

ECCIL NEWSLETTER

Quarter 2 . June 2020



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Message From President of ECCIL

Arnaud CAULIER
President of ECCIL



Dear Members,

After the initial response to the crisis, it is now time for us to build the next normal together for our Business Community in Laos.

As announced during our General Assembly, our team is now ready to launch and coordinate the sectorial advocacy working groups. Three of them will be launched in July: Construction, Logistics and Hospitality. The objective of these groups is to propose specific and concrete measures to the Lao Government to help our businesses to grow and to attract new investors in Laos. Our proposals will be sent to relevant government ministries and to the Lao Business Forum Organizers with a proper follow up of our team and a report to the advocacy group members. These groups will be successful only if we are collectively participating to the meetings and sharing our ideas to improve the business environment and thus help to improve the ranking of Laos in the Ease of Doing Business Index.

Another work stream of our team is to continue to build its offer of services to the members, both to answer our needs in terms of training, HR or networking and to generate revenues so that the chamber can be sustainable. As the government lifts the measures of prevention against COVID-19, our team will start again to organise thematic breakfast meetings and networking. The Executive Committee also insisted on the necessity to increase the links between Eurocham Laos and the regional European Chambers of Commerce. In fact, it is clear that a large majority of the European companies considering investment in Laos are highly likely to already be present in our neighbouring countries.

Keep in mind that the Chamber’s main objective is to serve the interests of our businesses and to help Laos to improve its business environment. The chamber’s team needs your ideas and proposal to discuss with the government and push our ideas and proposals. Feel free to share, preferably through the advocacy groups, but also by any other means!

Best regards,
Arnaud

ECCIL News

10 06 General Assembly 2020

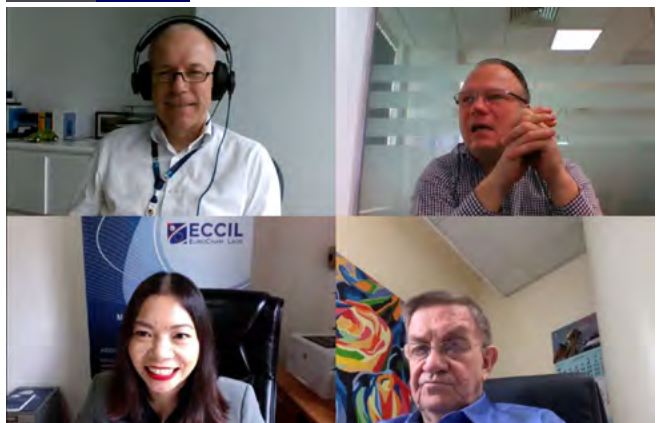


ECCIL has successfully held its Annual General Assembly on last Wednesday 10th of June, with participation of many members. President of ECCIL has opened the General Assembly, followed by the presentation of 2019 Activities and Financial reports as well as the Strategy for 2020 and beyond. The Networking reception that followed was the perfect opportunity to reconnect with members after the lockdown period.



11 06 Webinar: ASEAN's fight against COVID-19: A European Perspective

An excellent collaborative effort between the various Chambers of the region, moderated by EU-ASEAN Business Council. More than 350 engage and interact with Executive Directors from the EuroChams in ASEAN, getting the latest updates on developments of the chambers' respective markets and gaining valuable insight on how to navigate future trends in a post COVID-19 world.

17 06 Webinar: German Myanmar Business Chamber Weekly Virtual Roundtable

Our Executive Director was invited as a speaker at the German-Myanmar Business Chamber Weekly Roundtable. The occasion to share the latest development of the COVID-19 situation in Lao PDR and its impacts on the Lao economy from a European Business perspective.

17-18 06 Webinar: Business Opportunities in Cambodia, Laos, Myanmar

Our Director of International Cooperation had presented Business opportunities in Lao PDR to two local German Chambers, the Nuremberg and the Hamburg Chambers of Commerce, via webinars, respectively held on 17th and 18th of June 2020.

The latest session was attended by more than 50 participants.

18 06 Webinar: Intellectual Property in Laos - Focus on Trademarks and Trademarks Enforcement

ECCIL EuroCham Laos and the SEA IPR SME Helpdesk hosted a webinar on the IPR. The session covered the overview of the intellectual property framework in Laos, concept of a trademark, thier registration and thier enforcement rights.

Particularly relevant for SMEs, the record and the presentation slides of the webinar are available on our website. Click to download: <https://bit.ly/3gkY11C>

Member Story - Interview of Marc Olivier RENAULT, Managing Director of SBL**Could you please introduce your company?**

SBL has three activities. The main activity is chemicals for construction which is under a department called Sika in Laos. Sika is a swiss brand for which SBL is distributor: we do represent, distribute and provide technical support in Laos. Sika covers the full technology range for construction chemicals (from concrete admixture to waterproofing solutions and much more).

