so far. He has lots of complain to JICA He want JICA to put an emphasis on the garment production ■ sub-contract its work to 12 factories. ■ About his personal history, he is 29 years old, and single. He used to work for DFS as a marketing manager, and receive 450 USD/ month. His father is a director of custom. When he was 24 years old, he worked at his friend's garment companies both in Vientiane and in Thailand for each 3 months which payment was 30 USD/ month.

Profiles of Garment Factories in Vientiane areas

		<ul style="list-style-type: none"> ■ His appearance is no watch, slipper, jeans, polo shirts ■ 2 month later, he is going to Japan for Business meeting ■ 500 meters from here a factory for cutting fabric ■ He is only one manager. He try to looking for manager else. ■ Some order is taken also the other countries such as Bangladesh, so the tag is not shown "made in Laos"
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Light is bright, no AC, 8 lines, no uniform, ceiling fan, sewing machine's name is JUKI, Gemsy, Shanggong, Yamato, SIRUBA. photo allowed, a little dirty flour(garbage), music, no mask

Profiles of Garment Factories in Vientiane areas

No.14 VAP Garment (Meeting with Mr. Viengath Panya, CEO)		
1	Ownership	100% Laos national. Subcontractor of Lao Euro. Share holders are CEO's wife (45%) and 55% (CEO's sister in law of low)
2	Start up Year	2002
3	CEO	Mr. Panya
4	Paid-up Capital (Capital Investment)	20,000 USD (current capital)
5	Annual Gross Sales in 2004	120,000 USD
6	Profit or Loss	Profit
7	Main Products	Knitted shirt
8	Number of Machines	30
9	Capacity of Production	5,000 pieces / month
10	CMT or FOB	CMT Cuttings are already made by clients.
11	Design by yourself or others	Customers design
12	Market for Product, Export to USA	Lao Euro is the main client (70%) with market channel for Europe. No market to USA
13	Raw material buying sources	Procured by Lao Euro
14	Sales Channel	No
15	Transportation of products (to where and cost)	Products are delivered to Lao Euro and there packed by Lao Euro
16	Number of Workers	25 workers. Regularly more then 30 workers. They are less number of workers because they have few orders at the present.
17	% of Female Workers	100%
18	% of workers from provinces	Almost workers are from the local area (most of them are beginner)
19	Wage per Worker (minimum, average)	Average: \$40 Min.: \$30 Overtime work : 1,000 kip/ hour (Merely they have overtime work) Working time and day : 8-5, 6 days a week

Profiles of Garment Factories in Vientiane areas

		Bonus after 1 year experience : 20,000 kip/hour
20	Fringe Benefit (such as meals, dormitories, etc.)	Providing 5,000 kip/day for meal
21	Dormitory for Workers	No
22	Transportation Services	1 truck for transportation
23	Turnover of employees/ year	2-3 workers quit per month
24	Attendance ratio/ average	1-2 workers are absent a day
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	Usually they practice OJT for 2 weeks for the beginners. Minimum salary 30 USD is paid in the training period.
26	Recruitment of Workers	Only by the introduction of workers. No advertisement.
27	Trouble with Workers	No trouble with the workers
28	Request to the government	The problem is that number of order is not stable, and they have little order now. They expect to the government to invite the customers and many orders. They also expect that government will reduce 20 % of the electronic fee in near future. The news is according to the chairman of the association.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ The sales price of the products : 1,200 kip/piece ■ The payment is made by Baht every 15th monthly after the delivery of 30th last month. ■ The amount of payment was reduced t 1,000 USD two times in the case that the products had been delivered to the European market with the oil on it. ■ Before delivery to the client, They take QC inspection from Lao Euro. ■ If the quality is not good, the paying amount will be reduced. ■ Background of establishment: CEO used to be in a military, went Vietnam and Cambodia. ■ After worked for Aporn Lao as a driver and machinery engineer for ten years, then started his own company. The association provided him machines at the establishment of the company. But thy do not have enough machines yet. ■ They hope to have the order from the market directly and to change their business of sub-contract base

Profiles of Garment Factories in Vientiane areas

		<ul style="list-style-type: none"> ■ No foreign worker ■ CEO is an owner of another big company. She is the only supervisor of the company.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Factory is not air-conditioned. There have only fans in the factory. Windows are open. Atmosphere is slow, not so busy. ■ Ages of workers looked 18-35 years old. ■ Machines are JUKI and GASUS made. ■ No music. All the workers do not wear masks. ■ Photo allowed.

Profiles of Garment Factories in Vientiane areas

No.19 MC Garment (Meeting with Ms. Phonesavanh – Owner's spouse)		
1	Ownership	100% Lao national. Subcontractor of Lao Euro (60%) and Fancy (40%)
2	Start up Year	1997
3	CEO	Her husband – Mr. Chanxeng
4	Paid-up Capital (Capital Investment)	Initial: 6000USD with 6 machines and 4 workers. That is her parent's money. Her parents and husband were government officials.
5	Annual Gross Sales in 2004	Gross sale: 350,000 baht
6	Profit or Loss	Net profit: 150,000 baht in 2004
7	Main Products	Knitted shirts, maternity dresses
8	Number of Machines	38 sewing machines
9	Capacity of Production (piece/year)	In average 10,000 pieces per month. If there's orders, maximum production capacity is 20,000 pieces per month.
10	CMT or FOB	CMT, cutting and packing are by customers. There is QC here and the customers will check final products again.
11	Design by yourself or others	By customers
12	Market for Product, Export to USA	N.A.
13	Raw material buying sources	Provide by clients
14	Sales Channel	N.A.
15	Transportation of products (to where and cost)	Bring products to customers by the factory
16	Number of Workers	40
17	% of Female Workers	100% (Age: 16-30)
18	% of workers from provinces	30%
19	Wage per Worker (minimum, average)	Minimum: 25USD Average: 50USD Maximum: 100USD No absence bonus: 30,000kip/month

