



Investment Opportunities in Savan-SENO Special Economic Zone (SEZA)

29 October 2013

Presented by: Mr. Thongsay SAYAVONGKHAMDY
Position: Vice Governor of SEZA

General Background

- Apart of the GMS's development programs, EWEC was practically implemented, eg. Road No.9' and '2nd International Mekong Bridge

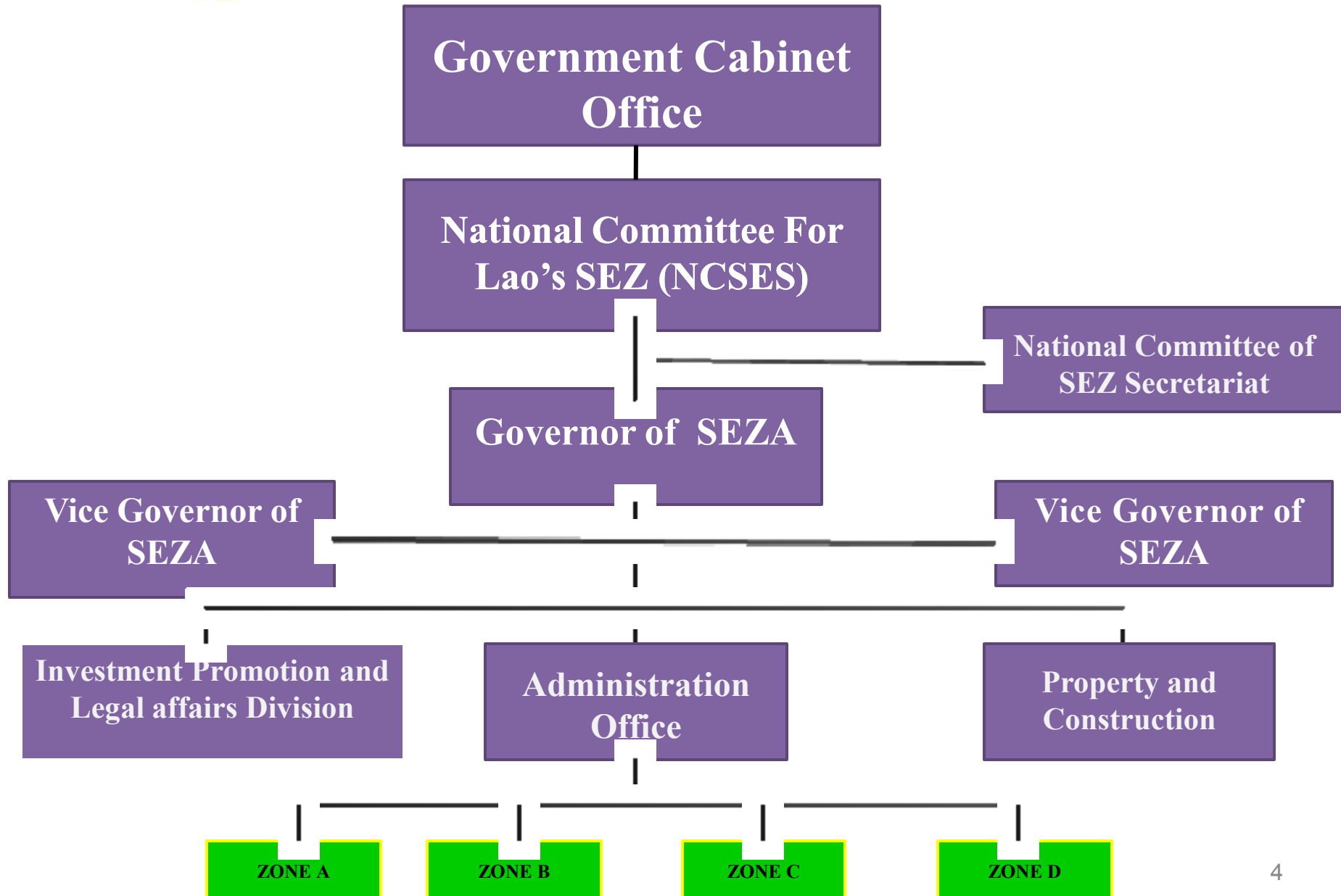


SAVAN-SENO SEZ Background

- To gain benefit from EWEC's physical infrastructures, the Government issued Prime Ministerial Decree No.02/PM, 21/1/02, on the Savan-SENO Special Economic Zone, (later replaced by No.148/PM, 29/9/03); decree No.177/PM, 13/11/ 2003, on the Management Regulations & Incentive Policies regarding the SaSEZ and No. 443/PM, date 26/10/ 2010 on the Special and Specific Economic Zones in Lao PDR.



