

Business Plan for an Eco Resort in Vietnam



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List of abbreviations

CEO	Chief Executive Officer
GDP	Gross Domestic Product
VND	Vietnam Dollar
USD	US Dollar

1 Description of the project



1.1 Background

The Social Republic of Vietnam is a one-party communist state in south-east Asia with a population of 92 million people and a total area of 331,210 sq km. Population is not evenly dispersed: along the South China and Gulf of Tonkin there is heavy clustering, largest concentrations of people can rather be found in the Mekong Delta and the Red River Valley. In its low and flat southern regions, a tropical climate is dominant, whereas the mountainous north is rather monsoonal with a hot, rainy season from May to September and a warm, dry season from October to March. From May to October typhoons with extensive flooding, especially in the Mekong River Delta, might occur (CIA, 2017).

Figure 1. Geographical location of Vietnam (CIA, 2017)

Vietnam has gone through major economic development and growth over the past 30 years. Since the introduction of the so-called *Đổi Mới* policy, the country could transform from one of the world's poorest nations to a lower to middle-income country. This also includes reduction of poverty and improved social outcomes, better provision of basic services, and access to basic infrastructure. Due to high urbanization rates, urban sanitation is still lacking in many regards. (World Bank, 2017).

Vietnam is very prone to be affected by climate change and natural disaster impacts in the near future. Due to its extensive coastline, river deltas and highlands with low water retention capacity, inundation and erosion are considered as major problems (ADB, 2013).

Nevertheless, Vietnam has been pursuing strategies and investment promoting green growth to address current and future climate change vulnerabilities. It has signed and ratified various international environmental agreements, such as the Kyoto Protocol, hazardous waste, Law of the Sea, ozone layer protection (CIA, 2017).

A potential solution to combine tourism and sustainability might be ecological tourism in the form of eco-resorts. Besides avoiding harmful environmental impacts, ecotourism includes travelling to relatively undisturbed natural areas, often aimed at “studying,

admiring, and enjoying scenery, plants and animals, as well as any cultural features found in these areas” (Hong et al., 2002). It is therefore to be distinguished from conventional mass tourism, especially by its lower environmental impact, lower infrastructure requirements and sensitization and education activities for tourists.

Tourism in Vietnam is contributing to the overall GDP with 9.3 billion USD (4.6 %) in 2016, and is forecast to rise by 6.0 % from 2016 to 2017. In 2016, the sector directly supported approximately 2 million jobs, with jobs indirectly supported by the industry it accounted for around 4 million jobs, which is 7.3 % of total employment in Vietnam. This is expected to rise to 7.5 % in total by 2017. Investments into the tourist and travel sector in 2016 were 5.5 billion USD (9.9 % of total investment), with forecasts for 2027 of 11.4 billion USD (10.4 %) (WTTC, 2017).

1.2 Idea



Figure 2. Location of Trà Vinh Province

The mangrove area in Vietnam decreased from 400,000 ha in the 1960s to only 73,000 ha in 1990. This was mainly due to deforestation for agriculture and aquaculture purposes and intensive use of herbicides during the Indochina war. With support of government and donor-funded planting efforts and mangrove protection policies, the mangrove forest stand has grown back to 270,000 ha in 2015. Traditionally, the mangrove ecosystem provides fire wood, fish catching and clam farming opportunities and bee raising stocks as income sources for the local population. However, the export-oriented, intensive shrimp production remains as a substantial threat in many mangrove areas (FAO, 2016). Nevertheless, abandoned shrimp farms offer the potential for rehabilitation, especially in Ben Tre and Trà Vinh provinces (highlighted in red in the map of figure 3) in southern Vietnam where we want to locate our business.

The business presented here will focus on the design, construction and operation of an eco-resort in the Trà Vinh region in Vietnam. The resort shall not exceed the scale of maximum 40 tourists per day.

