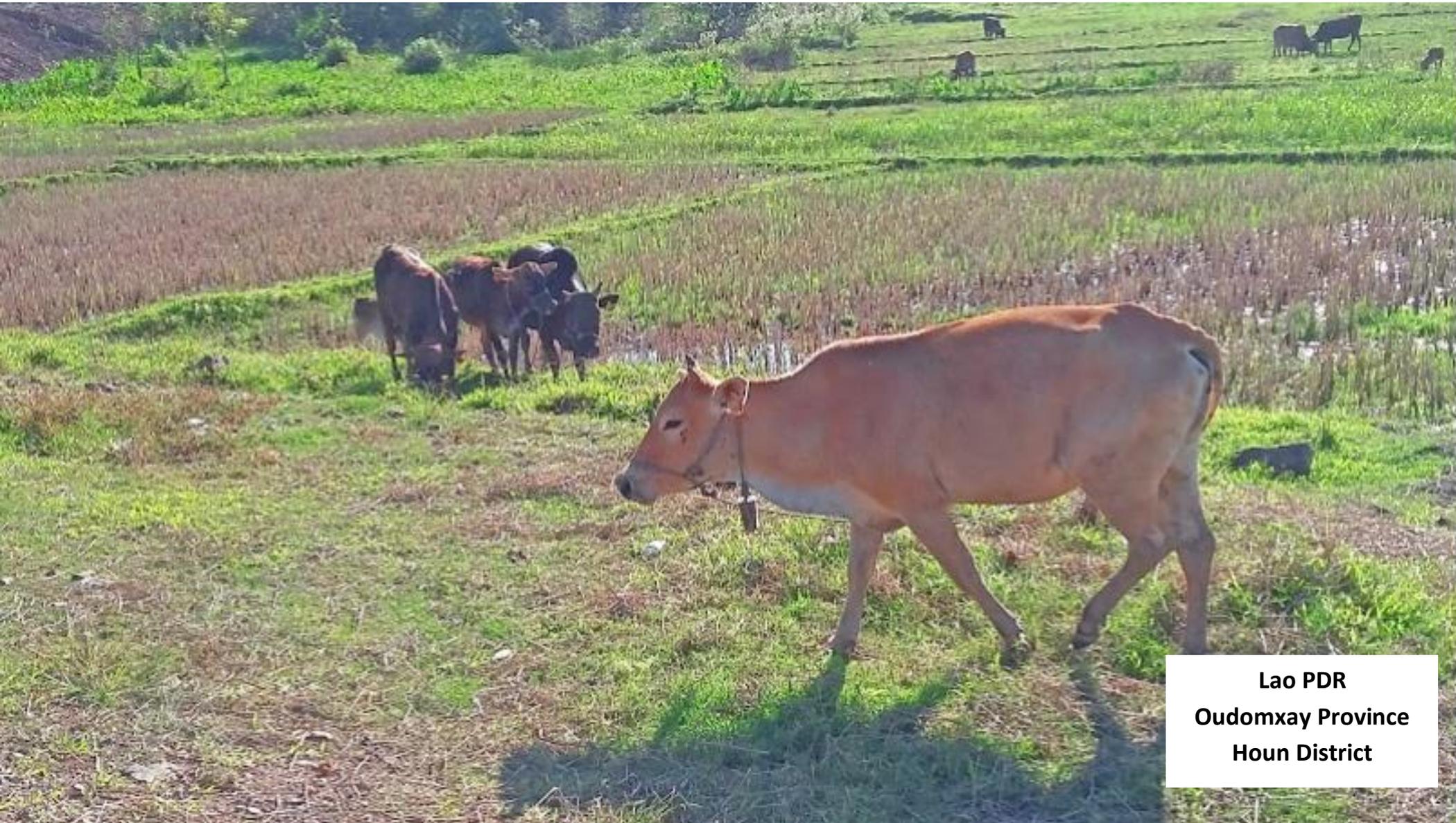


Livestock Farming in Houn District



Lao PDR
Oudomxay Province
Houn District

Great cattle ranch opportunity in a vast meadow of Oudomxay!

Estimated revenue after 3 years in operation of approx. US\$ 455,000 per year.

