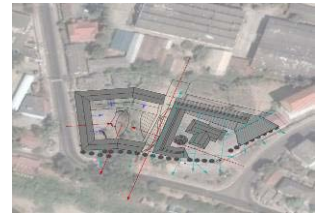




Priority Tourism-Related Investment Project

Fact Sheets





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




- 1** Restaurant at Don Chai Tourist Service Center, Don Chai Village, Houay Xay District, Bokeo Province
- 2** Restaurant at Bor Kung Natural Spring, Ban Dong Vieng, Vieng Phoukha District, Luang Namtha Province
- 3** Nature Resort and Restaurant at the Nam Eng Cave, Nam Eng Village, Vieng Phoukha District, Luang Namtha Province
- 4** Restaurant at the Nam Ha National Protect Area Visitor Center, Chaleunsouk Village, Namtha District, Luang Namtha Province
- 5** Canopy Walkway and Ecolodge in Nam Kat Protected Forest, Xay District, Oudomxay Province
- 6** Ecolodge at the Viengthong Hot Springs, Viengthong District, Houaphanh Province

- 7** Fair Trade Bamboo Handicrafts, Na Lao Village, Phone Hong District, Vientiane Province
- 8** Hotel at the Lao National Institute of Tourism & Hospitality (LANITH), Vientiane Capital
- 9** Ecolodge at Konglor Cave, Konglor Village, Hinboun District, Khammouane Province
- 10** Tour Company & Sidewalk Café, Historic Center, Savannakhet Town, Savannakhet Province
- 11** Restaurant at Phine Tourist Service Center, Phine District Center, Savannakhet Province
- 12** Boutique Hotel in Renovated Historic Building, UNESCO World Heritage Site, Champasak Town, Champasak Province
- 13** Ecolodge in Siphandone Wetlands, Hang Khone Village, Khone Island, Champasak Province



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.

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



Project Concept: Restaurant at Bor Kung
 Natural Spring

Location: North-South Economic Corridor;
2 Ban Dong Vieng, Vieng Phoukha
 District, Luang Namtha

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



Site Description and Context: The proposed visitor center is located in Vieng Phouka Town about 60 km south of Luang Namtha Town, and is considered the halfway mark on Lao Route 3A, linking Thailand to China. With the 2007 completion of the 240-km roadway through the Lao section of the North-South Economic Corridor (NSEC), Luang Namtha Province's foreign tourist arrivals climbed from 47,788 in 2006 to 88,427, and leapt 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 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.

Bor Kung (Shrimp Spring) was selected as a local recreation site due to its excellent location on Route 3A, proximity to Vieng Phouka's main street, and natural environment of a lush forest with hot springs feeding stone bathing pools and a stream, where locals cull sizeable freshwater shrimp. The town offers four-five guesthouses, but lacks a restaurant with high standards.

As part of a program to improve visitor facilities in the NSEC, the ADB-financed GMS Sustainable Tourism Development Project will refurbish the existing visitor center and small district museum, construct a small market and install infrastructure (parking, electricity, water-supply and sanitation facilities) and trails with interpretive signage throughout the 18-hectare Bor Kung site, including a campground and a 300-500-meter canopy walkway along the perimeter. The project is also providing site management and skills training for local people as well as marketing and promotion assistance, 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 is incorporating a restaurant - which marks the start of the canopy walkway - within the site plan to serve Bor Kung visitors and campers, tourists staying in Vieng Phouka and the rapidly growing number of people transiting the NSEC. 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 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. The project may make limited co-financing available.

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



Project Concept: Nature Resort and Restaurant at the Nam Eng Cave

Location: North-South Economic Corridor; Nam Eng Village Vieng Phoukha District, Luang Namtha

Estimated Start-up Cost: US\$ 250,000



Site Description and Context: The proposed welcome center is located directly on Lao Route 3A, connecting Thailand to China, about 47 km south of Luang Namtha Town in Nam Eng, Vieng Phouka District, and 26 km south of the Nam Ha National Protected Area (Nam Ha NPA) Visitor Center. With the 2007 completion of the 240-km roadway through the Lao section of the North-South Economic Corridor (NSEC), Luang Namtha Province's foreign tourist arrivals climbed from 47,788 in 2006 to 88,427, and leapt 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 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.