The infrastructure in the resort will be built using environmentally friendly and locally sourced materials to mitigate pollution and carbon emissions. Basic supplies such as water, energy, food and transportation will follow sustainable guidelines, e.g. by using eco-buses and boats, and renewable energies for warm-water and electricity. We have



bungalows with private bathrooms. Also on site, there will be a kitchen/restaurant for guests, adjacent to the bungalow where operations and staff quarters will be located.

One of the main activities to be realized in the resort's surroundings will be mangrove protection and reforestation tours to raise the tourists' environmental consciousness. This could be realized by involving the participants in planting and caring for the mangroves and related ecosystems.

In addition, guided food collection and traditional cooking workshops could be offered. For more thrilling experiences, diverse adventurous activities could be included.

1.3 Services Provided

In addition to all services included in the resort itself, various activities may be booked either in advance or on-site. This includes for example:

- Boat tours to small canals and green islands surrounding the location
- Boat tours to floating markets
- Guided tours to Hang-Pagode and Na Om lake
- Cooking typical dishes: bun nuoc leo, chau doc
- Farming activities: Planting and harvesting, visiting orchards with exotic fruits
- Guided mangrove reforestation tours
- Bird watching
- Visiting craft workshops
- Visiting Khmer (Ethnic minority)

1.3.1 Quality

The quality of the services provided will offer excellent value for its price. Besides the main hospitality services provided at the resort, we will also:

- Educate tourists on the natural environment to raise their awareness and get them involved in conservation work
- Protect the environment and maintaining vulnerable ecosystems
- Maintain and promoting cultural identity and involving local communities in ecotourism
- Offer the possibility to travel to relatively undisturbed natural areas with the specific object of studying, admiring, and enjoying scenery, plants, and animals, as well as any cultural features found in these areas
- Contribute to conservation and community development

1.4 The Resort

In the construction and operation of the resort, we shall be very careful to always keep in mind the key dimensions on the eco-efficiency assessment.

Therefore, we will be setting up a wastewater treatment and recycling system on the premises to minimize waste and pollution to the surrounding environment.

Although the government provides us with a source of water, we will nonetheless install a water filter system to get water directly from the river nearby or rain harvesting system. The same goes for electric energy, as we are considering the set-up of a solar energy system.

