




Lao People's Democratic Republic
Priority Tourism-Related Investment Project: Fact Sheet



<p>Project Concept: Restaurant at Don Chai Tourist Service Center</p>	
<p>Location: North-South Economic Corridor; Don Chai Village, Houay Xay District, Bokeo</p>	
<p>Estimated Start-up Cost: US\$ 100,000</p>	

Site Description and Context: The proposed site is adjacent to Don Chai Village, situated on Route 3A approximately 69 km north of the Houay Xay - Chiang Khong international border crossing in Bokeo Province. International tourist arrivals to Bokeo reached 140,414 in 2009, up from 89,000 in 2005. North of Bokeo in Luang Namtha Province, tourist movements at the Boten - Mohan immigration checkpoint with Yunnan, China reached 134,576 in 2009. The majority of tourists travelling on this section of the North-South Economic Corridor (NSEC) that links Yunnan, Laos and Northern Thailand are Thai and Chinese, with roughly 50,000 annual long-haul visitors from Europe, North America and Australia.

Don Chai presently serves as the staging point for excursions into the Nam Kan National Protected Area (Nam Kan NPA). Attractions include the highly popular Gibbon Experience and a market with locally made textiles, bamboo handicrafts and forest products.

As part of a program to improve visitor facilities in the NSEC, the ADB-financed GMS Sustainable Tourism Development Project will construct a Visitor Center for the Nam Kan NPA, re-construct the market and install parking, electricity, water supply and sanitation facilities. The project is also providing tourism management and skills training for local people, and will be active at the site through 2014. A conceptual drawing of the proposed infrastructure is shown in the illustration above.

The Lao National Tourism Administration and Bokeo Provincial Tourism Department have reserved a plot (approximately 20m x 40m) within the site plan to develop a food and beverage concession to serve the rapidly growing number of visitors transiting the area. Expressions of interest from private-sector investors are welcome.

Incentives Available: Negotiable long-term (30 year) land-lease at favorable rates, reduced or exemptions from import duties and work-permits for a limited number of foreign managers. Tourism is one of the Lao Government's priority sectors for private-sector investment, and this site is classified as an area with limited economic infrastructure. Therefore, investments are eligible for a profit tax exemption for up to 7 years and a low tax rate of 10% thereafter. For further information on the Lao PDR's Investment Law and incentives, visit the Department of Domestic and Foreign Investment's website at www.invest.laopdr.org.

Contact Information

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