

## **Chapter 2**

# **Background of Support Projects for Lao Handicraft Industry: History of Support Projects by JETRO in Lao PDR**

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### **1. Introduction**

Since 2001, the Japan External Trade Organization (JETRO), in collaboration with the Lao Handicraft Association (LHA) and the relevant ministry and organizations, has been working on support projects in the Lao People's Democratic Republic (Lao PDR) in the areas of industrial development, market development, and business collaboration with the traditional crafts industry of Japan.

#### *(1) Chai Lao project (2001–2008)*

The project was to create a national brand of Lao PDR, named "Chai Lao" (the Heart of Lao PDR) and support market development in Japan. In the first phase (2001–04), the "Chai Lao" brand was created, a monitoring survey of Lao textile products in the Japanese market was conducted, and exhibitions of Lao silk products was organized in four cities in Japan. In the second phase (2005–08), Chai Lao became widely recognized in Lao PDR, and the program focused more on the brand management, quality standards and inspections, and human resource development of quality inspectors.

#### *(2) Kimono project (2010–11)*

The project aimed at developing Japanese "obi" and accessories through business matching between the Lao textile and Japanese "kimono" industries. Several Lao companies that participated in the project have succeeded in business with Japanese kimono manufacturers.

#### *(3) Lao-Japan design project (2013–15)*

The project aimed to improve the design and quality of Lao handicraft products, in not only the traditional textile industry, but also silver work, bamboo work, and so on, by adopting the Japanese design esthetic while making use of the unique traditional techniques inherited by Lao traditional crafts manufacturers.

#### (4) *GIFT project (2015–2017)*

Considering the increase in the number of foreign tourists to Lao PDR, the project was to support the development of "personal gifts" products targeting foreigners. In Lao PDR, although there is a custom of sending official "gifts," the "personal gifts" market, which consists of casual, fashionable gifts with a reasonable price range, was not well developed. Folk crafts were considered the main choice for foreign visitors to purchase as souvenirs. The project focused not only on product quality and design, but also improvement of the total value of personal gift products, including packaging, wrapping, product tags, product story descriptions, message cards, and so on. In addition, the project also aimed to motivate producers to take up the challenge of developing novel products and businesses. In a contest for personal gift products held in Lao PDR, the products, nominated for their originality and ingenuity, were examined by judges and the results and a Japanese an interior and lifestyle producer's comments were given as feedback to producers through workshops. Producers could identify further improvements to their products through the comparative evaluation with other producers' products.

In 2017, the Antenna Shop was set up and displayed the products of the winners from contests in the past three years. Together with LHA staff, the shop operator conducted a monitoring survey directly with foreign travelers visiting the shop based on predetermined monitoring questionnaires. Evaluation from foreign visitors, sales data, and the survey report were presented to the LHA. A support program was considered as the project should also focus more on the sales promotion and marketing aspects. With the recognition that the Antenna Shop was a powerful PR and marketing tool, LHA members decided to continue the operation of the shop even after JETRO's support ended.

## **2. Development and Significance of the Lao GIFT Project**

Japan External Trade Organization (JETRO)'s Handicraft Industry Support Project, which has changed its focus and provided support to the Lao handicraft industry every few years since 2001, has consistently succeeded in improving the product quality and design of the handicraft producers. The handicraft products are created based on the traditional culture and history of Lao PDR, and they have been cultivated and inherited over many years, together with peoples' lifestyles. These products are manufactured for the use of Lao people to fulfill their daily necessities. However, when looking to the overseas markets, one aspect emerges, that is, the Lao identity is too strong and sometimes

struggles to match with the foreigners' lifestyles. That is, considering that almost no Lao handicraft companies actively export to overseas markets, these companies should, rather than jumping into foreign markets, develop and sell tasteful gifts that are different from the products generally sold in the markets to foreign visitors to Lao PDR. Therefore, it may be necessary to insert a step in product development that incorporates foreign tastes while retaining Lao PDR's uniqueness. It was from an awareness of this problem that the "GIFT project" was started.