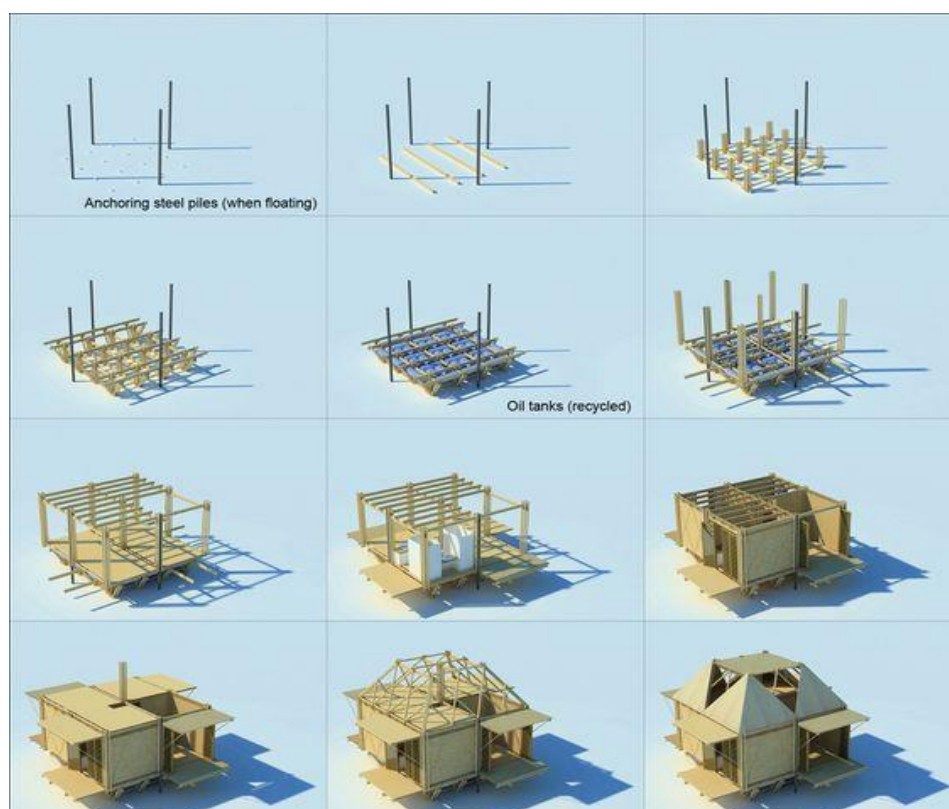


Figure 3. Design of the bungalows.

Lastly, the materials used for the construction of the bungalows (shown in figure 3) and other structures will be assembled using minimal components and bamboo module units. They are secured using anchors, ties and solid connection and although there is little risk in this area, the structure will be strong enough to float in floods. They will be built with local materials such as bamboo, leaves and recycled oil containers. We chose this design because it not only combines traditional architectural characteristics and is harmonious but also, they can be built for only 2,000 USD.

1.5 Definition of capacities

- Number of guests: 40 per day
- Work capacity: Increasing in steps from 40% to 60% to 80% and the aim is to reach full capacity in year 6. (See figure 5)

Table 1. Occupancy by year.

40 guests max.	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Occupancy (%)	40	60	80	80	80	100	100	100	100	100
Number of guests	5840	8760	11680	11680	11680	14600	14600	14600	14600	14600

1.6 About Us

The form of the business will be a limited liability company. Therefore, annual reports will provide comprehensive and transparent information on the resort's finances, objectives, targets and baseline indicators to be achieved each year.

The overall goal of our resort is to generate enough financial resources to guarantee environmentally sustainable maintenance and operation, as well as sustainable social standards for all employees. Moreover, the mangrove reforestation activities shall generate clearly visible effects. Continuous monitoring will guarantee that no harm is done neither to the environment surrounding the resort, nor to the people involved working in it. As soon as we break even, we will donate 20% of our yearly revenue to further contribute to the recovery efforts of the environment and mangrove restoration.

2 Market analysis

2.1 Site



Figure 4. Province of Trà Vinh

The Trà Vinh Province has an area of 2.314 km² and is enclosed by Tien and Hau river with Cung Hau and Dinh An estuary. It has a coastline of 65km and a developing waterway traffic system. It is located in the center of the Mekong Delta – the big local market with over 18 million inhabitants. It is a fortunate location, in an area rarely affected by storms and floods with moderate climate all year round; it is a very convenient province for both business and pleasure.

Its infrastructure is fairly completed while numerous projects are still underway. Many industrial zones are under construction, and plentiful vacant land lots are waiting for the investors to set up factories without spending high search costs. That is complemented with ample labor force and the existence of several vocational centers.

The provincial government always considers the investors as distinguished guests who need to be taken long-term care. Currently, the Province is specially attaching importance to investment encouragement and incentives on constructing technical infrastructure of industrial parks – clusters, economic zones, tourism areas, comparative advantage industries, export processing industries which are strong in materials, as well as various kinds of tourism activities.



Not only would we be able to help the environment and recover damaged mangroves, but since it is in fact a touristic activity, the government provides significant incentives. These include e.g. 3-year exemption of land lease from the date of operation (land lease shall be counted as in current regulations of the Government). The Government will provide roads, medium-voltage electricity and water system to factory's fence.

2.2 Size of the market

As it was already mentioned, the tourism market in Vietnam is booming. According to the Ministry of Culture, Sports and Tourism, the number of visitors in Vietnam has been growing significantly in the last few years. Just as a reference point, international visitors during this past month of October 2017 registered 1,024,899 arrivals, which represents an increase of 5.0% over the previous month and up 24.7% over the same period last year (2016). The total number of international arrivals in the first 10 months of 2017 reached 10,473,230, representing an increase 28.1% over the same period last year. Just as a comparison, during 2015, international travel to Vietnam only ascended to 7,943,651 tourists.