The second department is Electrical. The core activity of this department is Panel Builder. These Electrical (and control) Panels are generally used in hotels, apartments, buildings and factories. Under the patronage of Schneider, the assembly as well as aftersales services are completely done in Laos. SBL is a Schneider certified panel builder for Lao PDR.

Apart from electrical panels, another activity is distributing Bticino (a brand of Legrand group) wiring devices such as switches, sockets, etc. We continue this historical but now minor activity to supply professionals & projects.

Becoming an official distributor of Kohler last year is another new activity of ours. Under this reputable brand, we offer quality power generators to professionals such as hotels, hospitals, office buildings, mining, factory, etc.

Besides Kohler, we are also the distributor of a group called Legrand, with who we mainly focus on AVR (Automatic Voltage Regulator) and UPS (Uninterruptible Power Supply). We only propose the professional range, not the smaller equipment. The main function of the AVR is to maintain stable voltage when the UPS is to provide battery backup when the electrical power fails or drops to an unacceptable voltage level. Therefore, these products are important for equipment vulnerable to power ups & downs, and of course for power shutdown.

Chemicals for construction and Electrical are the two main departments. In addition, SBL has recently been selected to become swimming pool equipment distributor for the Spanish-listed company named Fluindra Group. There are several brands under this group such as Zodiac, Viron and Astrapool, the one we mostly communicate on. The swimming pool equipment, for example, pump, water filter and water sanitation are required to ensure that the quality of water is safe. Moreover, we do propose specific swimming pool glass mosaic tiles to offer customers cost effective and high-quality decoration. Currently, we propose all brands under the Fluidra Group in Lao PDR targeting professionals only; nonetheless, we will consider distributing them to individual or smaller organisations in the near future.

What are the biggest strengths of your company?

Our first biggest strength is the local presence as most of the brands we are working with were not present in Lao PDR when we started. It is very important to educate people to new technology, especially in construction. As we all know, there are a lot of new technology products developed all over the world which takes time to build the brand awareness, teach people how to use the products properly and show the interests of using them in term of profitability.

We also provide a lot of technical support for electrical activity, trying to provide the right solutions to our clients. The solutions can probably be products or advices. We strive to develop relationships with contractors & assist them in improvement as much as possible. Additionally, we do believe in educating people to understand about quality products and safety which is the most important.

For the Chemicals for Construction, we have a professional team of engineers who will do all the testing and work on the “recipies” for project & batching plants as well as guiding the contractor to the right solutions, right products, and cost-effective with high quality.

Finally, for swimming pool activity, we understand how important it is for the swimming pool owners to have clean water as well as safety so that we offer solutions from basic system to the most sophisticated ones (automated system for water sanitation), depending on client requirements.

What are the biggest challenges to operate a business in this sector?

SBL is a small business and as a managing director, I have to be very flexible to monitor every task in the company including Finance, Marketing, Sales, etc. Additionally, something in Lao PDR can take a lot of your time and energy, while others can be very fast.

Other challenges can be the activities related to logistics which is a big issue in a land locked country willing to become land linked. Fortunately, things have been developing every year and we have learnt a lot from 13 years experiences.

What would be the opportunities in doing business in Laos

Competition so that it leaves the opportunities for smaller structures as SBL.

The Lao market certainly changes year by year slowly but evolved. The Lao-China railway which is almost completed will definitely bring some changes for sure, but I think changes in Laos will be happening constantly. And doing business in Laos is exciting and interesting because nobody knows how the business will be tomorrow or in 5 years.

What are the goals of the company?

Our goal is to develop local talents, with the idea of progressively handing over responsibilities from foreign managers to Lao.

Do you have plans to extend business in other provinces?

The main tasks are mostly completed at our workshop where the electrical panels are assembled and the chemical products are stored.

Currently, we have no plan to extend our presence in other provinces since we can serve contractors and projects across Laos by arranging logistics our self.

For swimming pool equipment, we are looking to develop a network of distributors or partners in other provinces who can directly distribute our products. We would also support them with technical support and training.

Why did you join ECCIL?

SBL joined the Chamber at its very beginning, as a European businessman, I felt it was important to support European initiatives.

SBL does believe in the importance of a strong local network, but it is also important to participate in a group sharing culture and common values.



Members News & Success stories

Uniqtek signed MOU with Lao-China Securities



Uniqtek, our Silver sponsor, signed a memorandum of understanding (MOU) with Lao-China Securities Company for technical consultancy cooperation and other important procedures before releasing IPOs.

The signing ceremony was held on 26th of June 2020 and witnessed by officials from both companies.

Civitas delivered cookstoves in rural Laos



8,000 cookstoves were delivered to rural households who still cook their meals on an iron tripod or a 3-stones fireplace. These cookstoves support health outcomes as they reduce smoke in the household and reduce women's workloads as they reach boiling temperature faster, and require less fuel.

Phongsavanh donated cash for COVID-19 prevention



Phongsavanh Insurance (APA), our Silver sponsor, contributed and donated cash to the Phongsavanh Foundation to be used to prevent any future spread of COVID-19.