Profiles of Garment Factories in Vientiane areas

		Yearly bonus: 10 USD for the first year, 12 USD for the second year, and 15 USD for the third year
20	Fringe Benefit (such as meals, dormitories, etc.)	Lunch: 5 USD/month
21	Dormitory for Workers	No
22	Transportation Services	Yes
23	Turnover of employees/ year	2 – 3 people/year. Few workers quit the factory
24	Attendance ratio/ average	1 absence/day
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	Yes (1-2 weeks) Workers having more than 2 years experiences provide training on sewing.
26	Recruitment of Workers	Banners, introduction from friends.
27	Trouble with Workers	When there are festivals, almost 50% of workers won't come to work.
28	Request to the government	■
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ No stable sales order is a problem. Currently few orders. ■ The factory does not think of doing direct business with customers and not get an export ■ She graduate from Dongdok University (Russian language) – after graduating 2- 3 months, she cannot find job and went to Thailand to learn sewing. ■ She used to be a tailor in Thailand (Udon) near Vientian ■ She met her husband at the university who worked for Lao Euro (facility construction and he advised her to start this business). ■ No supervisor, she is the only person that is responsible for all the process ■ No AC, only fans with windows open. ■ No music ■ Sewing section and trimming section in one room ■ Photo was allowed in the factory ■ Machines are “brother” made ■ payment is made every 2nd day of the month. For Lao Euro, it is made in baht and for Fancy, it is made it is made in USD

Profiles of Garment Factories in Vientiane areas

		<ul style="list-style-type: none"> ■ processing fee is very little (10-32 cents/piece)
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Quite well-organized as a family business

Profiles of Garment Factories in Vientiane areas

No.29: VS Garment CO. LTD. (Meeting with Mrs. KAYAMPHONE (Financial Sector Manager))		
1	Ownership	100% Laos national. Subcontractor Alpi Lao (70%) and Lao Euro (20%) and others (10%)..
2	Start up Year	1994
3	CEO	Mr. VIENSAMAY (Managing Director),
4	Paid-up Capital (Capital Investment)	10,000,000 kip (100% his own money)
5	Annual Gross Sales in 2004	500,000 Bt in 2004
6	Profit or Loss	Profit
7	Main Products	Printing (on knit shirts for children) There are 4 garment printing companies in Laos, but 100% Lao company is only VS Garment.
8	Number of Machines	70 sewing machines (which can produce 500,000 pieces/year, but are not used any more, because there is no order for more than 1 year). Printing is mostly done by hand, putting patterns on clothes, coloring, drying in a line.
9	Capacity of Production (piece/ year)	300,000 pieces/year
10	CMT or FOB	N.A.
11	Design by yourself or others	Design by customers
12	Market for Product, Export to USA	NA.
13	Raw material buying sources	The factory buys inks from Thailand only.
14	Sales Channel	N.A.
15	Transportation of products (to where and cost)	Send by his or her own car to clients
16	% of Workers	55 workers
17	% of Female Workers	40% (22 workers)
18	% of workers from provinces	100% from nearby
19	Wage per Worker (minimum, average)	Minimum 30 USD as a base salary. Average 45 USD. Maximum 50 USD. 1 month bonus if the company has a profit at the end of December.

Profiles of Garment Factories in Vientiane areas

		In a month of no order, 50 % of salary is paid for up to two months.
20	Fringe Benefit (such as meals, dormitories, etc.)	no
21	Dormitory for Workers	no
22	Transportation Services	no
23	Turnover of employees/ year	0%
24	Attendance ratio/ average	1 -2 absences per month
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	<ul style="list-style-type: none"> ■ On the job training, 2 weeks for beginners ■ No need to train at the moment.
26	Recruitment of Workers	By signboards
27	Trouble with Workers	nothing
28	Request to the government	<ul style="list-style-type: none"> ■ Want the government to get more orders abroad
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ Payment by Baht and by cash. ■ All of the Workers are experienced. ■ A technical supervisor is Thai. ■ Mr. VIENSAMAY is only one trainer for teaching how to use a color and printing and so on. ■ He used to do the work of an iron processing. He started the work of printing because he was asked by his Thai friend. ■ Work time is every 8 am to 17 pm from Monday to Saturday. ■ The company has a party for workers for the Lao festival ■ High season is from October to December. ■ 20% of all workers from the start of the company
30	Comments on the Factory	<ul style="list-style-type: none"> ■ no AC, 8 lines, no uniform, no fan,. Inside the factory was extremely hot and humid. ■ Photo allowed ■ a little dark, a little dirty flour(garbage), no music, no mask, no cap

Profiles of Garment Factories in Vientiane areas

No.21: STM Garment (Meeting with Mr. Chanhseng, CEO and Manager)		
1	Ownership	100% Lao national. Family business with his wife and sisters. His younger sister is studying marketing in college in Vientiane. Sub-contract (Alpilao 50 % and other companies).
2	Start up Year	2000
3	CEO	Mr. Chanhseng
4	Paid-up Capital (Capital Investment)	10,000 USD. (own money, no borrowing)
5	Annual Gross Sales in 2004	40,000 USD. Sales price: 0.18/piece
6	Profit or Loss	Yes. 12,000 USD in 2004.
7	Main Products	Knitted shirts and pants.
8	Number of Machines	60 sewing machines.
9	Capacity of Production (piece/ year)	21,840,000 pieces/ year (700pieces/day×26days/months×12months)
10	CMT or FOB	CMT
11	Design by yourself or others	No. Mostly by customers.
12	Market for Product, Export to USA	No
13	Raw material buying sources	From customers.
14	Sales Channel	No
15	Transportation of products (to where and cost)	Take products to the customers by their car.
16	Number of Workers	85 workers.
17	% of Female Workers	97% (82 females)
18	% of workers from provinces	25 workers.
19	Wage per Worker (minimum, average)	<ul style="list-style-type: none"> ■ Average 35 USD/ month. 26 USD/ month (min.) to 60 USD/ month (max.). ■ 2 USD/per month and 20 USD/ year are paid for no-absence bonus. ■ If the workers were absent for 1-2 days/year, 10 USD/year are paid for no-absence bonus. If they were absent for 5-10 days/ year, 5 USD/year are paid.