The Nam Eng cave system is among the longest mapped underground labyrinths in northern Laos and includes a "Wet Cave" and "Dry Cave", both of which are lit and easily accessed from the village on Route 3A. The cave area and nearby Nam Ha NPA are growing in popularity for trekking, village home stays and whitewater rafting on the Nam Fa River.

As part of a program to improve visitor facilities in the NSEC, the ADB-financed GMS Sustainable Tourism Development Project will improve access and services at the cave. Planned public investment includes constructing a roadside parking area, ticket booth, small market, sanitation facilities and water supply, and installing lighting and interpreted walkways inside the caves. The project is also providing tourism management and skills training for local people and will be active at the site through 2014.

The Lao National Tourism Administration and Luang Namtha Provincial Tourism Department have reserved a plot (approximately 1 hectare) adjacent to the Nam Eng Cave for a private investor to develop a nature resort and restaurant. A site survey and preliminary architectural drawings have been prepared by Vincent Fischer-Zernin (www.tropicaldesignfz.net), and are available free of charge for interested investors.

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 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.

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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
4 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 Village 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 www.invest.laopdr.org.

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



Project Concept: Canopy Walkway and Ecodge
in Nam Kat Protected Forest

Location: Nam Kat Protected Forest, Xay
5 District, Oudomxay Province

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



Site Description and Context: The entrance to the Nam Kat Protected Forest Area is 23 km east of the Oudomxay Provincial Capital, Meuang Xay, the crossroads of northern Laos presenting a junction with Route 13 south to Luang Prabang (approx. 210 km) and northwest to Luang Namtha Town (approx. 100 km) and Lao Route 3A linking Thailand to China, Route 4 north to Phongsaly Province and Route 2 south to Pakbeng (approx. 130 km) on the Mekong. Foreign tourist arrivals to Oudomxay have more than doubled from 43,400 in 2006 to 107,419 in 2009, of which an estimated one-third pass through Meuang Xay, and the nearby Boten - Mohan border checkpoint with Yunnan, China experienced a jump in visitors from 91,489 in 2008 to 134,576 last year, many of which headed to Luang Prabang.

The Nam Kat Protected Forest Area, located within the 19,700-hectare Phou Hi Phi Provincial Protected Area, was selected for development due to its existing laterite access road and short trails through pristine forest and across clear streams to the Nam Kat Waterfall. Its close proximity to Meuang Xay and year-round access via differing trails also make it an attractive one-day activity that is currently offered by the Provincial Tourism Department. The site expects to attract some 6,000 foreign tourists and 18,000 domestic visitors by 2015.

As part of a program to improve visitor facilities in Oudomxay, the ADB-financed GMS Sustainable Tourism Development Project will provide water supply, install sanitation facilities, develop walking trails with signs, and assist the private sector in developing and marketing the site and devising a management plan that includes villagers from nearby Ban Faen. The project is also providing site management and skills training for these villagers, and will be active at the site through 2014.

The Lao National Tourism Administration and Oudomxay Provincial Tourism Department have allocated land within the site plan to develop an eco-lodge and made provisions for a canopy walkway to serve the rapidly growing number of tourists visiting and 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 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. Co-financing may be available for the walkway.