Job Board

Our partner is looking for a successful candidate for following position:



Request for expression of interest for Lao Quality Champion Programme

For more information : <https://bit.ly/3ieIOEa>

Free job posting !

(Exclusive for ECCIL members)

Join us today!



**Refer a member,
Get 10% discount on both
memberships!**

Membership Programme

Diamond International School



Our member, Diamond International School offers ECCIL EuroCham Laos members

- A 10% discount on the promotion price of the tuition fees 2020
- Exemption on registration fees

Contact details:

Email: info@dislaos.com

Tel: +856 20 55 288 668, +856 30 56 589 85

VF Learning Center



VF Learning Center offers ECCIL EuroCham Laos members a 5-10% discount on all of its products and learning courses fees.

Contact details:

Email: admin@vfllearningcenter.com

Tel: +856 20 55 654 365

Visit our website to find other offers from our partners: <https://bit.ly/2YLxIPx>

Plan your getaways in Laos with ECCIL members



La Folie Lodge

Room rate starts at **60 USD** per night inclusive of breakfast and boat transfer.

Validity: 1st of July - 1st of October 2020



Maison Dalabua

2 nights in a Classic Room with free roundtrip airport transfer and breakfast included, starting from **888,000 LAK.**

Validity: 1st of July - 30th of September 2020



Mekong Riverview Hotel

EXCLUSIVE FOR ECCIL MEMBERS !

20% off on all room types !

Validity: 1st of July - 31st of December 2020



Pullman

Wellness Retreats Package **160 USD/person** and **200 USD/couple**. Package includes:

- Daily breakfast and round trip transfer
- 3-course dinner including organic beverage
- Complimentary yoga sessions with wellness

Validity: 1st to 31st of July 2020



Sanctuary Hotel and Resort (Luang Prabang & Num Ngum Beach)

- Free upgrade upon availability at check in
- Free breakfast and 20 % off on food menu
- Free airport transfers for minimum 3 nights
- Special room rate: 350,000 LAK/night

Validity: 1st to 31st of July 2020

Regulations & Advocacy

Electronic signature

Under the Decision No.1101/MPT, dated on 29 May 2020, issued by the Ministry of Post and Telecommunications, "Laos will issue electronic signature "e-signatures" to verify and manage the online identity of individuals, entities and organisations. The decision to issue e-signatures is aimed at improving the ease of doing business using methods that are standardised, modern, secure and quick". (*Vientiane Times*, 2020)

Get Involved!

Join our advocacy working groups

Hospitality, Luang Prabang

14th of July 2020

Construction

22nd of July 2020

Logistics

23rd of July 2020

ECCIL Eurocham Laos is currently in the process of setting up Advocacy Working Groups with its members. We look forward to welcoming interested companies that want to make a change in business, policy and standardisation in Lao PDR to join our Advocacy Working Groups.

Visit our website for Advocacy Working Groups guidelines: <https://bit.ly/31TpTJh>

Intellectual Property in Laos - Factsheet

INTELLECTUAL PROPERTY FRAMEWORK

What are the Law and regulations in place? Law on Intellectual Property No.25/NA, dated on 15 November 2017 (amended on previous Law of 2011), in force since June 2018.

Which Authority is in charge? The Department of Intellectual Property (DIP), under the Ministry of Science and Technology (MOST)

What is Intellectual Property? "Intellectual Property is the work of the human mind through inventions and creations." – Law on Intellectual Property

Intellectual property protected in Laos

- Trademarks and Trade names
- Geographical indications
- Patents and Petty patents
- Industrial designs
- Copyrights and related rights
- Layout designs of Integrated circuits
- Plant varieties
- Trade secrets