At JETRO, the main focus is that at the end of the support for this project, what has been learned through the guidance of an interior and lifestyle producer will be inherited, so that an environment is created in which, even in the absence of an interior and lifestyle producer's guidance, companies that are motivated can move forward through their own ingenuity and enthusiasm. This is because it was considered most important that the things learned through this project should be tied to the concept of "taking things on independently in order to develop ourselves."

Under the guidance of an interior and lifestyle producer (while avoiding as much as possible advice such as "You must do X" based on the subjective judgement of the interior and lifestyle producer), we communicated to Lao producers information about the global personal gift market, fashion trends, etc., and explained the perspective they should consider and points they ought to address. Thus, we gave them an opportunity to become aware and motivated, as well as enlightened them about turning to new markets through their own ingenuity and enthusiasm.

Features of the GIFT project are listed as follows:

(1) *Fostering awareness of ingenuity*

In this project, even after the end of the support from JETRO and guidance of an interior and lifestyle producer, as described above, emphasis was placed on engendering awareness for the development of new products that will persist into the future through the producers' own ingenuity and enthusiasm. To this end, we considered that it was necessary to have a mechanism to enable producers to establish specific product ideas and goals, as well as objectively reflect on the extent of their attainment. For this purpose, a public contest was hosted at the annual "Lao Handicraft Festival" held in the Vientiane capital of Lao PDR.

When speaking of "gifts," in Lao PDR, seasonal and festive gifts have a strong official character. Moreover, folkcraft goods are sold to tourists at places such as tourist sites; however, similar products are sold at many stores, and a lack of originality can be

seen in the products. Therefore, in the contest, we set a basic theme and clarified the items to be judged, thus giving producers a specific product image and goal.

*(2) Improved value for products as a whole*

The major characteristics of the GIFT project included improvement in not only in the quality or design of the product, as has been most heavily emphasized by typical support programs, but also the value of the product as a whole through the incorporation of elements required for “personal gifts,” such as packaging, wrapping, product tags, notes explaining stories of the products, compact sizing (ease of portability to tourists). In Lao PDR, there are fewer cases wherein handicraft products are put into packaging boxes before sale. In addition, there are some cases wherein the story behind the product is inadequately communicated to foreigners, such as the product information being written only in the Lao language.

*(3) Sales promotion and marketing*

In the final year of the GIFT project, support was also emphasized in terms of marketing and sales promotion. In Lao PDR, one can see products lined up casually and sold at retailers’ store fronts. There were many cases in which visitors to the store viewed “all similar products” and ultimately decided whether or not to purchase based on price. The reason why the concepts of packaging, product tags, etc., which are indispensable to clearly indicate “value” and “appearance” as a gift product, have not spread is that, in addition to the lack of development of such a personal gift market in Lao PDR, producers concentrate on the production of goods inherited over the years. In other words, it can be said that the idea of sales promotion and marketing, or “whom to sell to, and how,” has not been shared among the producers. We have provided support from the perspectives of “how to present” and “how to sell” products, which are necessary to communicate to foreigners their passion for these products.

Therefore, JETRO has rented a corner of the store space of a handicraft shop in the center of Vientiane Capital and set up an “antenna shop” (December 2017–March 2018) for select products that received prizes for excellence and special awards (Minister of Commerce and Industry Award and Japanese Ambassador to Lao PDR Award) over the past three years of the contest. As described above, the shop was limited to showcasing the products of contest winners, and sales was not its primary purpose.