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



Project Concept: Ecolodge at the Viengthong Hot Springs

Location: Viengthong District, Houaphanh Province

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Estimated Start-up Cost: US\$ 180,000



Site Description and Context: The proposed Viengthong Hot Springs Nature Spa and Geothermal Park is located along the Northern Heritage Route (NHR) in Houaphanh Province, a bit over halfway between Luang Prabang and Sam Neua, home of the historic Viengxay Cave City near the Nam Soi - Nameo border crossing to Thanh Hoa Province, Vietnam. With the rising popularity of the Viengxay Caves and increased overland traffic between Luang Prabang, the Plain of Jars and Vietnam, visitor numbers to Houaphanh soared more than 300% from 3,760 in 2006 to 15,098 in 2009.

The Viengthong Hot Springs, among the largest in Laos, is strategically located on the scenic NHR, and has good potential as stopover for tourists heading to the Viengxay Caves and on to Vietnam from Luang Prabang, as well as a health tourism attraction. The springs are situated in a forest and rice-paddy setting approximately 2 km from the Viengthong District Centre, That Hiem Village, at the gateway to the Nam Et National Protected Area, which is currently being developed for tourism by the Wildlife Conservation Society.

As part of a program to improve visitor facilities along the NHR, the ADB-financed GMS Sustainable Tourism Development Project plans to develop the area around the hot springs into a nature spa that includes public and private pools, foot bathing pools, massage and herbal steam rooms, changing rooms with showers, an information center, retail and restaurant space, walking trails with interpretive signs, a picnic area, and a parking lot. The project is also providing site management and skills training for local people from five nearby villages, and will be active at the site through 2014. The conceptual drawing above illustrates the proposed design.

The Lao National Tourism Administration and Houaphanh Provincial Tourism Department have reserved a plot (approximately 2 hectares) within the site to develop an ecolodge to serve the rapidly growing number of visitors transiting the area. The ecolodge development needs a water supply and waste management, but can connect to the electricity grid. 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 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.

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



Project Concept: Fair Trade Bamboo Handicrafts

Location: Na Lao Village, Phone Hong District, **7** Vientiane Province

Estimated Start-up Cost: US\$ 15-20,000



Site Description and Context: The proposed site is located in Vientiane Province's easy-to-access Na Lao Village in Phone Hong District some 70 km north of Vientiane Capital near the Nam Ngum Reservoir, and just before the Nam Lik River – approximately halfway to Vang Vieng – on the highly-trafficked Route 13, to Luang Prabang. The number of tourists visiting Vientiane destinations outside the capital has tripled from 92,657 in 2005 to 290,015 in 2009, which represents 36.3% of the capital's visitor number of 807,445, more than half of which are Thai. It should be noted that many of the 70,000-plus European, North American and Australian/Ne2 Zealand visitors to Vientiane head to Vang Vieng, while the Nam Ngum Reservoir is a popular weekend retreat for Vientiane locals, and its casino attracts numerous Thais and Vietnamese.

The Na Lao cluster of villages is currently home to 1,000 families of skilled bamboo, rattan and straw weavers and craftspeople. Nearby Phone Hong serves as a gateway to the Nam Ngum Reservoir and its casino, and Nam Lik offers kayaking and rafting tours. Vang Vieng, 50km further, is an increasingly popular destination for tubing and rafting on the Song River, caving and trekking, and serves as an overland stopover on the way to Luang Prabang.

As part of a program to promote traditional crafts, the ADB-financed GMS Sustainable Tourism Development Project wants to establish a "Fair Trade" bamboo handicraft center in Na Lao to upgrade locals' skills, help them develop new products and new and existing markets and increase their income. The project will remain active at the site through 2014.

The Lao National Tourism Administration and Vientiane Provincial Tourism Department is seeking an experienced private-sector investor to improve the quality of indigenous Lao handicrafts, develop new export-quality products and promote them for sale. Expressions of interest from private-sector investors are welcome. The project will assist in up-skilling, and marketing and promotion, and will subsidize the cost of promotion at national and international trade shows.