Geographical indications in Lao PDR

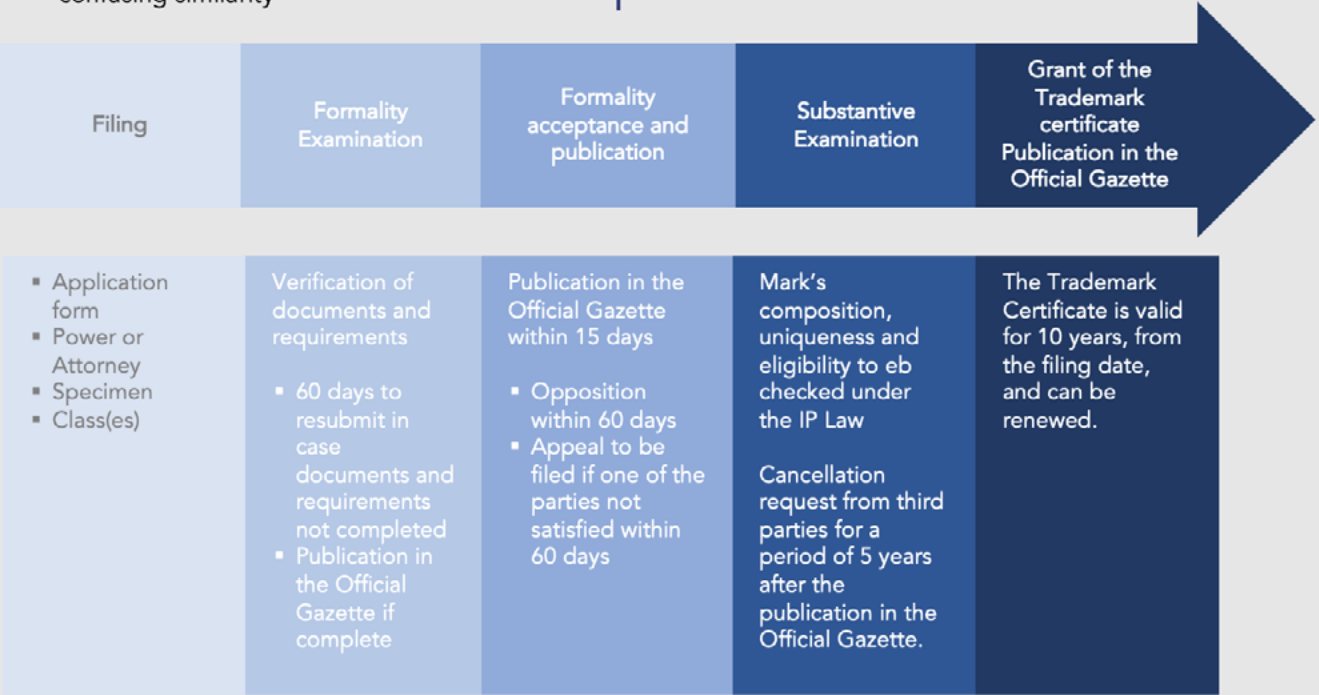
- Khao Kai Noi (little chicken sticky rice)
- Pending:
 - Bolaven coffee
 - Paksong tea
 - Silk from Huaphan
 - Silk from Luang Prabang

CONCEPT OF A TRADEMARK

What is a Trademark? According to the Law on Intellectual Property: "A trademark, refers to a mark, any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings." – Law on Intellectual Property, Article 16

Why register?

- Obtain a certificate of ownership
- Right to prevent others from using the mark
- Right to prevent others from using a mark of confusing similarity
- More effective IP enforcement measures possible
- Enhance the value of the trademark
- Trademark can be used as collateral or be licensed



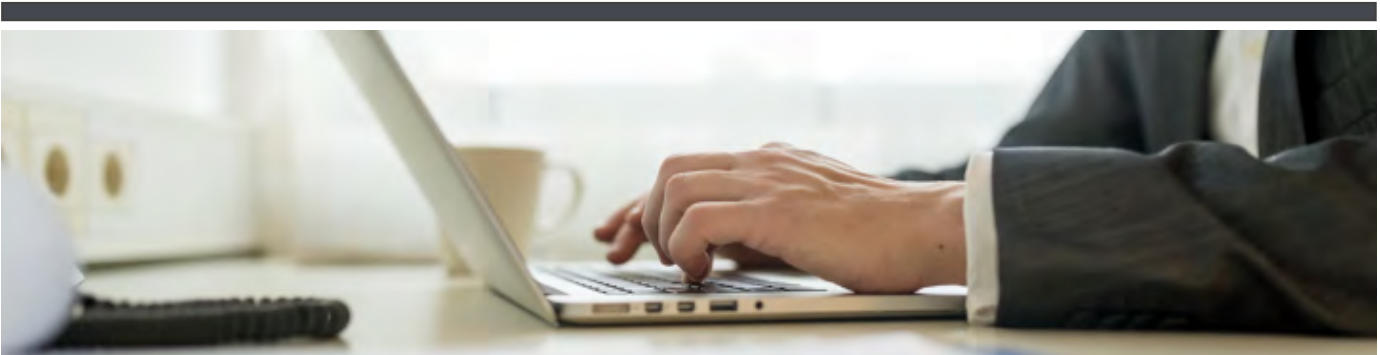
TRADEMARK ENFORCEMENT RIGHTS & CASE STUDIES

What are the Trademark owner rights?

- To prevent all third parties from using [...] identical or similar signs for goods or services identical/similar of the Trademark is registered.
- To prevent the sale or advertising of goods bearing the Mark of the use of the Mark in connection with services, or the importation or export of goods bearing such a Mark.

Cease-and-desist letter	To inform a party of its infringement activities and to stop illegal activity
Civil action	Permanent injunction
Criminal action	Payment of fines and destruction of infringing goods
Border control	To stop infringement before reaching the marketplace and destruction of infringing goods
Administrative remedy	To start mediation process under the supervision of the relevant authorities
Raid action	Seizure of counterfeit goods or destruction of infringing goods

Disclaimer: this factsheet is intended only for general information purpose and cannot be considered as a legal advice.