This shop was the first attempt at a collaborative project between JETRO and the

Lao Handicraft Association (LHA) that involved interviewing visitors to the store and surveying what type impressions they had about the products showcased in the space. Then, the survey results and data were fed back to the industry. For this reason, although the shop’s operations were entrusted to the storeowner, dedicated staff were hired, and staff members of the LHA were also stationed at the store. Guidance on the themes of how to sell and display products was emphasized through the following methods: best practices in conducting interviews based on predetermined monitoring questionnaires, prevention of product mix-ups (by assigning product numbers), effective displays (not casual displays, but creation of an entire modern and cool space as well as ways to light products to present them more attractively), and publication of a catalog showing the locations of the producers’ showrooms and sales stores (to direct customers to each company’s retail stores and showrooms).

The survey results and data from the antenna shop were fed back to handicraft industry through the seminar given by the interior and lifestyle producer. Based on customer comments that “the price is high,” some companies were observed implementing methods to promote the sales of their products without discounting prices. For example, they shared that “the material used has been changed from silk to cotton while maintaining the same design” and “we have begun selling tableware normally sold as a single set for five persons as a set for two persons to target couples.”

It is highly probable that, for official gifts, Lao people and companies decide in advance which products to buy and where to purchase them, since their purpose is to convey a feeling of gratitude to the other party. Personal gifts, on the other hand, are characterized by tasteful presents and souvenirs, and so their price may be more affordable compared with that of official gifts. Foreign travelers visiting the antenna shop, in fact, preferred to buy products with the reasonable price.

However, among high-end brand companies that had received support and guidance by the interior and lifestyle producer, there was concern about the damage to their brand image as a result of producing low-priced products. In response to such concerns, at a seminar hosted in Vientiane in March 2018, JETRO presented examples from Japanese companies and introduced the strategic idea of “segmentation,” which involves opening up new customer layers while protecting the existing brand.

The GIFT project aimed to preserve and develop the foundations of Lao PDR’s traditional handicraft industry by pioneering a market concept that is new to Lao PDR—personal gifts. Handicrafts have been used for a long time, and even today, as household goods to fulfill daily necessities. Moreover, while cheap and highly convenient plastic

products flow into the market, the lifestyle of the Lao people has been changing over the years. Considering that the majority of main users of handicraft products today are locals, similar to the experiences observed in Japan’s traditional crafts industry, its user base is expected to decrease in the future in response to the changing lifestyles.

On the other hand, looking to overseas markets, groups that have a preference for Lao handicrafts are ones that love Lao culture very much or seek products with an ethnic flavor, and this is described as a niche market. The development of personal gifts for foreign residents in Lao PDR and foreigners visiting Lao PDR was considered significant in the GIFT project. However, to proceed with exports to overseas markets, and as highlighted by past years’ projects, development of products that integrate modern lifestyles is required. Currently, as Lao companies are limited in their capability to gather information and carry out marketing activities in foreign markets, how to obtain ideas and suggestions to develop products that integrate the modern lifestyle is a major challenge.

### **3. The SOZAI Project**

With an awareness of this issue, JETRO launched the new “SOZAI” project in 2018.<sup>7</sup> Japanese traditional crafts are highly regarded in overseas markets as products refined with delicate and unique crafting techniques. Conversely, some issues have been highlighted, such as it is difficult to enter into purchase contracts for Japanese traditional crafts as a real business, because Japan’s taste for traditional culture is too strong, and the prices are too high.

In recent years, there has been a trend, mainly in Western countries, of moving away from the consumption of mass-produced industrial products toward the use of natural materials and seeking of a natural and environment-friendly lifestyle. This idea involves coexistence with nature. As a part of this, instances of Western hotels, restaurants, luxury brand shops, etc., adopting interiors using natural materials are increasing. Moreover, there are examples of the use of materials refined using Japanese traditional craftsmanship techniques for construction and interiors, such as wall panels made of bamboo or cedar wood, interior panels sandwiching Japanese handmade paper and hand-dyed cloth with glass, and lacquered bar counters.

A business model that introduces the techniques, skills, and materials inherited from

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<sup>7</sup> “SOZAI” means raw materials in Japanese. In the SOZAI project, material refers to intermediate goods (panels) to be used for interior or architecture making use of traditional craft materials and techniques.

traditional craft companies to overseas architects, interior designers, and product planners as well as jointly develops materials that can be introduced into their projects could be positioned as a new business for small-scale traditional craft industries with limited customer development and marketing capability in overseas markets.