Profiles of Garment Factories in Vientiane areas

		<ul style="list-style-type: none"> ■ OT: 1,000-1,500 kip/hour. ■ The factory makes a six-month contract with workers at the beginning, which says that workers cannot leave the factory in the first 6 months. The factory only pays performance wage according to numbers of pieces they produce during the six month. If they quit, the factory won't pay the basic wage (10 USD/ month) for 3 months, which is paid after the six-month period.
20	Fringe Benefit (such as meals, dormitories, etc.)	They provide rice for the workers in the dormitory. They pay 3.5 USD/month for lunch for the workers who don't live in the dorm.
21	Dormitory for Workers	Yes.
22	Transportation Services	Yes
23	Turnover of employees/ year	1-2 workers per month. At the beginning of their business, 15-20 workers quitted.
24	Attendance ratio/ average	1-2 workers are absent per day.
25	Training for Workers (including hours on training for beginners, number of trainers, etc.)	Yes. 1-2 month training for new workers. Usually other workers teach cutting and ironing to the new workers. Also the new worker can practice when they don't have much work to do. New workers are skilled, but the new workers from provinces are usually unskilled.
26	Recruitment of Workers	They are recruited mainly through the word-of-mouth communication among friends.
27	Trouble with Workers	When the events happen such as new year, wedding ceremony and festivals, the workers don't come to work.
28	Request to the government	<ul style="list-style-type: none"> ■ Tax is very high. They have to pay 3 % of sales as tax. Even they don't get much profit they have to pay it according to their sales, not profit. ■ They don't have enough resources. The banks don't loan money to them, so they have to borrow money from a black market. ■ During the rainy season, often power cut happens.
29	Any other information from the meetings	<ul style="list-style-type: none"> ■ The CEO was graduated from high school. He was working in the textile factory in Luang Phabang. Later he started tailor with his wife in 1990 in Vientiane. They started their business with one sewing machine. At the beginning, they targeted a domestic market, but there were not so many demands. That's why they decided to ask sub-contracted work from Alpilao. They

Profiles of Garment Factories in Vientiane areas

		<p>also borrowed sewing machines from Alpilao. He studied accounting and marketing later for his business.</p> <ul style="list-style-type: none"> ■ High seasons: April to June and Oct. to Dec. ■ At the beginning of the business, their customers such as Alpilao sent supervisors and advisers to the factory. ■ Usually, their customers pay to STM within 15 days after delivery of products. The customers deposit money in a bank account, and STM withdraw money by Baht or USD. ■ There were two certificates and one testimonial in the office.
30	Comments on the Factory	<ul style="list-style-type: none"> ■ Sewing machines: JUKI. They have problem of leaking oil and dirtying the products, since they are very old. ■ They consult legal and tax problems to the Association. ■ No masks, no uniform. ■ No A.C. Only fans on the ceiling. ■ They have their QC (about 5 workers). Their customers also send their QC as well. They take supervisor to STM when they have new products and/or designs.

Introduction to Rural Household Survey

--A Field Study in a Slash-and-Burn Agricultural Village, Luang Phabang Province--

March 27, 2005

Revised April 18, 2005

Towa Tachibana

Faculty of Economics and Business Management (FEBM),
National University of Laos
Graduate School of International Cooperation Studies (GSICS),
Kobe University

(Note: This essay was originally written for the short field course for FEBM and GSICS. Some parts are altered to anonymize the name of the village surveyed)

I. Introduction

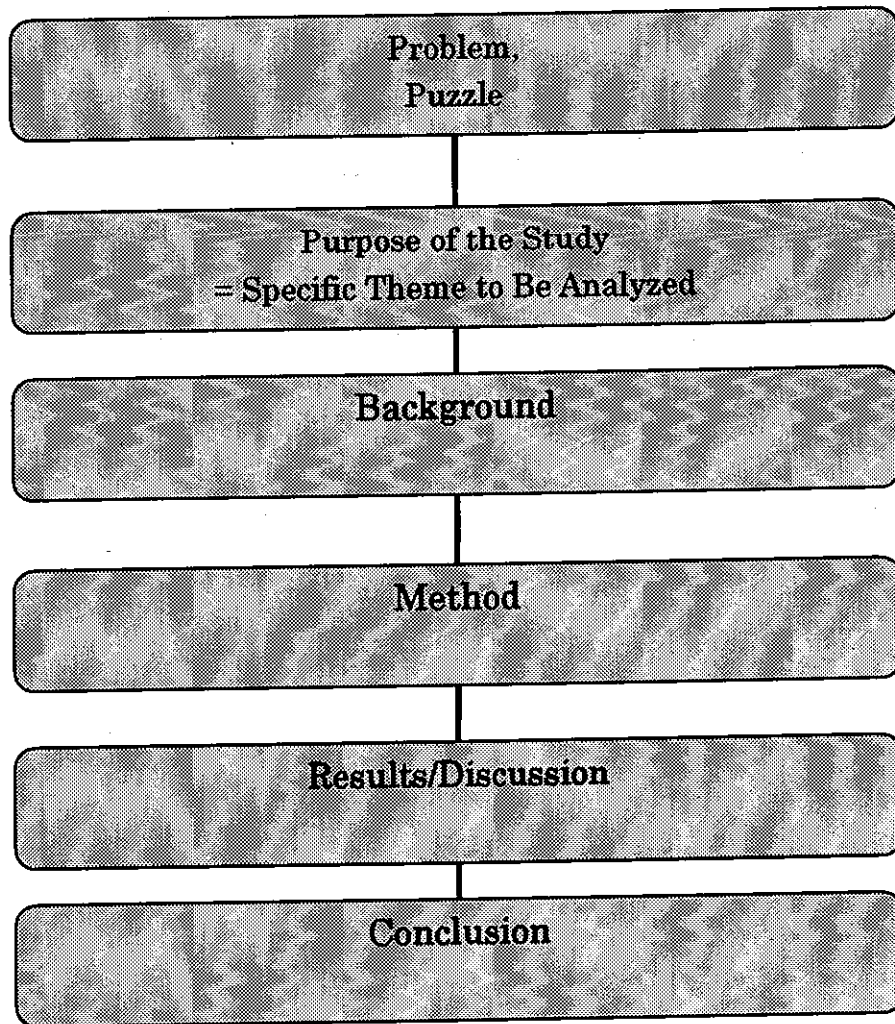
In 2004, eighty percent of the labor force of the Lao PDR is engaged in agriculture (World Bank 2004). As in most developing countries, no other industries are more important than the agriculture in Lao PDR. Both for economic development and poverty reduction, it is indispensable to improve agricultural productivities without degrading natural environment. Rural household survey is the basic method to detect and analyze the problems in agricultural sector. Popular topics tackled by rural household surveys are the determinants of farm productivity, investment in education by rural households, investment in sustainable use of local natural resources such as forest, impacts of agricultural extension programs (Godtland et al. 2004), etc. Furthermore, the method of rural household survey is often applied to the sectors other than agriculture. An example is family income and expenditure survey in the urban area.