Organization Structure of SEZA



National Committee for Lao's SEZ



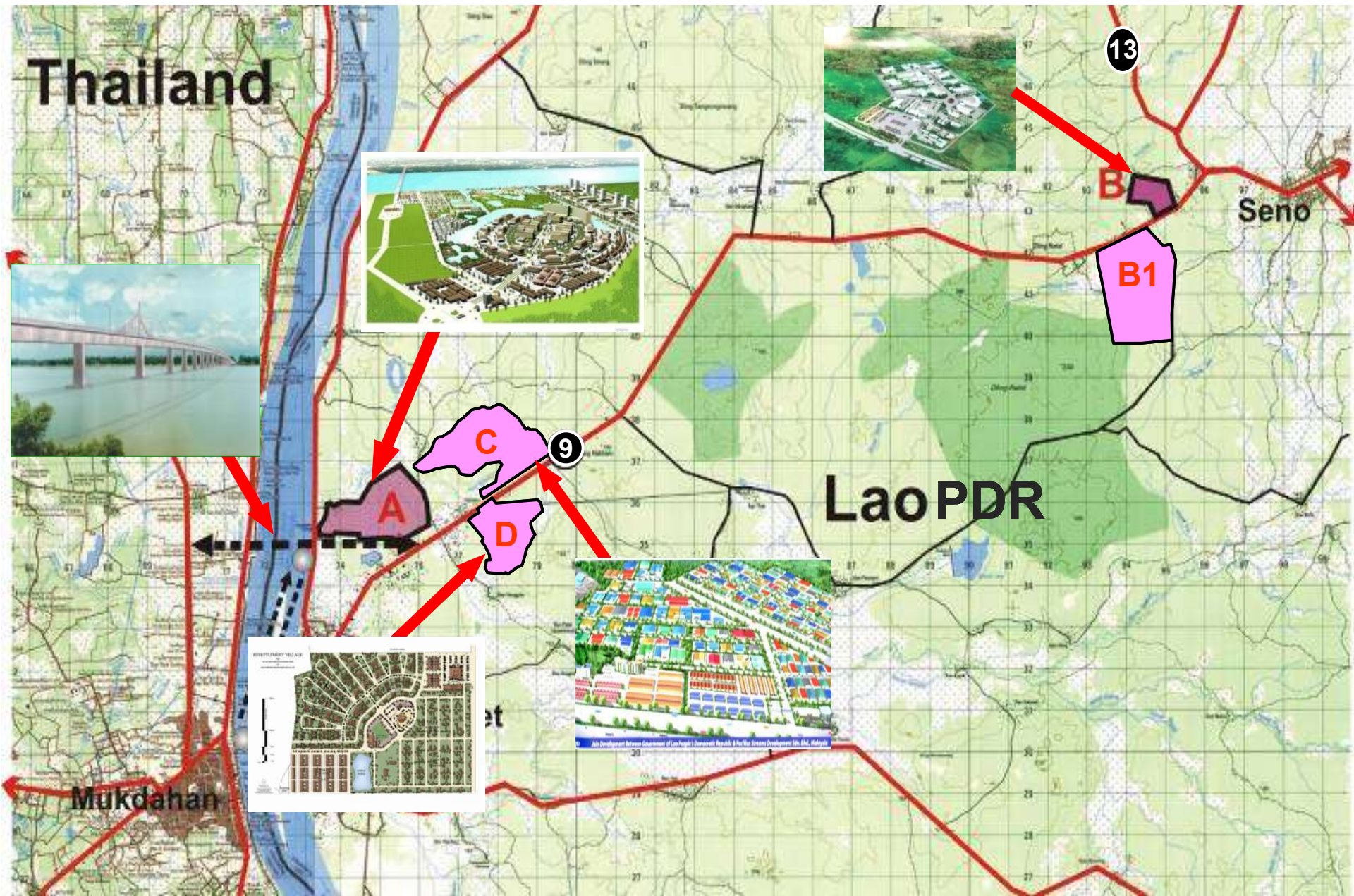
- ❑ Deputy Prime Minister **as Chairman**
- ❑ Minister of Government's office **as deputy Chairman and standing member**
- ❑ Minister of planning-investment, industry-Commerce, Public works-transport **as Deputy Chairman**
- ❑ Ministry of Finance, Justice, Information-Culture-Tourism **as Member**
- ❑ Governor where Special and Specific Economic Zone are located **as Member**
- ❑ Deputy Minister of National Defense, Public Security, Foreign Affairs, labor-Social Welfare, Home affairs , Natural Resource and Environment **as Member**
- ❑ General Secretariat of NCSEZ **as Member**