Incentives Available: Assistance in applying for Fair Trade certification and work-permits for a limited number of foreign managers, and as this site is classified as an area with limited economic infrastructure, investments are eligible for a profit tax exemption for up to 7 years and low tax rate of 10% thereafter. Further Handicrafts from this site and their export is among the Lao Government's priority sectors for private-sector investment, and as such, export products are exempt from export duties.

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



Project Concept: Hotel at the Lao National Institute of Tourism & Hospitality (LANITH)

Location: Chantabouly
Vientiane Capital

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Estimated Start-up Cost: US\$ 12.5 Million



LANITH school consists of the buildings located on the right side of the site and the PPP hotel is the building located on the left side of the site.

Site Description and Context: The proposed site is located on a prime piece of real estate on the Fa Ngum river road overlooking the Mekong River and the under-construction Mekong Promenade in the heart of Vientiane's tourism center. Foreign tourist arrivals to Vientiane Capital consistently passed 800,000 between 2007 and 2009, up from 2006's 653,212 and the 729,272 achieved in 2007, and are expected to surpass 1 million by 2012. In 2009, 517,063 international visitors entered Vientiane at the Thai-Lao Friendship Bridge, and another 144,632 arrived at Wattay Airport. Most are Thai, but more than 90,000 are European, North American, Australian, New Zealanders, Japanese and Korean.

While Vientiane serves as Lao PDR's main gateway to the country's many destinations. It also presents several historical and cultural attractions such as That Luang, Sisaket Temple, the Talad Sao Morning Market and the Patuxai Monument among others, and is the launch pad for excursions to Vientiane Province's activities and attractions such those in Vang Vieng, Nam Ngum Reservoir and Phou Khao Kwai National Protected Area.

As part of a program to strengthen human resources in the hospitality and tourism industry in Lao PDR by formulating a national human resource development (HRD) strategy for the sector, improving teacher quality, updating national curricula and developing a national centre of excellence in tourism education and training, the Luxembourg-funded LNTA-Lao Ministry of Education LAO/020 project is developing the Lao National Institute of Tourism and Hospitality (LANITH). An aerial photograph of the site above. Construction of LANITH is scheduled to commence in October 2010.

The LNTA and Lao Ministry of Education have reserved a plot (approximately 3,700 sqm) adjacent to the LANITH for a private investor to develop a 75-100 room, international-standard hotel. A site survey has been conducted and preliminary architectural drawings for the LANITH have been prepared by Luxembourg-based architect Diane Heirend, and are available from the project's Chief Technical Advisor, Peter Semone: Peter@lanith.com.

Incentives Available: Negotiable long-term (40 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 a good infrastructure. Therefore, investments are eligible for a profit tax exemption for up to 2 years, a reduced tax rate of 10% for 2 years and 20% 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.

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



Project Concept: Ecologne at Konglor Cave

Location: Konglor Village, Hinboun District,
9 Khammouane

Estimated Start-up Cost: US\$ 150,000



Site Description and Context: The proposed site is less than a 5-hour drive from Vientiane in Khammouane Province's Konglor Village near the increasingly popular Konglor Cave, which welcomed some 10,000 visitors in 2009. The location is easily accessed from the tourism loop that takes in the Provincial Capital Thakaek on Route 13, Mahaxay on Route 12, and the Konglor gateway at Khoun Kham Village (Ban Na Hin) and Lak Sao on Route 8 to the Nam Phao – Cau Treo immigration checkpoint with Vietnam (75,182 arrivals in 2009). International tourist arrivals to the province climbed 73% from 98,906 in 2006 to 170,597 in 2009, 76,434 of who crossed into Thakaek from Nakhon Phanom, Thailand.

Konglor Village is the staging area for the boat ride on the Hinboun River through the 7.5-km Konglor Cave, which is actually a giant tunnel 30-90 meters wide and up to 100 meters high. Konglor Village is easily accessed by a new paved road from Khoun Kham Village or via boat up the Hinboun River from Napouk Village. Other nearby attractions and activities include trekking trails and the Nam Nyaeng, Nam Thieng and Kee Caves.