The purpose of this short field course is to present the basic procedures of rural household survey to the lectures of FEM and the students of GSICS. As a practice, we will investigate a general topic in a village in the slash-and-burn agricultural area in Luang Phabang province in Lao PDR. The general topic is "how to reduce the

dependence on slash-and-burn farming". In the field, we need to find out concrete working hypotheses to tackle this general topic.

II. Framework of Doctoral Dissertation (and any academic paper)

Usually, an academic research is organized as follows. In our case, the research method is already given: field survey on rural households.



III. Procedure of Rural Household Survey

The followings consist of a regular procedure to implement a field survey.

1. Literature Review
2. Select the Possible Field Sites
3. Preliminary Visits to Possible Field Sites (Locate the Possible Counterpart)
4. Determine the Field Site and Local Counterpart
5. Design the Survey Scheme (census, extensive survey, intensive household survey, etc.)
6. List the Related Questions
7. Preliminary Field Survey (not necessarily equal to Rapid Rural Appraisal)
8. Draft the Questionnaire
9. Pretest the Questionnaire
10. Revisions of the Questionnaire
11. ⇒ Final Version of the Questionnaire
12. Train the Enumerators
13. Sampling of Interviewee Households
14. Implement the Main Survey
15. Check the Consistency of the Entries on the completed questionnaires
16. Resurvey on Inconsistencies

17. Enter into Excel (or SPSS) sheets

18. Check the Entries in the Excel Files

19. Begin the Analysis!!!

In this short field course, we plan to experience from procedure 1) to 11). In our case, however, the procedure 2) to 5) of the above are already settled. Namely, the field site is set at a village in Luang Phaban province, and the members of a JICA project kindly provide us local support. Given one village, the only applicable survey scheme is a detailed household survey. Please note that in rural field surveys, to select the field site and the local counterpart are usually the most tedious and difficult procedures. We are lucky!

Our main goal in the course is to draw up a questionnaire. **A well-designed questionnaire** is the core of any successful field surveys. We will spend much time to implement preliminary field survey. In the evening, we will draft and revise the questionnaire. In case we have enough time, we can try sampling and initiate the main survey.

IV. Why Is It Difficult to Design a Questionnaire?

The essential part of any field surveys is to design a good questionnaire. Each area and each theme has some specifics. We usually cannot apply the same questionnaire to different surveys.

Let us consider an example. Suppose that we are investigating impacts of market access on farmers' crop choice. We thus need to investigate traveling time to market from farmers' fields or house (here there is the first complication, should we ask the traveling time from the house or from the field?). To obtain useful data, you must explicitly tell the respondents several conditions. Otherwise, the answers are not consistent. Examples of the conditions are:

- 1) One way or a round trip (usually one way is better)
- 2) Which season? There usually is a big difference in traveling time between dry and rainy season.
- 3) Which media do they use, bicycle, bus, or on foot?

While doing preliminary surveys, we should specify the details of each question.

In general, conditions of a good questionnaire are:

1) SHORT

It should be as short as possible. Suppose that you are interviewed by someone about the issue you are not so interested in. If the interview lasts more than an hour, I am sure that you will be bored. It also applies to the farmers.

2) Easy to Fill Out

Try not to use separated code books. List all the possible choice of answers on the questionnaire itself.

3) No Ambiguous Questions

Avoid any ambiguous questions. Do not ask, for example, "what is the average wage rate of agricultural work in this village?" Rather, ask the daily wage rate of female (male) workers in harvesting (weeding), etc. Note that the latter provides the specifics (male or female, etc.) of the question.

4) No Obvious Questions

Do not ask the obvious. For example, do not ask "Is it good that the government provides more agricultural extension program?" Usual answer is obviously "yes". If you are interested in the farmers' demand for the agricultural extension programs, ask which extension program they applied, and which program they did not apply.

5) Past May Matter

If you are investigating the number of livestock as a part of household wealth, you need to ask the number of pigs (buffaloes) sold last year as well as the current number of pigs.

6) Make Appropriate Choices to Each Question

This is similar to 2). TRY to list all the possible choices as answers for each question. One of the important tasks in the preliminary field survey is to list these possible choices. As a last option, do not forget listing: Others (please specify).

