

Tourism Industry: Development and Fees

The Lao government has put forward a number of incentive policies for the tourist industry in 2010 and increased its investment in the sector in an effort to raise the number of visitors to the country.



In 2009, the Lao government approved 16 projects for restaurants and hotels with a total investment of 44 million USD.

The number of businesses investing in restaurants and hotels has substantially increased, placing the tourism sector in the top five sectors to receive the largest amount of investment in Laos, totaling 235 million USD during the 2001-2009 period. At present, Laos has 357 hotels and over 1,120 resorts and restaurants.

In addition to investing in upgrading its infrastructure and making it easier for tourists to visit the country, the Lao government has also recently exempted visas for citizens from Japan, the Republic of Korea, Russia and almost all ASEAN countries. The country is also considering visa exemptions for tourists from European countries.

However according to a business plan of the recently established Lao Tourism Marketing Board the authorities intend to charge tourists up to US\$2 a visit to finance its overseas promotions. A provisional non-elected board has been appointed which will introduce to the Lao travel industry a business model and a proposed strategy to charge tourists to finance its promotions.



The decision to charge tourists as much as US\$2 to underwrite overseas marketing programmes still requires government legislation to approve a collection process and ensure the funds can be legally passed on to the LTMB.

Based on 2009 tourism data, Laos attracted 2,008,363 million tourists, which would give the board

an annual promotion budget of US\$4,016,760 million, less collection costs. Fees would be collected at all international air and land immigration checkpoints.



Travel associations such as the Pacific Asia Travel Association and IATA, which represents airlines, worldwide, both criticize governments for adding taxes and fees to travel costs claiming the practice

discourages travel.

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