JETRO hosted its first SOZAI contest at the Lao Handicrafts Festival held in October 2018. Essentially, making use of techniques and materials from traditional craft products produced as daily necessities, a 30 cm square interior panel was created. Then, by combining four of these panels, each company expressed its “pride about the technique and material” on a 60 cm square panel. In the contest, a large number of panels based on textiles such as silk and cotton were exhibited. There were also some unique ideas such as blackened bamboo panels accented with silverwork, panels combining woods much like Japanese parquetry, and wooden panels made by coating finely cut eggshells with lacquer.

Because there is no “materials business” model in Lao PDR, for the first time, models that make use of traditional techniques and materials were misunderstood: “Is this simply the supply of raw materials?” Thus, there was great variation in the handicraft companies’ interest. However, some companies, though not all, that received an explanation of the business model from an interior and lifestyle producer could accept the opportunity of a fresh challenge, after the end of the GIFT project, and they prototyped panels for their respective ideas. These panels were displayed at the contest booth of the Lao Handicrafts Festival, and one could feel their uniqueness as they were handmade. Many exhibitors commented that “this was an opportunity to get a sense of new ideas and inspiration from competitors’ works.” In addition, general visitors and government officials also made supportive comments regarding the significance of the project’s concept and, surprisingly, stated that “the traditional craft products we see daily have been reborn as completely different new products.”

In this project, the products of 10 contest-winning companies were exhibited at the “SOZAI Exhibition” in the 5<sup>th</sup> Life × Design at the “87th Tokyo International Gift Show in Spring 2019” held in February 2019. Since many exhibiting Lao companies had no experience of exhibiting in overseas exhibitions, the pre-exhibition guidance given by the interior and lifestyle producer helped them compile the minimum requirements of business talks with buyers at the exhibition. These include the following: 1) preparing company and product information; 2) preparing to offer alternative proposals when negotiating with buyers (e.g., more options of the design, color, and materials used, and the capability of made-to-order manufacturing and its conditions [price, lead time,

minimum order volume, etc.]; 3) estimating the transportation costs when shipping goods from Laos to Japan; and 4) considering the means of payment.

Although the products exhibited by Lao companies were based on ethnic characteristics, many visitors commented that these were not greatly different from Japanese design tastes. In addition, there were many evaluations wherein they did not get a sense that the products were “mis-matched” among the products displayed at nearby booths of Japanese companies. On the other hand, visitors appreciated the careful handmade works by Lao producers and the sense that the products were comparatively cheaper. In addition, there were some offers that stated the following: “How about using it as an interior panel, by changing the panel frame lumber to something lightweight and inexpensive, and slightly increasing the sales price so it is higher than the cheap panels sold at home centers?” (panels covered with indigo-dyed textiles); “Can we introduce textile made from paper mulberry fibers as a material for shop curtains?”; and “Can we use silk textiles as the material for speaker nets or cloth for Hina Dolls and ornaments?” These product proposals are novel ideas that could not have been thought of by handicraft companies that have operated only in Laos. This result supports the validity of one of this project’s aims—development of new products incorporating the needs and ideas of third parties.

#### **4. Challenges and Suggestions for Lao Handicraft Companies Based on Experiences at the Exhibition**

There are many challenges for Lao companies when proceeding with collaboration with Japanese companies. However, these challenges are not necessarily unique to Laos but are issues shared by the Japanese traditional crafts industry, which, it should be noted, is further ahead in the overseas market development than Lao PDR.