Distance to Global Market



| Distance from SaSEZ to | |
|--------------------------|---------|
| Savannakhet Airport | 5 Km |
| Ubon Ratchathani Airport | 150 Km |
| Vientiane Capital | 424 Km |
| Da Nang Port | 455 Km |
| Hanoi | 628 Km |
| Phnompenh | 692 Km |
| Bangkok | 698 Km |
| Hai Phong Port | 722 Km |
| Laem Chabang Port | 679 Km |
| Map Ta Phut Port | 790 Km |
| Suvarnabhumi Airport | 927 Km |
| Yangon | 1,178Km |

Location of Zone A, B, B₁, C, and D



Layout of Zone A

Under construction



Mekong River

Aeroview of Zone A

Mudahan (Thailand)

Area 295 HA

SEZA'S NEW OFFICE



Layout of Zone B

Savan-Japan joint Development Co., Ltd

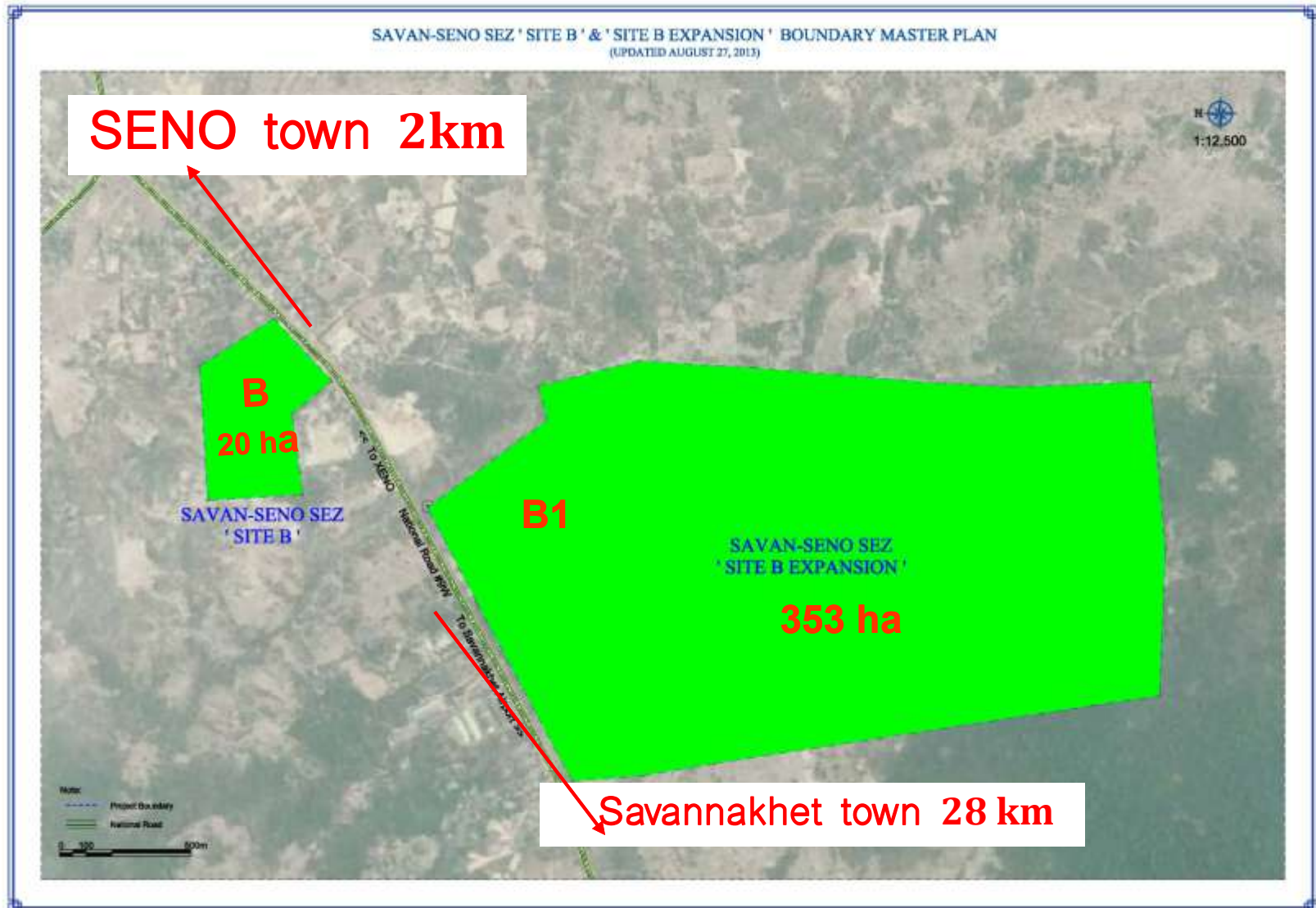
KOYO ORIENT LAO Co., Ltd

Logitem LAO Co., Ltd

Nikon LAO Co., Ltd



Zone B Expansion



Layout of Zone C

SAVANPARK
SAVANNAKHET



Lao GOV JV Malaysia

Layout of Zone D

RESETTLEMENT VILLAGE

FOR
SAVAN-SENO SPECIAL ECONOMIC ZONE
BY
THAI AIRPORTS GROUND SERVICES CO.,LTD.



Promoted Business sectors

Export Oriented Processing:

- Agricultural and food processing, Copper and wood based production;
(Automotive, electronic parts and furniture)
- Auto, motorcycle assembling and maintaining Textile,
- garment, shoes, bag production.....

Services:

- Tourism, banking, financial & insurance, Logistics & distribution;
- International hospital and school; Entertainment center, seminar and training center, Hotel and spa, tourism and restaurant

Trading:

- Duty free, re-export, wholesales
- Exhibition and Department store.....

Comparative Advantages

Investment in SEZA

- 1. Political and Economic Stability;**
- 2. Strategic Geographical Location;**
- 3. Rich Natural Resources ; ex: Copper, Gypsum,...**
- 4. Free from severe natural disasters;**
ex: no Earthquake, no Tsunami, no severe flood,...
- 5. Generous Tax Incentives;**
- 6. Stable and Low Cost Electricity Supply**