V. Equipments

Laptop computer

Mobile Printer

One of the major tasks in the field is to revise draft of questionnaires. Every night you need to revise the questionnaire and need to make pretesting. So you need a printer (and electricity!) at your hand. Or you should check whether there are printers available in internet café, etc. nearby the field.

Wine for Farmers

VI. Interview

There are two types of interview. One is household interview, and the other is the group interview.

The principle is to ask questions to the respondent. This sounds obvious. But in rural household surveys, it is sometimes difficult to ask questions to the respondent. Due to curiosity or some local administrative caution, village leaders and the people from the neighboring households often come to see our interviews. While interviewing, they may begin to answer to our questions instead of the respondent. In many cases, village leaders can give us clearer answers than the respondents, so the interpreter of the interviewer often begin to ask to the people around the respondent. This is a not a good household interview.

The other case is that interpreter herself begins to answer to the questions of interviewers. This is often the case when the question is a regular one raised in all the households.

Recall that you need to get answers from the respondents, not from the village leaders not your interpreters.

VII. Common Sense in Field Survey

Please keep in mind that

Farmers are BUSY.

Be Polite! It is we who are learning from the farmers.

One of the main works in rural household survey is WAITING.

The last note may need more clarification. Suppose that you visit a village in the noon time without any appointment. Then you interviewed any villagers you encounter. Although it depends on the season and the main activities in the village, the data you collected in this interview is likely to be biased seriously. In the daytime, farmers are usually in the field. Those who stay in the village are traders, goldsmiths, etc. They are not the typical villagers.

The other example is that at the start of preliminary survey, we usually cannot meet common farmers. At first, we are often introduced to distinguished farmers (the most successful farmer in the village, who is excellent in the past agricultural extension programs, etc). Interviews to these distinguished farmers, obviously, will provide important information. But we should not consider that this is "the" typical voice of farmers in the village. Usually it is valuable but not common voice in the village. We have to wait a few days until we reach common farmers.¹

VIII. Enumerators

Keep in mind that the enumerators are not necessarily (in fact usually "not") interested in the research. For them, the interview with a questionnaire is tedious work for money. In the field, they often fill out the questionnaire without much care.

Although I myself have not encountered (or did not notice), there are cases that the enumerators do not go to field and make up their own answers on the questionnaire.

You must request the enumerators to keep their own names on the questionnaire. I made such space on the questionnaire. In my survey in Nepal, however, they often did not fill it out. After you collected the completed questionnaires, check the entire entries as soon as possible. When you find out the inconsistent entries, you should request the enumerators to correct them by revisiting the field (Do not ask just correct, they simply change the entries).

The best way is not to use any enumerator. Do every interview by your self. The

¹ In fact, in this field survey in Luang Phabang province, the three out of five respondents on the first day were: a retired local government officer, a nurse in the local hospital, and a local government officer. All the three were not engaged in upland cultivation.

second best is to use graduate students trying to finish master's degree. They are interested in research because they need data to complete their master's thesis. If you cannot use these better methods, consider the way to reduce the biases from using the enumerators.

- a) Train the enumerator as much as possible.
- b) At first, make a contract that the payment is reduced along with the inconsistent questionnaires

IX. Sampling

In any survey, random sampling is the required procedure. In the field, however, it is sometimes difficult to implement an "honest" random sampling. For example, there are cases such as

- 1) No name list of the village households. That is, you have no population from which you make random sampling.

X. Data Entry

I should say that type in the entries on questionnaire into files is the procedure which is much more important than the statistical analysis. It is time consuming. How you typed in the data, however decides how easily you can handle the data, and how quickly you can provide empirical knowledge. You should refer to several HOW TO books of Excel or SPSS.

It is better to type in the data by yourself. If you do not have time and need to ask some research assistant, you should explicitly indicate how to enter the data into spreadsheet, etc. First of all and obviously, you must give them format to be typed in. Second, you should indicate the order of data entry. It seems stupid to say such as thing, but sometimes, they type in the data randomly. In the Nepal data, the order of data entry is almost random from my point of view. ENR-323 came first, then 325, then 336, then 333, and finally 322!

To make a useful data, you should keep the principle of "one entry for one column." For example, suppose that we are interested in the reason why farm households do not adopt new rice variety. To facilitate the analysis, we provided choices in the

questionnaire: 1) require investment in irrigation facilities, 2) seed itself is expensive, 3) ..., 5) Others (specify) etc. If an answer is 1) and 2), how do you type in.

Reason

1, 2

is terrible way to enter the data. You must enter as

Reason

1, 2, 3,

1, 1, 0,

You should

1 Type in as a table. Leave one column and row blank around the data.

2 One row consists of the information of the unit of investigation (household, village, etc.). For each column, you should put title: name of respondents, village name, etc.

In the case of Excel, what is important is that title of the columns must be different each other. A terrible example is as follows:

Respondent, Village, Landowner, Village

In this example, there are two "village" as the title. This may cause a problem when you process the data, for example, sort, filter, etc. Excel might confuse these two columns. See the example of advanced sort in Figure 1. With the same reason, I recommend that you should not leave any title column as blank. In the field data set, it is not uncommon we have more than 100 columns. So I recommend that put number at the beginning of the title column. It is also common you will add columns while typing in the data. You can do 1-a, etc

References:

Godtland, Erin M, Elizabeth Sadoulet, Alain De Janvry, Rinku Murgai, and Oscar Ortiz (2004), "The Impact of Farmer Field Schools on Knowledge and Productivity: A Study of Potato Farmers in the Peruvian Andes," *Economic Development and Cultural Change*, Vol. ?, pp. 63-92.

World Bank Vientiane Office (2004), *Lao PDR Economic Monitor*, Vientiane:
World Bank Vientiane Office, November 2004.

