

Nam Lik Dam 1-2 Tourism Development Project

Estimated average revenue after 3 years in
operation of approx. US\$200,000 per year.

Lao PDR
Vientiane Province
Feuang District

Breathtaking panorama. Waterfall on an Island!

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Project Details

Vientiane Province is the major transit point to the northern provinces of Laos. Having an area of 15,927 km², it borders Vientiane Capital and Thailand to the south, Sayabouly Province to the west, Luang Prabang Province to the north, Xiengkhoang Province to the northeast, and Bolikhamxay Province to the east.

Located near the province's municipality and easily accessible by road, Feuang District has great potentials for tourism. It is the main "rice barn and fish pond" for Vientiane Province. 100-year-old unshelled-rice wine is among the district's prides. For people outside the province, it is home to many exotic mountains. The district is a major transit hub to Muang Meun District and the Ban Vang border checkpoint. On average, it welcomes nearly 11,000 tourists per year, generating US\$401,000 in annual revenue.

The Department for Investment Promotion is seeking an investor(s) to develop a tourist complex in Nam Lik Reservoir, near Dam 1-2. The proposed site has a land area of 2.8 hectares, located along Lik Reservoir. It is where merchants sell fish and other aquatic animals. Several beautiful islands, with abundant biodiversity, are in sight. During the wet season, water fills up the reservoir. Tourist can enjoy food made of fresh fish, while sightseeing by boat. In the dry season when the water level is low, visitors have the opportunity to island hop and explore nature.

Project details (continued)

Currently, there aren't proper lodgings at the Lik Reservoir, especially near Dam 1-2. Tourists have to go to nearby towns to stay overnight. The investor(s) is expected to build a 3-star resort complex, complete with eateries, picnic areas, hiking paths and other facilities for ecotourism.

Project duration: 20 years.

Form of investment: The investment could either be run as a 100% domestic or a joint venture with foreign investor(s), in which case the minimum foreign share should be 20%.

Local services: The site is less than 15 km from Feuang District administrative offices, market and bus terminal, and the Lao Development Bank.

The area has access to electricity, water piped in directly from a creek (not from a conventional water supply plant), and underground water, as well as landline, mobile phone and internet 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.

Construction machineries: The investor(s) may find 10-wheelers, excavators, cranes, bulldozers and other hydraulic machines needed for construction in the district.

Local Produce: Beef, buffalo, goat, pork, chicken, duck, fish as well as fresh vegetable and fruits can be found locally.

Labor: Feuang District has a total population of approximately 45,800 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:

- Accommodation;
- Restaurant and entertainment;
- River cruises;
- Other water-related activities; and
- Gifts and souvenirs.