- 7. Special Privileges on Export**
(GSP from 42 countries and NTR by USA);

Tax Incentives

- **Tax Holiday:**

- 2–10 years starting from profit making year**

- **Corporate Profit Tax:**

- 8 – 10%**

- **Personal Income Tax:**

- 5% for both local and foreigners within SaSEZ**

- **Loss carry forward 5 years**

Tax & Customs Duties Exemption

- Taxes & customs duties *exempted* for all *export manufactured products*;
- Taxes & customs duties *exempted* for all *imported raw materials, construction materials and equipment to be used for manufacturing & construction.*
- *Import of raw materials in Lao PDR* for using in various activities of the SEZ to export good shall be entitled to receive the duty and tax privilege in accordance with the law.

Attractive Land Lease Policy

Land Leasing Policy:

- Maximum 99 years lease period and extendable upon SEZA's approval;
- Enjoying 12 years lease exemption;
- Sub-leasable within lease period;

One Stop Service Unit

1



2

SEZA's
OSS

5 working
days

- Investment license
- Enterprise Registration
- Company Seal

Legally
Operated
Company



More facilitations by SEZA'S OSS:

- Licensing, Business-Tax registration, import-export
- Labor recruitment and procuring public utilities
(Land, Electricity, Water, Telecom,...)
- Visa, work permit, legal issues, ...

Progress of Development



SEZA's Head Office Under construction



The Nikon logo is positioned at the top center of the white banner. It consists of the word "Nikon" in a bold, black, sans-serif font, set against a yellow rectangular background with diagonal lines.

ພິທີເປີດບໍລິສັດ ນິຄອນລາວ ຈຳກັດ

Opening Ceremony

Nikon Lao Company Limited

23 September 2013



Zone B's Developer

(SAVAN-JAPAN Joint Development Co., Ltd)



Aero view of Savan Park taken on 27th May 2013





Infrastructure of Zone C (Savan Park)





Electricity and Water supply of Zone C (Savan Park)



