

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



**Project Concept:** Restaurant at the

Nam Ha National Protect Area Visitor Center

**Location:** North-South Economic

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Corridor; Chaleunsouk Village, Namtha District, Luang Namtha

Estimated Start-up Cost: US\$ 100,000



**Site Description and Context:** The proposed visitor center is located about 1 km from Ban Chaleunsouk Vilage on Route 3A in Luang Namtha Province, 21 km south of Luang Namtha Town and 26 km north of the Nam Eng Caves. With the 2007 completion of the 240-km Lao Route 3A connecting Thailand to China, Luang Namtha's foreign tourist arrivals jumped from 47,788 in 2006 to 88,427, and soared to 197,202 in 2008. In 2009, 134,576 visitors entered Luang Namtha at the Boten - Mohan border checkpoint with Yunnan, China, while another 140,414 entered the Lao section of the North-South Economic Corridor (NSEC) at Bokeo Province's Houay Xay - Chiang Khong border crossing with Thailand. Most are Thai and Chinese, but more than 50,000 long-haul tourists annually arrive from Europe, North America and Australia.

Ban Chaleunsouk serves as a major gateway to the Nam Ha National Protected Area's (Nam Ha NPA), with some 6,000 trekkers passing through this site in 2009. Activities include overnight village home stays, learning about forest products and handicrafts, visiting ethnic communities, river rafting, camping and bird watching.

As part of a program to improve visitor facilities in the NSEC, the ADB-financed GMS Sustainable Tourism Development Project will construct a roadside Visitor Center with a retail market and covered picnic tables at the Ban Chaleunsouk staging area for the Nam Ha NPA, and install parking, electricity, water-supply and sanitation facilities. The project has also been providing tourism management and skills training for local people since 2001, and will be active at the site through 2014. The conceptual drawing above illustrates the proposed design.

The Lao National Tourism Administration and Luang Namtha Provincial Tourism Department have reserved a plot 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 <a href="https://www.invest.laopdr.org">www.invest.laopdr.org</a>.

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