As part of a program to improve visitor facilities in EWEC, the ADB-financed GMS Sustainable Tourism Development Project has been active at the Konglor Cave area since 2003 by providing training for local villagers who now possess good skill levels, providing water supply, installing sanitation facilities, developing walking trails with signs, and assisting the private sector in developing and marketing the site and devising a management plan that includes local villagers.

The Lao National Tourism Administration and Khammouane Provincial Tourism Department are allocating between 0.5-1 hectare of land within the site plan to develop an eco-lodge to accommodate the rapidly growing number of tourists visiting 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 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.

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



<p>Project Concept: Tour Company & Sidewalk Café</p>	
<p>Location: Historic Center, Savannakhet Town</p> <p>10 Savannakhet</p>	
<p>Estimated Start-up Cost: US\$ 150,000</p>	

Site Description and Context: The proposed site is located in Savannakhet Town, where the Thai-Laos Friendship Bridge 2 international border crossing from Mukdahan, Thailand welcomed 553,803 predominantly Thai visitors in 2009. Savannakhet is about 100 km south of Thakaek and 215 km north of Pakse on Laos' main artery, Route 13, at the junction of the 200-plus-km Route 9 section of the East-West Economic Corridor (EWEC) to the Dane-Savanh immigration checkpoint with Vietnam's Quang Tri Province. The opening of the Friendship Bridge in late 2006 led to a leap in international tourist arrivals to Savannakhet Province from 192,385 that year to 791,924 in 2009. The vast majority of tourists visiting Savannakhet are Thai and Vietnamese, who also account for the highest daily expenditures.

Centrally located Talad Yen Square is Savannakhet Town's most easily recognized landmark, and the starting point for a walking tour of the historic town's many attractions including Kaysone Phomivane's childhood home, the Dinosaur Museum, Xaiyaphoum Temple and French colonial-era buildings. The provincial capital also serves as the staging area for embarking on the several tour circuits and community-based tourism treks and cycling tours developed by the Provincial Tourism Department with assistance from the ADB-financed GMS Sustainable Tourism Development Project (STDP) and the Japanese International Cooperation Agency.

As part of a program to improve visitor facilities in EWEC, the ADB-financed GMS Sustainable Tourism Development Project will upgrade the market and perimeter, and provide stalls for selling local handicrafts and food in the evening. The project will also continue providing tourism management and skills training for local people, and will be active at the site through 2014. A conceptual drawing of the proposed and current site is shown in the illustration above.

As the province currently suffers from a lack of tourism service providers to meet the rising demand from the rapidly growing number of visitors, the Lao National Tourism Administration and Savannakhet Provincial Tourism Department is seeking to convert one or more of the existing buildings on the perimeter of the Talad Yen Square into a tour company and sidewalk café. 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 a good infrastructure. Therefore, investments are eligible for a profit tax exemption for up to 2 years, a reduced tax rate of 10% for 2 years and 20% 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.

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



Project Concept: Restaurant at Phine Tourist Service Center

Location: East-West Economic Corridor; Phine District Center, Savannakhet

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Estimated Start-up Cost: US\$ 85,000



Site Description and Context: The proposed site is located near Savannakhet Province's Phine District centre on Lao Route 9 approximately 130 km east of the Thai-Laos Friendship Bridge 2 border crossing from Mukdahan, Thailand to Savannakhet Town and about 75 west of the Dane-Savanh immigration checkpoint with Vietnam's Quang Tri Province. The opening of the Friendship Bridge in late 2006 triggered a jump in international tourist arrivals to Savannakhet from 192,385 that year to 791,924 in 2009. The vast majority of tourists travelling on this section of the East-West Economic Corridor (EWEC) are Thai and Vietnamese, who account for the highest daily expenditures, and a significant number of them are in transit between Thailand and Vietnam.