##### **4.1 Quality control**

The challenge of creating a combination of four 30 cm square panels was a standard we introduced to judge whether producers had the ability to accurately size a buyer’s order and complete the product. Handicraft products, produced through many handmade processes, differ from industrial products that are mass-produced by machines. Therefore, although imperfections such as deformation and bending occur, the user is able to feel the uniqueness of the handmade product. However, when considering an interior or architectural material, if there is variation in the size of the panels, the interior may be



distorted when completed by lining them up together. Thus, accuracy of measurement is required. Regarding this point, many exhibitors were able to achieve the production in the standard size.

On the other hand, many people pointed out that further improvement in the completeness of the product was required. For example, the finishing in the recesses of the frame was inadequate. One product had a stain in the recess of the frame from an adhesive thought to be used when affixing the fabric to the wooden frame. Moreover, a concern was voiced by the interior and lifestyle producer that in panels using bamboo-woven sheets, the cross-sections, which were cut into 30 cm squares, remained as they were cut without proper finishing treatments, and that the stitching might break. Each panel used thick cardboard as a backing material; however, because the bamboo sheet was attached with adhesive, difficulties such as bending of the finished product's surface arose. Among the wooden panels, there were instances wherein control of the wood drying was questionable; for example, small cracks were appearing on the surface.

Although there were many requests for support to improve the designs of handicrafts companies, visitors to the Lao booth valued to the delicate textile production techniques quite highly, as might be expected. If the degree of completion of the product as a whole can be taken up a level by paying attention to the finishing of hidden parts, opportunities to take up new business may be presented. Thus, enhancing the processing and quality control techniques of materials is crucial.

#### **4.2 Business experience at a business-to-business (B2B) exhibition**

Exhibitions and events, such as the Lao Handicrafts Festival, are frequently held in Lao PDR. However, these exhibitions have the aim of promoting sales to consumers, and they are of the so-called business-to-consumer (B2C) type. Not limited to the handicraft industry, there are a few B2B exhibitions wherein producers and buyers hold direct negotiations. Here, it seems producers have limited opportunities to acquire experience in business discussions and negotiations.

As previously described, the exhibitors are required to prepare for engaging in B2B business talks. Thus, converting the business attitude from "waiting" for offers from buyers to the booth, to "attracting" buyers to the booths themselves, recording the exact points of negotiation with buyers, and assuring quick responses and follow up on negotiations with the buyers, among others, are essential. Exhibiting at overseas exhibitions is an effective way to present the appeal of one's company and products. However, as international business skills of Lao handicraft companies remain inadequate

at B2B exhibitions, even if extremely high-quality materials and products are manufactured, it is difficult to acquire new business opportunities. Therefore, it is considered important to provide training sessions through a Lao consulting company.

#### **4.3 Establishing a platform to facilitate overseas sales of Lao products**

It is true that there are only a limited number of handicraft companies exhibiting at B2B exhibitions that can manage all processes themselves, such as negotiating with buyers, making arrangements for product shipping, and receiving payments. Considering that many businesses in the Lao handicrafts industry face difficulties with business negotiations in foreign languages, it becomes necessary to introduce specialist companies such as merchandising and trade firms to acquire business in overseas markets. Various forms of business, including discussions and negotiations of transaction conditions with buyers, are conducted directly in house, while commercial arrangements, such as settlement of payments, logistics, and, in some cases, the entire business including sales promotion and negotiations are entrusted to intermediaries. In this regard, it may be effective to establish a sort of “platform” (with export companies and agencies) to foster overseas business of the Lao handicraft industry. This is similar to the idea of establishing an “antenna shop” in Vientiane Capital to carry out the functions of disseminating product information, mediating sales, and feeding back sales information in the GIFT project (2015–2017).

It would be supportive to the industry if “export companies” specializing in handicrafts were established. However, due to the limited volumes of export of handicraft products, the creation of an export platform (export company or agency) to broadly handle major Lao products, such as agriculture produces and processed foods, under the initiatives to increase in export from Lao PDR would be desirable.

#### **4.4 Sharing experiences within the industry**

Exhibitors are required to share their experience of participating in the SOZAI Exhibition in Japan as an “asset” to be widely shared within the industry.