Record No. _____ (Filled out later)
Rural Household Survey
in Village P, District P, Laos
Version 1.1 (on April 3, 2005)
FEBM/GSICS
Vientiane/Kobe

0.1 Name of Enumerator: _____

0.2 Date of Interview: _____, Time: _____

0.3 Unit Number: _____, Household Number _____

0.4 Location of the House:

A= along the main road B = in the forest C = Others: _____

SECTION I. GENERAL INFORMATION

On the respondent (Interview Head of Family)

1.2 First Name: _____, Family Name _____

1.3 Age: _____

1.4 Sex: A= Male B = Female

1.5 Ethnic Group: A= Lao Loum B= Lao Theung C= Lao Sung D=Others _____

(e.g., Hmong, Thai Neua, Thai Dam, Thai Deng, Thai Poua, Thai Dai, Thai Porong, Yao, etc.)

1.6 Household Head? Yes No

1.7.1 Where did you born? _____

A) In this village (village P)

B) In other village in districtP

Specify: _____

C) In other district in provinceL

Specify: _____

D) In another province or in foreign country

Specify: _____

1.7.2 For the case of B)-D)

In which year did you move in this village?

Year 19 _____

If you can not answer precisely, was it before 1994 or after 1994

1.8 In which year did you settle as independent family in this village?
Year 19 _____
If you can not answer precisely, was it before 1994 or after 1994

1.9 Do you have any motorbikes? Yes No

1.10 What construction material is used for the majority of the exterior walls of your house?

- A) Brick / concrete/ cement
- B) Wood
- C) Cane/ straw/ sticks
- D) Others specify _____

1.11 What is the construction material of the most of the roof of your house?

- A) Concrete/ cement
- B) Metal (zinc, aluminum, etc)
- C) Wood
- D) Straw/ thatch
- E) Others specify _____

SECTION II: HOUSEHOLD COMPOSITION: List all household members living with the respondent. In addition, please include the followings: 1) students staying in the dormitory in weekdays, 2) Non-family workers living in the house.

Table 1: Family member who live with household head

Relationships to household head	Age	sex	Education Completed	Health Status	Main Occupation	Secondary Occupation
ex) wife/ Husband	65	M / F	N (P) S-H-V-U-O ___ 2_Years C /D	a	a	n) Carring Posa
Household Head		M / F	N-P-S-H-V-U-O ___ Years C /D			
Wife/Husband		M / F	N-P-S-H-V-U-O ___ Years C /D			
Son/Daughter		M / F	N-P-S-H-V-U-O ___ Years C /D			
Son/Daughter		M / F	N-P-S-H-V-U-O ___ Years C /D			
Son/Daughter		M / F	N-P-S-H-V-U-O ___ Years C /D			
Son/Daughter		M / F	N-P-S-H-V-U-O ___ Years C /D			
Son/Daughter		M / F	N-P-S-H-V-U-O ___ Years C /D			
Other members (specify)						
ex) son in law	24	M / F	N (P) S-H-V-U-O ___ 2_Years C /D	a	b) lieutenant	m.
		M / F	N-P-S-H-V-U-O ___ Years C /D			
		M / F	N-P-S-H-V-U-O ___ Years C /D			
		M / F	N-P-S-H-V-U-O ___ Years C /D			
Father of HHH			N-P-S-H-V-U-O ___ Years C /D			
Mother of HHH			N-P-S-H-V-U-O ___ Years C /D			
Father of his wife			N-P-S-H-V-U-O ___ Years C /D			
Mother of his wife			N-P-S-H-V-U-O ___ Years C /D			
			Code for Education	Code for Health Status	Code for Main and Second Occupation	
			N: no education P: primary school S: secondary school H: high school V: vocational school U: university O: others	a) Able bodied b) Partly disabled c) Fully disabled d) Aged e) Sick	a) Farming b) Military official (Specify the rank) c) Housewife d) Student e) Student in dormitory in weekdays f) Self-employed (e.g. Trader) g) Local Government officer	h) Central Government officer i) Teachers j) Not possible to work (sick etc) k)work for a private company l) Weaving m) agricultural wage labor n) Others (specify)

⇒ A) if you completed primary 2 year ... P (primary) 2 year C (completed)
 B) if you drop up secondary 1 year ... S (secondary) 1 year D (drop out)

SECTION III. HOW TO USE THE LAND

- 1.1. How many plots in upland (Din Phou and Din Boum) do you have? 0 1 2 3 4 5 or more
- 1.2. How many plots along the main stream (Din Kam Num) do you have? 0 1 2 3 4 5 or more
- 1.3. How many plots usable only in dry season (Din Suan Park) do you have? 0 1 2 3 4 5 or more

2. Please draw where your plots are in Figure 1 and give some number to each plot. Answer the following questions in table 2 about each plot. (See the example.)