NONG DEUN (Savan Park) 115/22 Kv Power Sub-station



Zone C's phase I Opening Ceremony

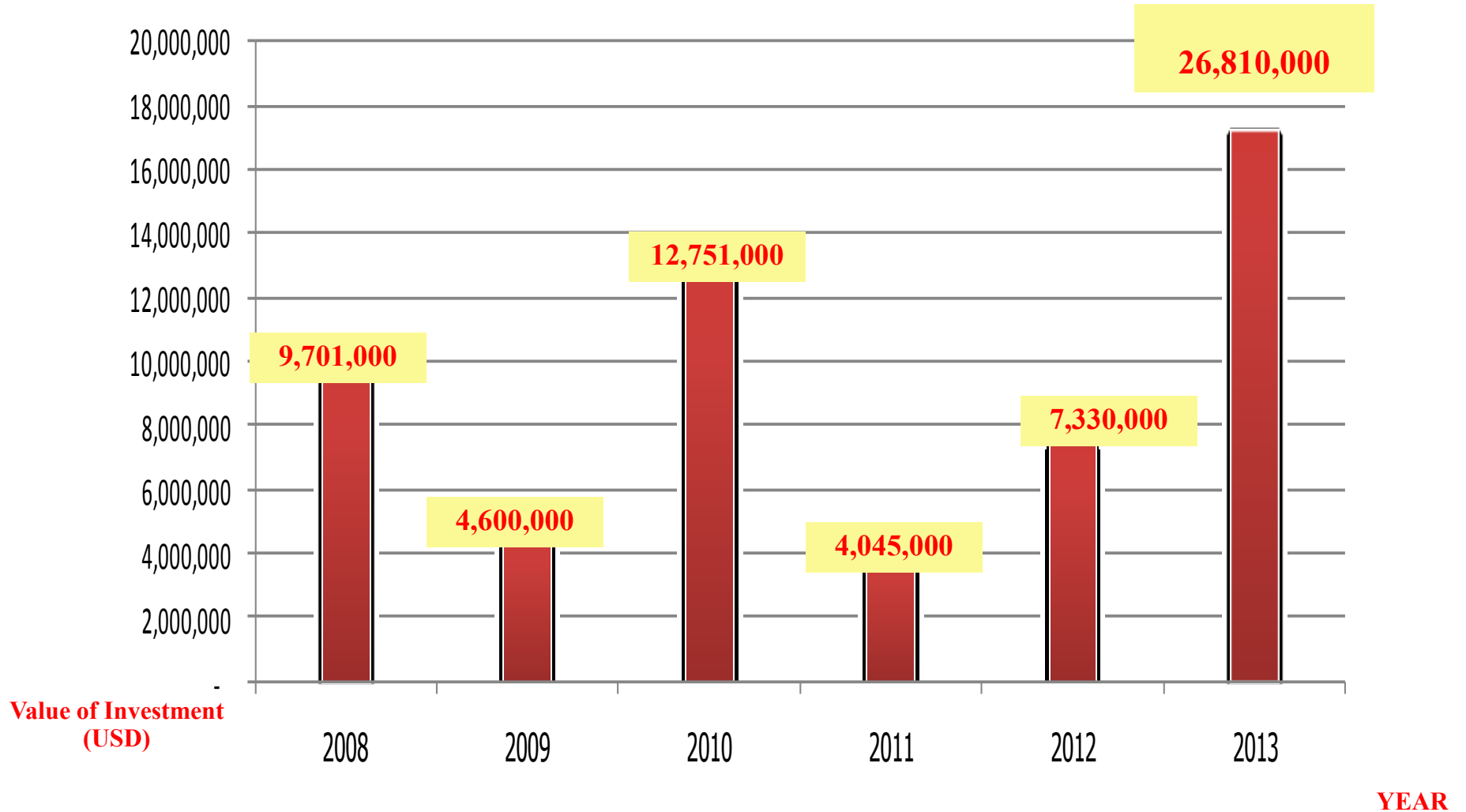


Investment Stocks

| | | |
|---------------------------|-----------|---|
| LAO | 18 | trading, services, property development, maintenances, |
| TH | 8 | Developer, Logistic, paints product |
| JP | 6 | Tin processing , Logistics , Nikon, Toyota |
| MAS | 6 | Developer, Property development, Motorcycle Assembly |
| HOL | 2 | Airplane spare part |
| FRA | 4 | Manufacturing of Glasses , Properties Development |
| SWT | 1 | Diamond processing |
| KOR | 1 | Spare part (TIN) support to LG and SUMSUNG, property |
| AUS | 1 | import material for support to industrial and export material |
| CH | 1 | Garment |
| ENG | 1 | Properties Development |
| VN | 1 | Construction |
| Total 50 Companies | | |