Project Details

Oudomxay is an emerging economy in Northern Laos. Located at the center of the region, it is conveniently connected to the surrounding provinces as well as to Laos' neighboring countries (Thailand, Myanmar, China, and Vietnam) by Route 13N and 2E.

Muang Houn is a district in the west of Oudomxay. 80% of its territory is mountainous. There are vast land areas suitable for livestock farming. Local villagers are hard-working and, for generations, their livelihoods have revolved around animal husbandry. Yet, their techniques have always been primitive, and their animal raising has been mainly for household consumption. In some years, their cattle are wiped out by diseases.

The Department for Investment Promotion is seeking an investor(s) with capital and experience in livestock farming business to start up a company in Muang Houn District. The investment should be operated in an out-growing scheme, where the investor(s) brings in capital and technology to promote livestock farming in the district and find markets for the meat and livestock-related products. The company should have no difficulty in selling meat locally since it regularly needs to be imported into Oudomxay from surrounding provinces. The demand for meat is expected to grow along with the growth of Oudomxay's economy. In the future, the company could expand its production and sell its goods to neighboring provinces, and to China.





Project details (continued)

There are 495 families interested in this project, with the farming land area covering approximately 1,800 hectares.

Project duration: 20 years.

Form of investment: A private, domestic and or foreign, business.

Local services: The site has access to electricity, and clean water (piped straight from a creek, not from a conventional water supply plant), as well as landline and mobile phone services.

Local construction supplies: The developer(s) may utilize available local construction materials such as sand and gravel, cement, bricks, clay blocks, roof tiles, zinc sheets, wooden boards and beams, and steel bars. Some electronic appliances can also be found locally. Other supplies and materials can easily be sourced from neighboring provinces and countries.

Local Produce: The investor(s) may find beef, buffalo, goat, pork, chicken, duck, and fish as well as fresh vegetable and fruits in local markets.

Labor: Muang Houn District has a total population of approximately 72,000 people with the workforce accounting for 35% of the population. Local daily wages range from 40,000 kip to 50,000 kip per person.

Income/Incentives & Minimum Requirements

Income generating opportunities from:

- Selling meat and livestock-related products to local markets and neighboring provinces; and
- Export meat and livestock-related products to China.

Incentives

- Export tax exemption;
- 8 years profit tax holidays;
- Import Tax Exemption for breeders and studs as well as equipment and machinery necessary for the project operation, which are not available domestically.

Support from the Government

- Shorten project application process;
- 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) if the farm has more than 500 head of cattle. IEEs involve the public and seek to mitigate all negative impacts while maximizing benefits.
- State land concession agreement;
- State land lease agreement;
- Any business operation licenses and agreements required by concerned government authorities;
- Capital of US\$2,000,000;
- Must have a 'buy local' policy;
- Must provide business opportunities and promote livelihood for local community;
- Must give priority to locals in the job recruitment process; and
- Must contribute to the community development fund.



Contact:

Investment Promotion Sector,
Department of Planning and Investment,
Oudomxay Province
Tel : **+856- 081 212 886** or **+856- 081 312 036**

**Disclaimer:**

The information in this document (including but not limited to, photographs, descriptions, tables, projections and prices) are for guidance only. While every effort has been made to offer current and reasonable estimates, errors can occur. The investment promotion department of the Ministry of Planning and Investment makes no warranties or representations as to the accuracy, correctness, reliability or otherwise with respect to such information, and assumes no liability or responsibility for any errors or omissions in the content contained in this document. Within this document you may find links or references to third party material and third party web sites. The IPD accepts no liability in respect of the contents of such material or sites. The IPD should not be taken to be endorsing, publishing, permitting or authorizing such materials or sites. The IPD may revise the information and resources contained in this document from time to time and reserves the right to make such changes without any obligation to notify past, current or prospective visitors to this document.

The content relating to the potential performance of an investment is not necessarily a guide to its performance in the future. The value of investments or income from them may go down as well as up. Prices quoted were based on US dollars when the document was created.

The information contained in this document should not be construed as financial, tax, legal or any other professional advice or service. You are advised to consult a financial and/or legal professional advisor from suitably regulated sources.

Except where noted otherwise, all material in this document is the property of IPD with all rights reserved. Without the prior written consent of IPD, no permission is granted to copy, modify, post or frame any text, graphics, or logos.