### **5. Conclusion**

Since 2001, JETRO has cooperated with the LHA to support the industry, ensure market development, and engage in business collaboration with Japanese companies. It first started with branding, creation of quality standards, quality inspection, and human

resource development for textile products to target the Japanese market. After that, it has also supported product development with the aim of improving design and quality in the handicraft industry, other than for textile products, and business matching with Japanese firms is a pillar of the support program.

However, as described above, in the “GIFT project,” which has been conducted over three years since 2015, the aim of that support has switched to acquiring “new markets.” These markets differ from traditional target markets by aligning with personal gifts for foreign tourists visiting Lao PDR that are based on techniques Lao handicraft industry has inherited over many years. The project began by instilling an awareness in producers about the business possibilities and targets of the “new markets,” while continuing to utilize the traditional materials and technologies already in use. The concept of the support is not creating product prototypes exactly as stated by the interior and lifestyle producer but rather to emphasize the point of view that strongly encourages one’s own ingenuity based on market information and issues identified by the interior and lifestyle producer. The prototype products based on the companies’ ideas were judged by third parties in a public contest, and the interior and lifestyle producer gave feedback through seminars based on the results. Then, based on that feedback, companies produced the next, improved products themselves. By adopting this plan–do–check–act (PDCA) cycle in response to the topic of “challenge of taking on new markets,” as well as referring to the advice and guidance of the interior and lifestyle producer, an awareness is instilled that, ultimately, the enthusiasm and ingenuity of the business owners are the driving force of product development.

These processes have made business owners in the Lao handicrafts industry aware of the thus far unknown markets and business opportunities. It has also provided them opportunities to consider new business models. In fact, companies that participated in the project changed their attitudes from “since I have no experience, what should I do?” to “I tried to make this product, but I’d like to ask your impression,” which is an attitude of seeking the interior and lifestyle producer’s advice themselves. In the 2017 contest, this was a big problem at the beginning of the project, but the elements necessary to increase the products’ value as a gift—that is, the packaging, wrapping, product tags, note explaining the product’s story, etc.—became quite clear.

One other important point is related to sales promotion and marketing. This support emphasized the method of selling products not through “selling because it is a good product,” but instead based on “how can this be sold,” which refers to ways to present the products in order to sell them. The establishment of an antenna shop was indeed as a

location for sales. However, it functioned as a showcase of contest winning products as the "GIFT project" brand to obtain direct information from real customers about their product tastes, quality, price, points of improvement, etc. In addition, by adopting methods for displaying products that show their value effectively, conducting monitoring surveys, and feeding those results back to the industry, mainly by LHA staffs based on the guidance by an interior and lifestyle producer, the shop brought methods for sales and marketing to the industry. Even after the end of the support by JETRO, the LHA has continued to operate the antenna shop independently.

Similar to the GIFT project, the "SOZAI" project, which was implemented as a new project, inherited the style of taking on the challenge of "new markets" using a PDCA cycle based on producers' ingenuity. It differs from the GIFT project in that the business target was switched from foreign tourists visiting Lao PDR to the Japanese traditional crafts and the construction and interiors industries. Moreover, the business model was switched from in-house product design by the producers to collaborative product development incorporating ideas from business partners. Doing this presented an advantage that producers were able to use the existing materials and techniques used in conventional business as they are. On the other hand, they also required the skills and capabilities to quickly, accurately, and attractively propose the value of their companies' materials and skills to address the ideas and offers of potential overseas business partners. Participation in the exhibition in Japan was a way to put this into practice.

As previously described, Lao handicraft companies have less experience of exhibiting at international B2B exhibitions. It is revealed that the business skills at such exhibitions were not always adequate. Buyers' appreciation of Lao traditional materials and techniques in Japan could be confirmed to some extent. Therefore, while continuously improving upon the quality and design characteristics of the products themselves, it is crucial to enhance international business skills such as creating proposals that make it possible for buyers to contemplate establishing a business, preparing business models and trade conditions, and improving business skills in negotiating with foreign buyers. At the same time, it can be said that the creation of a platform for overseas business development (with export companies and agencies) should be considered for the Lao handicraft industry.