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Press Corner

ADB revised the GDP of the region

ADB revised the GDP of the region in a regular supplement to its annual flagship economic publication, the Asian Development Outlook (ADO) 2020, released in April: the economic activity in Southeast Asia is expected to contract by 2.7% this year before growing by 5.2% in 2021; For the Lao PDR, a contraction of 0.5% is forecast for 2020, while a growth is expected for 2021 at 4.5%. (ADB, 2020)

Garment exports expected to decline due to COVID-19 crisis

Laos’ garment exports are projected to decline this year because of the impact of the COVID-19 pandemic, which led to many garment factories suspending their operation. The spread of COVID-19 pandemic in many countries around the world has severely impacted the garment sector because the import and export of raw materials was affected. At the same time, a large number of workers were ordered to suspend their work and returned to their hometowns in order to prevent the spread of COVID-19 in line with the government’s directives. These resulted in many factories being unable to manufacture their products at full capacity. (Vientiane Times, June 2020)

Real estate market expected to drop sharply this year

The real estate market in Laos is expected to decline by 15% to 20% this year because of the impact of the COVID-19 pandemic and a continuing economic slowdown. The economic slowdown and the spread of COVID-19 resulted in many people hardly earning any money or sustaining losses in their business operations. (Vientiane Times, June 2020)

Lao’s revenues from coffee rise despite reduction in plantations

The value of coffee exported by Laos increased in the first five months of 2020, as the price of local coffee beans was better this year, although the number of plantations has decreased, according to the Lao Coffee Association. Laos exported almost 20,000 tone of coffee, worth at around 37 million USD. Belgium and Switzerland are ones of the markets for coffee exports. (Vientiane Times, June 2020)

Impact of COVID-19 on Tourism Enterprises in Lao PDR: An Initial Assessment



ADB conducted surveys of tourism enterprises in four of the Lao PDR’s major tourism destinations in August 2019 and May 2020. Results of survey indicate that in May 2020 the negative impact was larger among enterprises that target international guests than among those that primarily serve domestic guests. Please click to read the full assessment: <https://bit.ly/3e2saVg>