Phine currently serves as a lunch stop for the growing EWEC traffic on Route 9 as well as the launching point for nearby attractions and activities including a panoramic view of the Dong Phou Vieng National Protected Area, the bombed-out Tad Hay Bridge, Ho Chi Minh Trail and War Museum, trekking with village home stays, river rafting, waterfalls, Weaving Center and dinosaur footprints.

As part of a program to improve visitor facilities in the EWEC, the ADB-financed GMS Sustainable Tourism Development Project will construct a Tourist Service Center on Route 9 near Phine that includes a visitor information center, handicraft and retail market, parking, electric and water supply, sanitation facilities, and walking trails and an observation area with interpretive signs. 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 Savannakhet Provincial Tourism Department have reserved a building (approximately 30m x 30m) 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 a certain level of economic infrastructure. Therefore, investments are eligible for a profit tax exemption for up to 5 years, a reduced tax rate of 7.5% for 3 years and 15% 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.

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



Project Concept: Boutique Hotel in
 Renovated Historic
 Building

Location: UNESCO World Heritage Site,
12 Champasak Town, Champasak

Estimated Start-up Cost: US\$ 150,000 - 200,000



Site Description and Context: Champasak Town and the Vat Phou - Champasak UNESCO World Heritage Landscape is on Route 13, some 50 km south of the Champasak Provincial Capital, Pakse, and its international airport, which welcomed 5,014 international arrivals in 2009, 4,175 of which were Europeans, North Americans and Australians/New Zealanders. A runway upgrade, to be completed in May 2010, is expected to significantly boost this number. Arrivals at the nearby Vang Tao border crossing from Thailand reached 97,985 last year, 87% of who were Thai, while the Veun Kham checkpoint with Cambodia about 100 south of Champasak Town welcomed 11,637 arrivals, of who 36% or 4,241 were long-haul Western visitors. Overall, foreign visitors to the province soared 180% from 99,044 in 2005 to 278,054 last year, with average stays of five days.

Ancient Buddhist temples, Mekong River views, French colonial architecture, and extensive Exhibition Hall characterize quiet Champasak Town, which attracted approximately 135,000 overnight visitors in 2009, due to its position as the staging area for visiting the pre-Angkor Vat Phou ruins and the other ancient sites within the UNESCO Heritage Landscape, and as a launch pad to eco-activities in the Xe Pian National Protected Area as well as tours to Don Daeng Island, the 4,000 Islands (Siphandone) and Khone Phapheng Waterfalls.

As part of a program to improve visitor facilities in Champasak Province, the ADB-financed GMS Sustainable Tourism Development Project has constructed a Visitor Centre in town and began providing tourism management and skills training for local people in 2003, and aims to have the town's remaining traditional shop houses reused for tourism purposes. Further, the government is constructing an access road to provide a faster more direct route to the Thai border.

Champasak Town currently has insufficient quality accommodation. To meet the rising demand from the rapidly growing number of visitors, the Lao National Tourism Administration and Champasak Provincial Tourism Department are seeking to facilitate the conversion of existing privately-owned historic buildings or homes into a boutique hotel(s). 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 a good infrastructure. Therefore, investments are eligible for a profit tax exemption for up to 2 years, a reduced tax rate of 10% for 2 years and 20% 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.

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



Project Concept: Ecologne in Siphandone Wetlands

Location: Hang Khone Village, Khone Island, **13** Champasak

Estimated Start-up Cost: US\$ 150,000 - 200,000



Site Description and Context: Khone Island (Don Khone), located in the Mekong River's 4,000 Islands (Siphandone), is easily accessed from Route 13 a few kms from the Veun Kham checkpoint with Cambodia, which welcomed 11,637 arrivals in 2009. Of these, 36% or 4,241 were long-haul Western visitors, and a similar number departed into Cambodia at this crossing. Overall, foreign visitors to the province jumped 180% from 99,044 in 2005 to 278,054 last year, with average stays of five days. The international airport at Champasak Provincial Capital, Pakse, welcomed 5,014 international arrivals in 2009, 4,175 of which were European, North American and Australian visitors. A runway upgrade, to be completed in May 2010, is expected to significantly raise this number. Arrivals at the nearby Vang Tao border crossing from Thailand reached 97,985 last year, 87% of whom were Thai.