Incentives

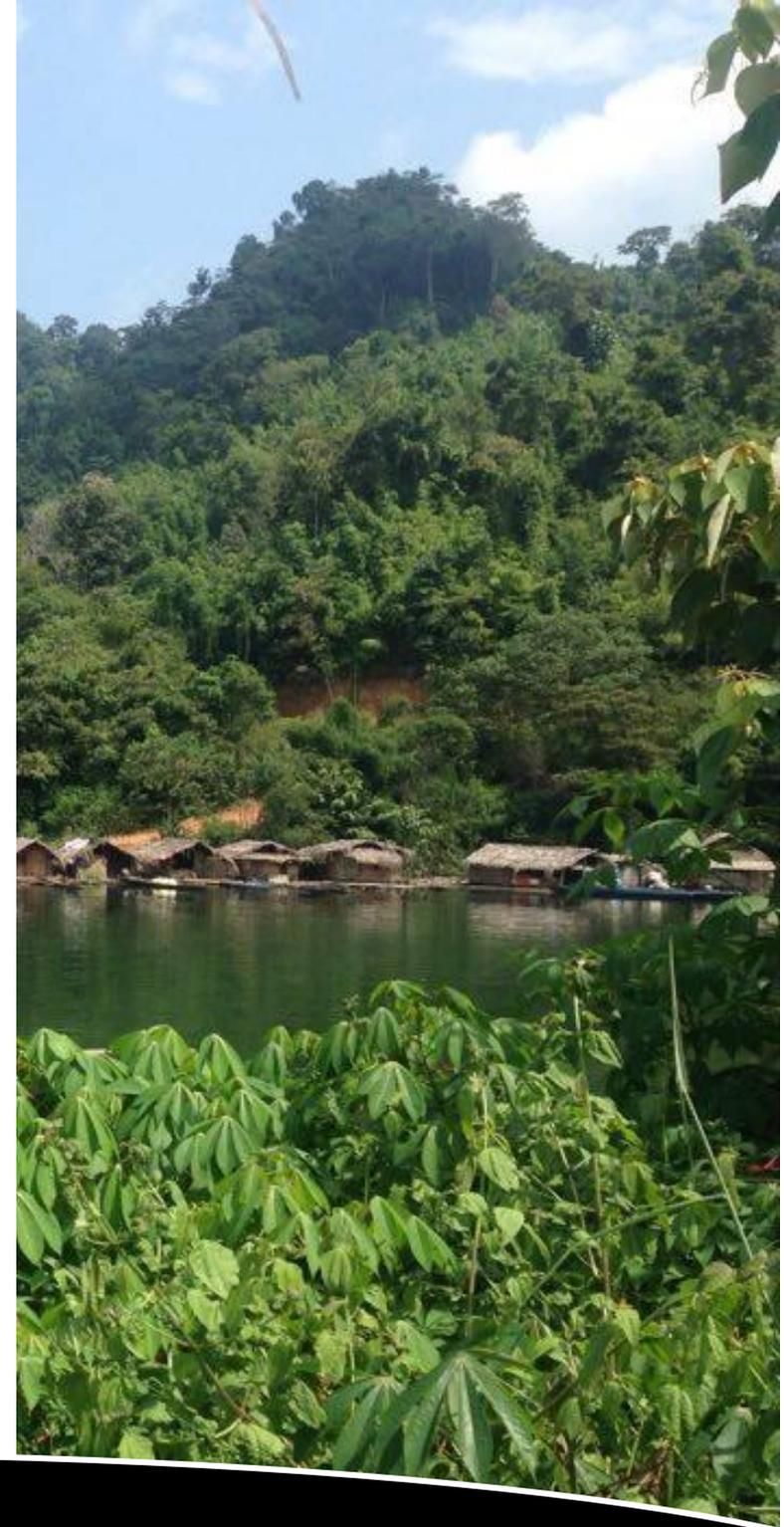
- 4 years of tax holidays; and
- Import Tax Exemption for materials and equipment necessary for the project operation, which are not available domestically; and

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) or an Environmental Social Impact Assessment (ESIA). The IEE or ESIA will involve the public and seek to mitigate all negative impacts while maximizing benefits;
- State land concession agreement;
- Any business operation licenses and agreements required by concerned government authorities;
- Capital of 2,500,000 USD;
- Must have a 'buy local' policy;
- Must provide business opportunities for local community and promote the livelihood of local villagers;
- Must give priority to locals in the job recruitment process; and
- Must contribute to the community development fund.



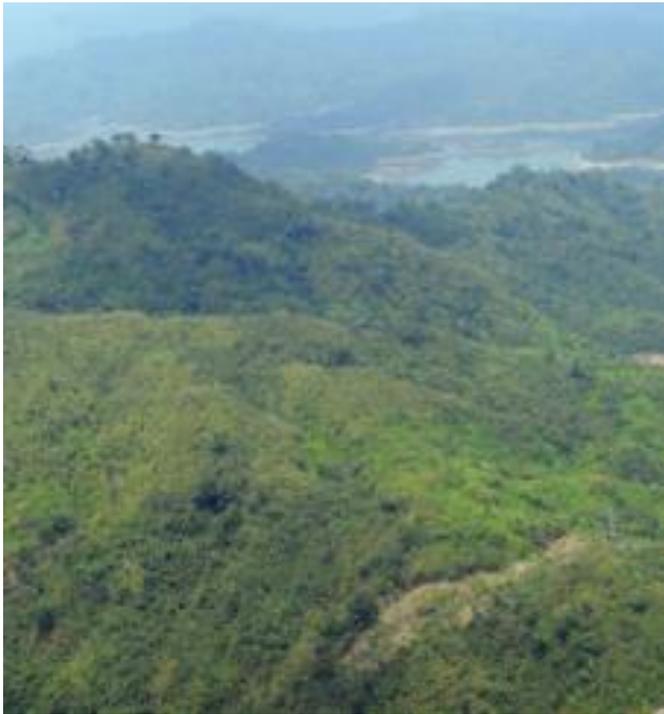
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