

Table of Contents

1	Risk and Security – A Logistics Service Industry Perspective <i>Christoph Bode and Stephan M. Wagner</i>	1
2	Risk Management in Supply Chains under Uncertainty <i>Robert de Souza, Mark Goh, and Fanwen Meng</i>	31
3	Risk and Security Management for Logistics Service Providers: Trends, Challenges, and Opportunities <i>Eleftherios Iakovou, Dimitrios Vlachos, and Anastasios Xanthopoulos</i>	59
4	Understanding Context Risk in Southeast Asia: A Logistics Industry Perspective <i>Ruth Banomyong</i>	83
5	Global Supply Chain Security for Logistics Service Providers <i>Zachary Williams, Robert Lorin Cook, and O. Keith Helferich</i>	105
6	Security, Risk Management, and Crime Prevention in Supply Chains <i>Daniel Ekwall</i>	131
7	Business Risk in Container Shipping <i>Tsz Leung Yip and Y. H. Venus Lun</i>	153
8	Applying Risk Assessment to Secure the Containerized Supply Chain <i>Maarten van de Voort, Henry H. Willis, David S. Ortiz, and Susan E. Martonosi</i>	175
9	Technology-Enabled Risk Management along the Transport Logistics Chain <i>Alexander C. H. Skorna, Christoph Bode, and Stephan M. Wagner</i>	197

Chapter 4

Understanding Context Risk in Southeast Asia: A Logistics Industry Perspective

Ruth Banomyong

Abstract

The purpose of this chapter is to describe the ASEAN regional logistics context and the accompanying issues through an illustrative example of the institutional framework for transit trade between two ASEAN member countries: Lao PDR and Thailand.

LSPs operating in the region face numerous physical and non-physical barriers. The physical barriers are slowly being taken care of and by 2015, the infrastructure connectivity in the region is expected to be a reality. The most challenging issue for LSPs in ASEAN is the complex, overlapping and chaotic institutional framework for the provision of logistical services. The example provided describes the difficulty in implementing a facilitation agreement in the region and the lack of a coherent institutional framework for transit trade between two ASEAN member countries. LSPs offering their services on the Lao-Thai transit trade must understand which key logistics service attributes are being sought by their clients. The greatest risk is the risk of not being selected. Therefore a fine understanding of clients' requirements is needed for LSPs' risk reduction.