Don Khone and sister island Don Det- connected by a French-built railway bridge in 1910 - are at the center of Siphandone Wetlands' attractions and activities. Some 100,000 tourists visited Don Khone in 2009 to examine the abandoned locomotive, cycle or walk along the many nature trails, embark on rafting/kayaking trips, hire a boat to inspect the wetlands and observe the rare freshwater Irrawaddy dolphins or to simply relax.

As part of a program to improve visitor facilities in Champasak Province, the ADB-financed GMS Sustainable Tourism Development Project has been active at Siphandone and on Don Khone since 2003. The project has provided tourism management and skills training for local villagers, upgraded the laterite road between Don Khone and Don Det, installed water and power supply on the islands, improved the pier, developed well-signed trails and assisted in marketing and promotion. The project will be active in the province through 2014.

The Lao National Tourism Administration and Champasak Provincial Tourism Department are allocating land on Siphandone's islands with a power supply near Don Kone to develop an eco-lodge to accommodate the rapidly growing number of tourists visiting and 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 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.

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



<p>Project Concept: Premier Partner Program, www.ecotourismlaos.com</p>	
<p>Location: www.ecotourismlaos.com</p>	
<p>Estimated Start-up Cost: US\$ 80</p>	

Site Description and Context: www.ecotourismlaos.com is an official site of the Lao National Tourism Administration (LNTA) and was created with the support from the ADB-financed GMS Sustainable Tourism Development Project (STDP). The site has won Planeta.com's Ecotourism Spotlight Award in 2007, 2008, and 2009 and will again enter in 2010. Currently, 6,500-8,000 people visit the site and view a total of 50,000-60,000 pages each month. This represents a 30-60% jump over the average of 5,000 visits for 35,000 page views in mid-2009 when the site contracted a dedicated content editor and embarked on a site expansion and upgrade. First-time visitors account for over 70% of the total; more than half of the visitors view the "Activities" page; and each visitor views between 6-9 pages per visit.

The purpose of www.ecotourismlaos.com is to provide travelers with information on nature and culture-based tourism activities, handicrafts, eco-accommodation, National Protected Areas, provinces, world heritage sites, etc. in Lao PDR to help generate income for local communities, support natural and cultural protected areas, and minimize negative impacts on Lao's culture and environment.

As part of its program to more actively promote Lao ecotourism and its providers, LNTA has been upgrading its www.ecotourismlaos.com to attract more visitors, provide better information, expand the content and become more interactive. This is being accomplished by revising and continually updating the entire site, focusing on activities expanding the *What's New* newsletter and issuing it monthly, launching a virtual tour of Laos, opening an online hotel booking engine, and creating a dedicated "Contact"-ecotourismlaos@gmail.com- to quickly answer enquiries. More upgrades are planned for 2010-2011.

www.ecotourismlaos.com is offering a Premier Partner Program for tour operators, eco-accommodation and handicraft sellers/producers to provide them with more internet exposure through an extensive one-page listing on its Premier Partner Pages. Visitors will be directed to Premier Partner Pages from more 50 trekking itineraries and nine other sections accessed from the Activities page, as well as Provincial Highlights, World Heritage Sites, Travel Facts, Transportation, Protected Areas, New Products and What's New. Expressions of interest from private-sector investors are welcome.

Incentives Available: A Premier Partner Page on listing on www.ecotourismlaos.com includes a 100-word description of your business, banner and photographs linked to your website, list of your products/services, and contact information, while associating you with the LNTA-STDP project and increasing visitor traffic to your website/email. View the current site at www.ecotourismlaos.com.

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