Develop a Tourist Site in a Popular Tourist District of Savannakhet

Estimated annual revenues after 3 years in operation of approx. US$180,000 – US$200,000.

Call Now: +856-41-212 163. Email: investment.svk2015@gmail.com
Executive Summary, Savannakhet Province

The name “Savannakhet” derives from “Savanh Nakhone”, which means city of paradise or land of fertility suitable for agriculture. Located in central Laos, covering an area of 21,774 km² (8,407 sq. mi.), it is the largest and most populated (nearly 1 million people) province in the country.

Savannakhet borders Khammouan Province to the north, Quang Tri and Thua Thien-Hue provinces of Vietnam to the east, Salavan Province to the south, and Nakhon Phanom and Mukdahan provinces of Thailand to the west. It is the junction between the East-West axis and the North-South axis. The East-West Corridor (Road No. 9) links Myanmar, Thailand, and Vietnam; while the North-South axis (Road No. 13) connects China to Cambodia. It is only a short distance from central Vietnam. In January, 2007, the Second Lao-Thai Friendship Bridge was officially opened, giving Savannakhet direct access to Thailand. Because of its strategic location, Savannakhet serves as a thriving hub of trade and services in the Greater Mekong Sub-region (GMS). It is home to Savan-Seno Special Economic Zone where several major international companies have relocated their production bases too, including Nikon and Toyota companies from Japan.

The province’s major exports are: gypsum, wood products, naturally dyed textiles, re-export garments, forest products, gold and copper.

In regards to tourism, Savannakhet receives over one million visitors per year.

GDP per sector: Agriculture 60%, Service 22%, and Industry 18%.
Champhone District

For the majority of Champhone residents, their main source of income is derived from farming. In 2010, average annual per capita income in the district was more than 8 million kip. All 102 villages in Champhone have access to roads all year round.

Located 54 km southeast of Savannakhet City, it is an ideal day-trip destination. In recent years, Champhone District hosted approximately 10,000 domestic and foreign visitors annually. Most notable attractions are: Monkey Forest, Hotay Pidok Library, Turtle Lake, ancient temples, and ethnic villages.

Project Details

Covering over 1,984 hectares, and surrounded by 16 villages, Nam Sui Reservoir offers great potential for eco-tourism business. Its pristine conditions will draw visitors year-round. Homestays and resorts could be built on numerous beautiful islands. Canoe and paddle boat rentals as well as ferry restaurants should be among the business activities. Currently, the majority of tourists coming to Champhone District are from China, Thailand and European countries. Lao New Year is the busiest tourist season.

Local services: The site has access to electricity, well water, tap water, sewers, garbage collection, internet, and landline services. It also enjoys signals from every mobile phone company in Laos.

Local Produce: Beef, buffalo, goat, pork, chicken, duck, and fish as well as fresh fruits and vegetable are easily accessible.

Labor: Champhone District has a total population of approximately 112,000 people with the workforce accounting for 30% of the population.
Income generating opportunities from:
- Entrance fees,
- Accommodation,
- Food,
- ODOP souvenirs,
- River cruises (and other water activities), and
- Event rentals.

Government Incentives
- 4 years tax holiday,
- Import Tax Exemption for equipment to operate the project

Support from the Government
- Grant import tax exemption for equipment to operate the project;
- Provide consultation in every step of the project application process; and
- Facilitate access to other public services.

Minimum Requirements
- Memorandum of Understanding (MOU);
- Feasibility studies and business development plan;
- An Initial Environmental Examination (IEE) or an Environmental and Social Impact Assessment (ESIA). The IEE or ESIA will involve the public and seek to mitigate all negative impacts while maximizing benefits;
- Project development agreement;
- Land lease agreement;
- Construction agreement;
- Any business operation licenses and agreements required by concerned government authorities;
- Capital of 800,000 USD;
- Must have a ‘buy local’ policy;
- Must give priority to locals in the job recruitment process;
- Skill development training for workers;
- Must contribute to the community development fund.

Call Now: +856-41-212 163. Email: investment.svk2015@gmail.com
Contact:

For more information such as: investment policies, private domestic and foreign investment procedure on concession business and Investment application forms, Please contact: Department of Planning and Investment, Savannakhet province, Lao PDR.

- Tel: (856-41) 212 163
- Fax: (856-41) 215 042
- Mobile: (856-20) 2231 2648 (856-20) 5894 2355
- Email: investment.svk2015@gmail.com

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