Figure 1: Location of the plots

<Example>

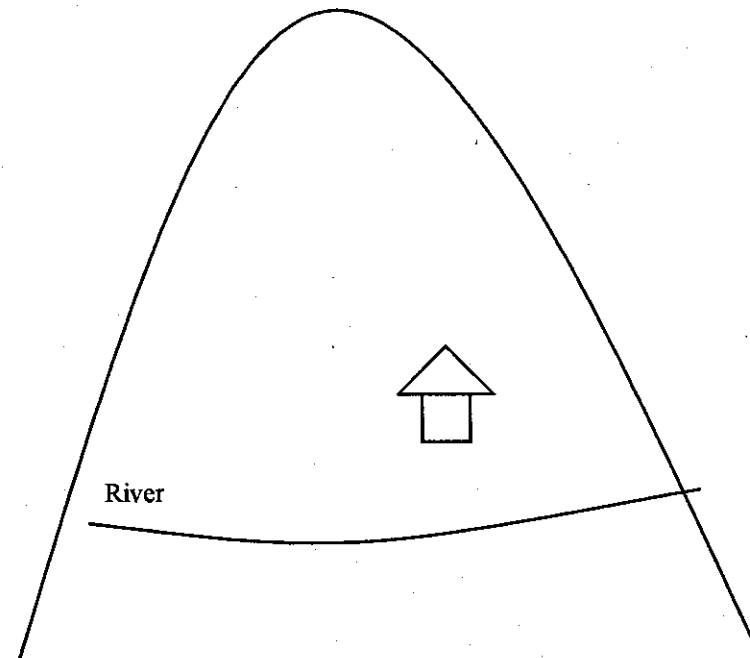
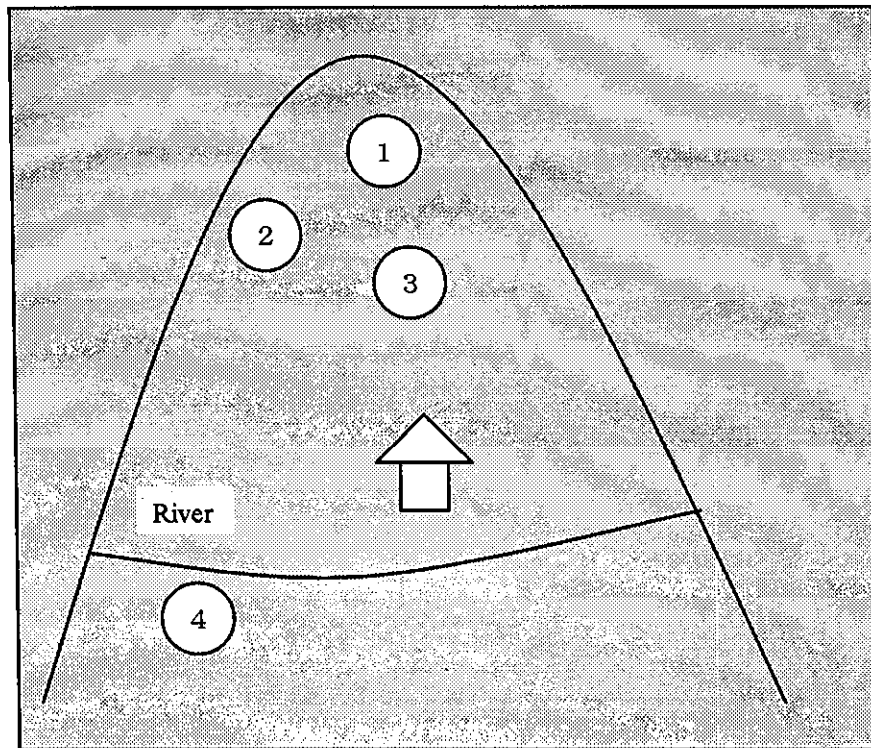


Table 2: Land Usage Pattern

	Example	Plot 1	Plot 2	Plot 3	Plot 4	Plot 5	Plot 6
3. In which area is the plot located ? A. Upland (Din Phou) B. Along the stream (Din Boum) C. Along the main river (Din Kam Num) D. Usable only in rainy season (Din Suan Park)	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
4. How many Hectares is each plot?	1 ha	ha	ha	ha	ha	ha	ha
5. How many hours does it take for you to go to each plot? (on foot, in dry season, one way)	1.5 hours	hours	hours	hours	hours	hours	hours
6. What kind of soil quality do you have? A. Black Soil (Din Dum) B. Sand mixed with mud (Din Sai Pon Toun) C. Din Hin Kamb D. Red Soil (Din Dark)	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
7.1. Did you utilize this plot for paddy cultivation in last rainy season?	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
7.2. If yes, How much Portion of the plot was used for paddy cultivation A. All B. More than half C. Less than half	A B C	A B C	A B C	A B C	A B C	A B C	A B C
8. Please draw how you use this plot. Especially, please specify if you use it for following purposes. A. Fallow B. Paddy C. Sesame D. Maize E. Soybean F. Vegetables G. Teak Tree H. Fuite Tree I. Grow Posa J. Collect Natural Posa K. Others (specify _____)							

8. How often do you cultivate the same plot? every year every two year every three year every four year
 every five year and more

Table 3.2 Livestock

	possess or not Y/N	number of live stock	sold or not Y/N	money you got last year (from April in 2004 to March in 2005) (1000kip)
2 Live stocks		head		
buffalo	Y/N		Y/N	
cow	Y/N		Y/N	
goat	Y/N		Y/N	
pig	Y/N		Y/N	
chicken	Y/N		Y/N	
duck	Y/N		Y/N	
others (specify _____)	Y/N		Y/N	

Table 3.3 Tree

	produce or not Y/N	How many trees do you have?	sold or not Y/N	money you got last year (from April in 2004 to March in 2005) (1000kip)
3 Tree		tree		
teak trees	Y/N		Y/N	
banana	Y/N		Y/N	
pineapple	Y/N		Y/N	
others (specify _____)	Y/N		Y/N	

Table 3.4 NTFPs

	collect or not Y/N	sold or not Y/N	money you got last year(from April in 2004 to March in 2005) (1000kip)
4.NTFPs			
posa (collecting)	Y/N	Y/N	
tree barks	Y/N	Y/N	
kam	Y/N	Y/N	
mushroom	Y/N	Y/N	
bamboo shoot	Y/N	Y/N	
vegetable from forest	Y/N	Y/N	
others (specify _____)	Y/N	Y/N	

Table 3.5 Other Crops

	produce or not Y/N	sold or not Y/N	money you got last year(from April in 2004 to March in 2005) (1000kip)
5. Other crops			
vegetables	Y/N	Y/N	
maize	Y/N	Y/N	
soybean	Y/N	Y/N	
job's tear	Y/N	Y/N	
others(specify _____)	Y/N	Y/N	