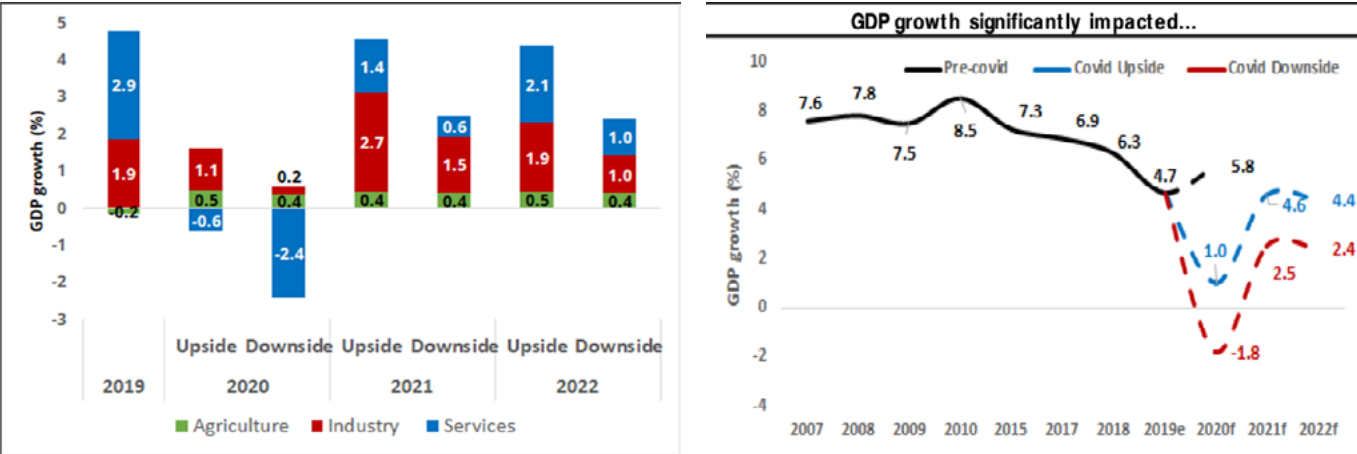
ECCIL at Work

Informal trade private sector working group

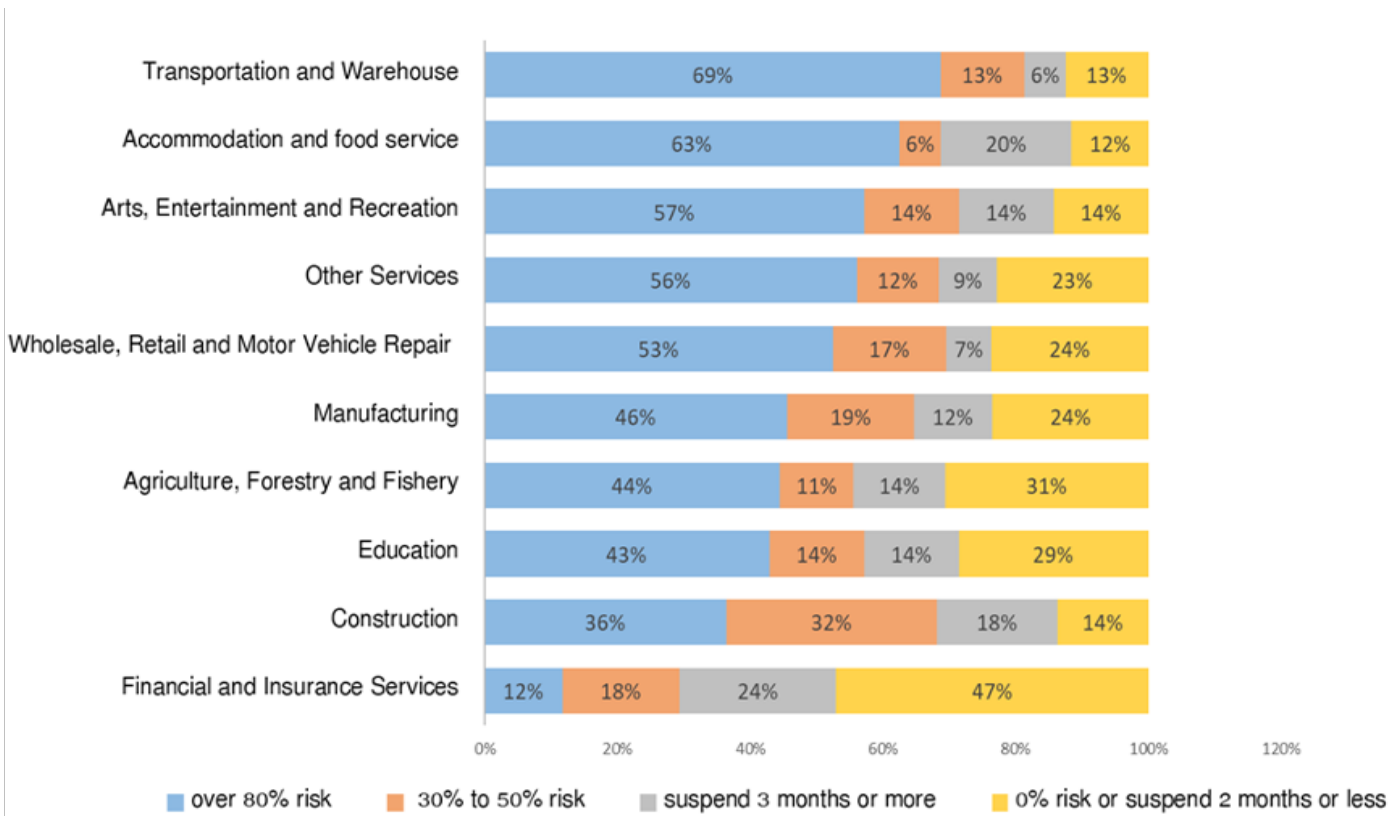
Our Executive Director has participated in an informal Trade Private Sector Working Group e-meeting, organised by the European Union Delegation and the Australian Embassy. The virtual meeting, chaired by Mr Bryan FORNARI, Head of Cooperation at the European Union Delegation, revolved around the COVID-19 outbreak in Lao PDR. Speakers from the Development and Private sectors and from the Government shared their insights on the lessons learnt and the experience gained from the COVID-19 outbreak, discussing also proposals and work to be done in 2020 and beyond.

Please find below for the key points and visit our website for the whole summary: <https://bit.ly/31SVZ80>

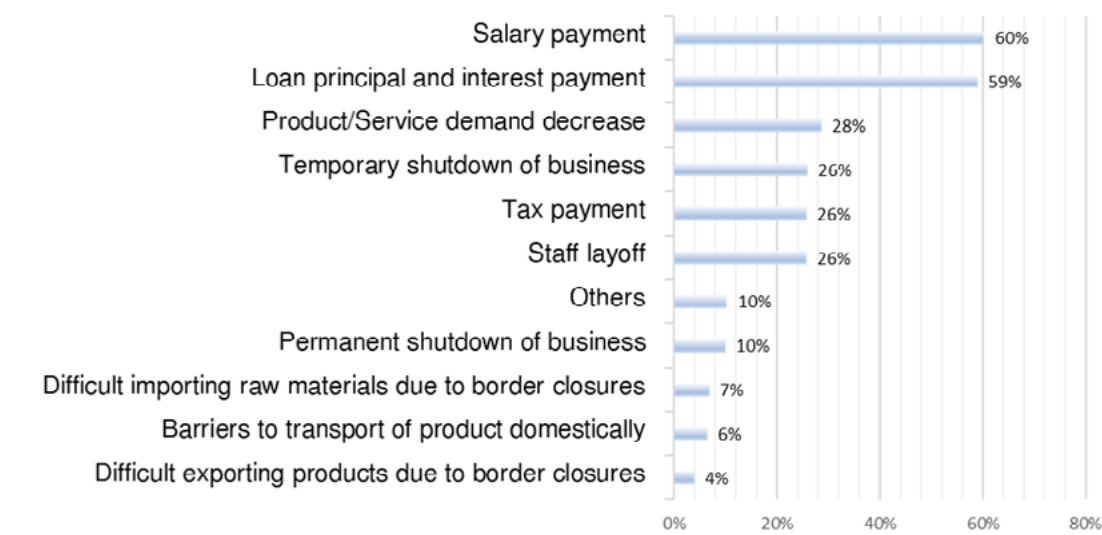
GDP growth per sector: alternative scenarios