## **BOX: JICA's Cooperation in the Field of One District One Product (ODOP) in Lao PDR**

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The 'One Village One Product' (hereinafter referred to as 'OVOP') movement was initiated in Oita Prefecture, Japan in the late 1970s. Dr. Morihiko HIRAMATSU, Governor of Oita prefecture at the time, advocated the concept, that aimed to vitalize the prefectures' rural economy by encouraging village (s) in Oita to develop special product (s) distinctive to the region.

Japan International Cooperation Agency (hereinafter referred to as 'JICA') proposed to promote the OVOP movement in Lao PDR in the Macroeconomic Policy Support (MAPS) project jointly implemented with the Lao Government in the early 2000s. In response to that proposal, JICA implemented 'One District One Product pilot project in Savannakhet and Saravanh provinces' (hereinafter referred to as 'the ODOP I') as a technical cooperation project by subcontracting the project to IC Net Limited, a development consulting company for almost three years from December 2008.

In the OVOP in Lao PDR, District ('Muang' in Lao) was applied to the Unit under the concept since population of Village ('Barn' in Lao) is too small in Lao PDR, although Village is the unit under the OVOP in Japan.

Promising new products developed through pilot projects in the ODOP I were rice powder, natural honey, beeswax, beef jerky, black rice, ancient salt, and aloe juice, etc. in Savannakhet province, and rattan products, bee keeping for honey, cotton textiles with newly developed banana fiber, wooden ballpoint pens, banana brandy, etc. in Saravanh province.

After accomplishment of the ODOP I, as 'the ODOP II', NGO QUATRO implemented 'ODOP Regional Promotion Project in South part of Lao PDR' under JICA Partnership Program. Its target provinces were five provinces including Champasak, Attapeu, Sekong, Savannakhet, Saravanh provinces in the south of Lao PDR. Counterpart organization of the ODOP I and ODOP II was Economic Research Institute for Trade (ERIT) under Ministry of Industry and Commerce in Lao PDR.

In the ODOP I and ODOP II, each project team aligned with a Japanese university (Tama Art University) in the field of product development of handicraft items and natural dying.

During the ODOP II, the Lao government launched the certification of ODOP

products, and ODOP movement has expanded to all over Lao PDR. As of March 2019, JICA dispatches 5 (five) Japanese Overseas Cooperation Volunteers (hereinafter referred to as 'JOCV' (type of occupation: community development) to the Department of Industry and Commerce (hereinafter referred to as 'DOIC') of each province, and they support DOIC in terms of product development, quality improvement, and marketing etc. in ODOP activities. By the middle of 2020, JICA is designing to dispatch the JOCVs to more than half of Provinces in Lao PDR, and committed to extend the further support for the expansion of ODOP activities in Laos in an alliance with the relevant organizations including Japan External Trade Organization (JETRO). In particular, JICA will provide indirect support to ODOP producers in not only marketing for domestic clientele and tourists in Lao PDR, but also business development for foreign market in Japan and neighboring countries.

Furthermore, in addition to the abovementioned support, JICA has provided substantial assistance for Lao traditional technique (s) and product development utilizing natural resource (s) in Lao PDR. JICA assisted the establishment of Houey Hong Vocational Training Center for Women, built in 1998 for the purpose of increasing self-reliance in support of Lao women. Its center has provided 820 (eight hundred twenty) women in total with vocational training, and contributed to the heritage of traditional textile technique(s) in Lao PDR (JICA has dispatched new JOCV to the center since 2019). JICA also cooperates on product development, utilizing local distinctive attributes and natural resources, including Lao-Lao whisky in Attapeu province and bamboo for fans (*Uchiwa* in Japanese language) in Vientiane province.