Table 3.6.1 Off Farm Income

	did/do or not Y/N	money you got last year (from April in 2004 to March in 2005) (1000kip)
6. Off Farm Income		
fishing	Y/N	
agricultural hired labor	Y/N	
remittance (money from family outside)	Y/N	
small business	Y/N	
weaving	Y/N	
Others (specify _____)	Y/N	

1.3.1 Do you get any kind of pension? Yes No

1.3.2 If yes, what kind of pensions do you get and how much do you get per month?
(Please fill in the table 3.6.2)

Table 3.6.2: Pension

kind or source of pension	amount of money (per month, 1000kip)
ex) military	200

2. Access to Credit

2.1. Have you ever borrowed money? Yes , No

2.2. If yes, who did you borrow from? (Multiple answers are allowed)

- A. Microfinance conducted by village head
- B. Saving group (more than two persons)
- C. Relatives / Friends (between only two persons)
- D. Others _____

3. Information

3.1. Did you attend any extension service? Yes , No

3.2. If yes, which program did you attend? (Multiple answers are allowed)

- A. FORCOM
- B. LEAP
- C. Souphanimith (NGO)
- D. Others _____

3.3. How often do you go to Luang Prabang?

- A. Once a week or more often
- B. Two or three times in a month
- C. Once a month
- D. Once a two month or less often

3.4. Do you belong to any organization? (Multiple answers are allowed)

- A. Women's Union
- B. Youth Union
- C. Farmers Cooperatives
- D. Party
- E. Others _____

Output 7 List of FEM Textbook

Final Revision

Subject No. 51: Investment was deleted and Taxation is resumed as ID No. 51

2005.7.22

Group/Column No.	Group	ID. No.	Name of Textbook	Department	New or Revise	Person in Charge & Inputs from FEBM
a	b	c	d	f	h	m
Group A Published	A	1	Agricultural Economics	E		Bounteng
	A	2	Asian Economics	E		Manisoth
	A	4	Comparative Economics 1	E		Sengchanh
	A	5	Econometrics	E		Thanh
	A	6	Environmental Economics	E		Lavanh
	A	7	Industrial Policy	E		Manisoth
	A	8	International Economics 1	E		Bounthone
	A	10	Introductory Economics	E		Lavanh
	A	12	Microeconomics 1	E		Lavanh
	A	14	Population Economics	E		Bounthan
	A	101	International Finance	E		
	A	3	Case Studies in Lao Business Management	M		Thongvanh
	A	9	Introduction to Management	M		Phosy T
	A	11	Logistics Management	M		Phosy C
A	13	Office Management	M		Thongsavanh	
Group B Will be published within the period of the project	B	15	Applied Econometrics	E	New	Phouphet
	B	16	Development Economics 1	E	New	Bounthan
	B	20	Economic Policy	E	New	Phouphet
	B	22	International Economics 2	E	New	Somchit S
	B	25	Labor Economics	E		Somchit S
Group C Will be completed within the FU period with the support from JICA	C	32	Public Economics and Finance	E	New	Khamnikon/Sengchanh
	C	21	Economics of International Investment	E	New	Vasana
	C	24	International Trade and Policy	E	New	Bounthon
	C	102	Comparative Economics 2	E	New	Bounthon
	C	34	Research Method	E	New	Bounteng
	C	36	World Economy	E	New	Bounthon/Somchit S
	C	37	Advance Financial Management	M	New	Boonheng
	C	38	Advance Accounting	M	New	Khampeui
	C	44	Business Law	M	Revise	Bouavieng
	C	40	Auditing	M	New	Khampeui
	C	43	Business Finance	M	Revise	Boonheng
C	61	Small Business Management	M	Revise	Thongvanh	
Group D Will be proceeded within and after the FU period without the support from JICA	D	18	Economic of Poverty and inequality	E	New	Bounthanh
	D	33	Regional Development Planning	E	New	Bounteng
	D	17	Development Economics 2	E	New	Bounthanh
	D	19	Economic Planning	E	New	Thatmyom
	D	23	International Monetary Economics	E	New	Bounthon
	D	26	Macroeconomics 1	E	New	Sengchanh/Khamnik
	D	27	Macroeconomics 2	E	New	Khamnikon/Sengcha
	D	28	Mathematic for Economics	E	Revise	Khamnikon
	D	29	Microeconomics 2	E	New	Lavanh/Bounthon
	D	30	Money and Banking	E	Revise	Khamnikon
	D	31	Project Planning and Appraisal	E	New	Lavanh
	D	35	Rural and Urban Economics	E	New	Bounthanh
	D	39	Agri-business Management	M	Revise	Phetsamone
	D	41	Bank Accounting	M	New	Khampeui
	D	42	Banking Management	M	Revise	Thongpheth
	D	45	Consumer Behavior	M	New	Bouavieng
	D	46	Entrepreneurship	M	New	Phosy C
	D	47	General Accounting	M	Revise	Khampeui
	D	48	Information Management System	M	Revise	Thongphet
	D	49	International Business Finance	M	New	Phosy T
	D	50	International Marketing	M	New	Phosy T
	D	51	Taxation	M	New	Kamphoui
	D	52	Managerial Accounting	M	Revise	Chansada
	D	53	Marketing Management	M	Revise	Bouavieng + Phosy
	D	54	Marketing Research	M	New	Thongvanh
	D	55	Organization Behavior	M	Revise	Phosy + Bouavieng
	D	56	Principles of Marketing	M	Revise	Thongvanh
D	57	Production and Operation Management	M	Revise	Manysot	
D	58	Project Management	M	Revise	Boonheng	
D	59	Promotion and Advertising	M	New	Phonephet	
D	60	Quantitative Analysis	M	New	Manysot	
D	62	Strategic Management	M	Revise	Khamlusa	
D	63	Tourism Management	M	Revise	Thongsavanh	