Risk to crease activities



Challenges in doing business



Medium and Long-term recovery policies

Good macroeconomic management and stability <ul style="list-style-type: none">Improving revenue collection and efficiency of public spending, aiming to reduce budget deficitManaging and address public debts and state-owned enterprise reformImproving current account balance	Support structural economic transformation <ul style="list-style-type: none">Improving productivity of agriculture productionReform in tourism sectorSME reform linking potential of regional production network and SEZLand-locked to land-linked strategy (logistics services)
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Visits of members

In June, ECCIL EuroCham Laos team visited some members to hear their assessment on the recent pandemic outbreak and to reiterate its engagement to advocate for their interests. We would like to express our appreciation to the members for taking time discussing with us.

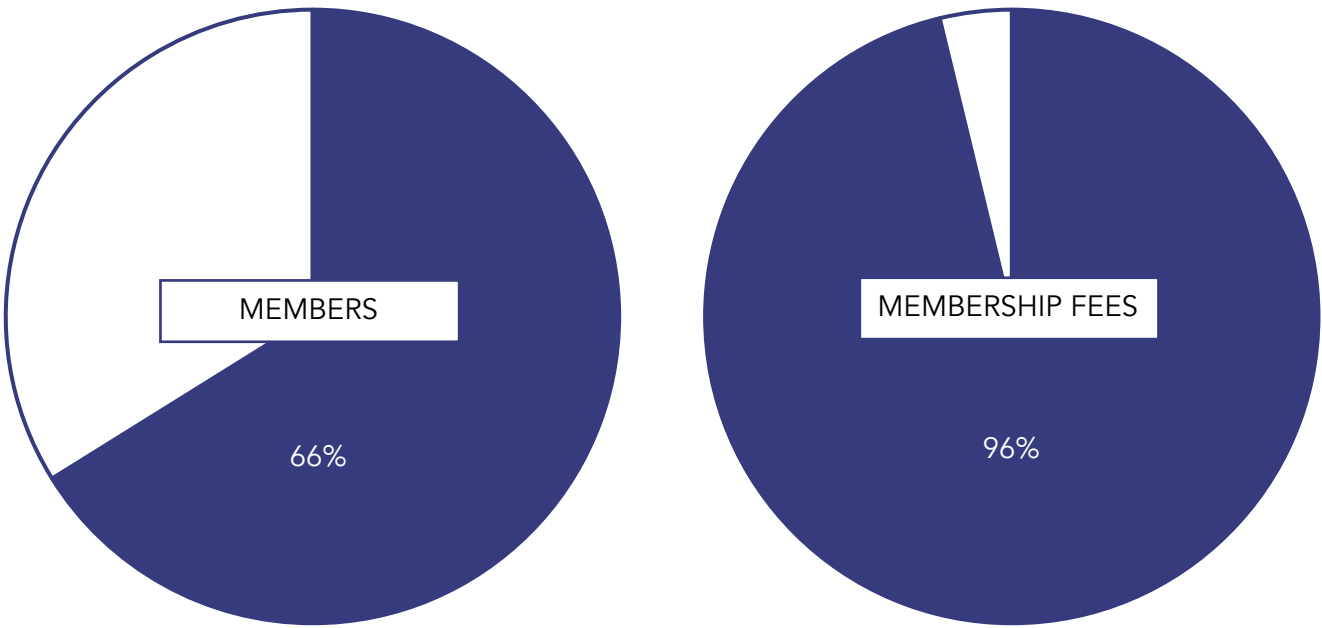
Below from left to right: Savan Logistics, Uniqtek, J&C Group, Asiastar, GAIA VITA, Ernst & Young.