Total Amount of Registered Capital in SEZA

As 28th AUG 2013 = 65,237,000 (USD)



Japanese Investment



| | |
|---|-------------------------------|
|  | Nikon LAO CO., Ltd |
|  | TOYOTA BOSHOKU LAO Co ., Ltd. |
|  | LOGITEM LAO CO., Ltd |
|  | LAO TIN CO., Ltd |
|  | KP - BEAU LAO CO., Ltd |
|  | KOYO ORIENT LAO CO., Ltd |



ESSILOR Co., Ltd





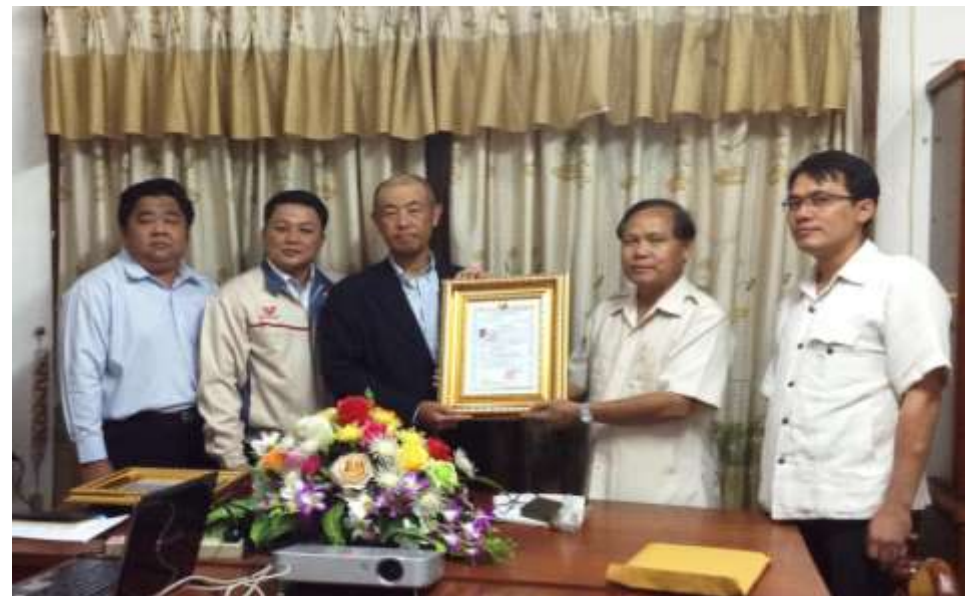
Training Center of Essilor Lao Co., Ltd



AEROWORS LAO



Toyota Boshoku Lao



Toyota Bushoku Co.,Ltd



Lao tin Smelting and Refining Co.,Ltd



KP-Beau (Cosmetic and Toys)



Tan Chong (Malaysian Motorcycle assembling factory)



Bikez
Malaysia Motorcycle Training



Logistics support



Development Agreement of Zone D (SEZA & PSD)



GROUND FLOOR

GFA : 1,438.334 SQM / 15,482.10 SQF
TOTAL GFA : 7,219.41 SQM / 77,709.14 SQF
NO. OF WORKERS : 684



DORMITORY

Savannakhet Highlight:



Electricity Supply



Water Treatment Plant



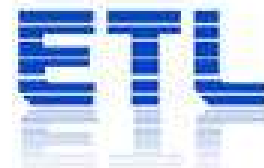
3G+4G High Speed Internet, Wi-Fi



Beeline™



LAO TELECOM

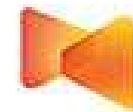


ໂຄງການສາທະນາກິດ ໂຫລະຄົມລາວ



Beeline®

ບີລາຍ 3G+4G



unitel

ໂທລະສັບສູງກວ່າ Brighter



Banks



ທະນາຄານ ແຫ່ງ ສປປ ລາວ
BANK of the LAO PDR
Administrative Core Banking

ທະນາຄານພົງສະຫວັນ
Phongsavanh BANK



BRED
Banque et populaire à la fois.



International Airport

ການບິນລາວ
Lao Airlines



Immigration Check Point



Consulate of Vietnam



Consulate of Thailand



Kindergarten , Primary and Secondary School in Savannakhet Province.





Government Educational Institutions, Savannakhet



Recreation Facilities



Thank you for your attention

Contact Address:

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Special Economic Zone
Authority**

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www.seza.gov.la