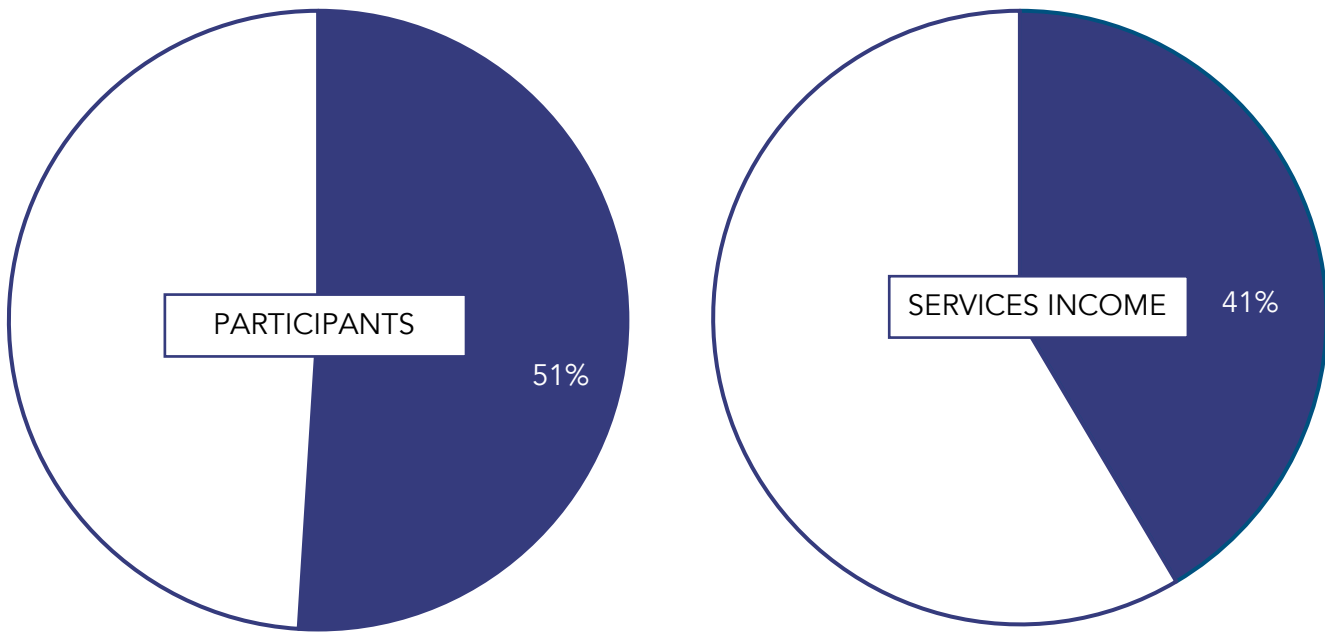
Key Indicators and Achievements

Under the ICI+ SEBSEAM project, ECCIL EuroCham Laos undertakes a list of activities towards business and investment improvement. These activities have resulted in the below achievements that we are proud to share on a monthly basis.

Membership



Services and Events



EuroCham Network News

Vietnam-EU Trade: EVFTA Ratified by Vietnam's National Assembly



On the 8th of June 2020, Vietnam's National Assembly ratified the EVFTA (European-Vietnam Free Trade Agreement), eliminating almost 99% of Customs duties between the EU and Vietnam. The FTA is expected to help increase Vietnam's GDP by 4.6% and its exports to the EU by 42.7% by 2025.

Click on the link to find out more on this: <https://bit.ly/3iesOSB>

EUMCCI becomes EUROCHAM Malaysia



The EU-Malaysia Chamber of Commerce & Industry (EUMCCI), launched the chamber's rebranding from EUMCCI to EUROCHAM Malaysia. The launch was witnessed by H.E. Maria Castillo Fernandez, Ambassador of the European Union to Malaysia. The comprehensive rebranding exercise is a premeditated and positive direction to leverage on the era of digitalisation, which unveils a new identity, new logo, new positioning and new website.

EU-ASEAN Business Council's Business Sentiment Survey



EU-ASEAN Business Sentiment Survey is an annual flagship publication that serves as a barometer for current European business sentiment in the ASEAN region. The survey focuses on key issues such as customs & trade regulations, regional and global developments, COVID-19 responses, and other challenges to European Businesses in ASEAN, amidst an increasingly challenging global trade environment, compounded by the pandemic.

Please share your outlook by clicking on the link to answer the survey: <https://bit.ly/31sClj0>

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We are the world accessible



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Free Trade Zone Facility

- Easy re-exporting procedure.
- Deferral, reduction or elimination of certain duties.
- Improved compliance, inventory tracking and quality control.
- Unlimited storage time.

On Site Customs House

- One stop customs clearance for import and export.
- ASYCUDA (automated system for customs data).
- Tax payment by smart-tax system.
- SEZA authority (savan-seno special economic zone authority).
- Lao agriculture quarantine & inspection service; food & drug inspection service.

Risk Management System

- Vehicle Tracking and Driver Monitoring.
- 24 hours / 7 days CCTV Surveillance & Recording .
- Electronic Lock System .

Logistics

- Road Freight
 - FCL cargo – door-to-door basis
 - LCL cargo – regional Intranshipment hub
- Ocean Freight

Manage your freight from door-to-door, port-to-port and everything in between.

Air Freight

Plays a vital role in the success of your business and strive to provide you with reliable and cost-efficient.

Fumigation Service

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- Scale Weight up to 80 ton.
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- Reefer station Service.
- Electronic Seal.
- Trucks.