There is a considerable number of domestic tourists. Regrettably, the data available is not collected as frequently. The following chart shows information on domestic trips during the years 2007-2015.

Table 2. Tourists in numbers.

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015
Domestic (thousand trips)	19,200	20,500	25,000	28,000	30,000	32,500	35,000	38,500	57,000
Growth rate (%)	9.7	6.8	22	12	7.1	8.3	7.7	10	48

This is information only on tourism in general, but it is important to note that eco-tourism and eco-resorts have risen in popularity globally. Eco-tourism, as defined by The International Ecotourism Society, is *“responsible travel to natural areas that conserves the environment and improves the well-being of local people”*. It prioritizes conservation, communities and education, allowing tourists to not just gain new experiences but also enhance their worldview through a mindful interaction with their destination.



2.3 Customer client analysis

In a study of the travel industry in 2015, consulting firm Deloitte found that the number of travelers who are aware of the sustainable travel issues and the willingness of these travelers to spend on environmentally-friendly travel have increased by a third in the last decade.

The same report also points out that “95 per cent of business travelers surveyed believe that the hotel industry should be undertaking ‘green’ initiatives and that sustainability will become a defining issue for the hospitality industry in 2015 and beyond”. In line with this thought, the United Nations designated 2017 as the International Year of Sustainable Tourism for Development.

Ecotourism in Vietnam has gained popularity thanks to the incredible natural resources present in the country. One of the particular draws of Vietnam as an ecotourism destination is its flora and fauna, in which the country is diverse and appealing. Approximately 10 percent of Vietnam's flora and fauna are endemic, and a number of new species have been discovered in the last few decades.

In general, eco-tourists have been classified into many characteristics. Over half (56%) are 35 to 54 years old, but more and more young travelers are choosing to travel like this. It is very likely that age varies with activity and other factors such as cost. That is why we want to remain affordable, to attract and educate young people as well. It is also important to mention that although in the past, most eco-tourists were male, nowadays the number has balanced and both genders partake equally. Because of their interest in alternative travelling, literature has consistently suggested that eco-tourists tend to have a higher level of education than general tourists, but as it has expanded in age group and gender, it has also grown with those with less education. Overall, the sector of eco-tourism has experienced an expansion of interest into mainstream markets (White, 2000).

Regrettably there is no data available specifically for Trà Vinh and for eco-tourists traveling to the province.

2.4 Competition analysis

Currently, the country counts 3,128 lodging places recorded, of which: 1,956 hotels, 666 small hotels, 434 rented apartments, 53 tourist villas, 11 tourist villages, and 8 campsites.



The hotel system classifies the hotels on a scale from 1 to 5 stars; 3,840 rooms are classified 1 star; 6,977, 2 stars; 7,752, 3 stars; 4,966, 4 stars; and 5,251, 5 stars. The number of rooms available in Vietnam grows quickly. In 1992, there were 13,050 rooms and, according to the 2004 census, this number reached 85,381, an increase of 654% in 12 years. The authorities envisage that, in 2010, the number reached 135,200 rooms, which will make an additional increase of 158%.

Of all the tourist receipts perceived by the country, it is Hô Chi Minh City which receives the greatest part (50%). Ha Noi arrives in second position with 20% to 25%, and the remainder is distributed between the other most popular cities, such as Hue and Hai Phong.

The principal Vietnam competitors are littoral countries like Indonesia, Cambodia and Thailand, or other countries where the culture is very present, like China.

In the province of Trà Vinh, our main competition would be the company Mekong Garden. They offer a natural and rural place, activities to discover the daily lives of farmers, fishermen and local craft villages in Mekong Delta. They charge around \$78.80 USD per person, per room. They offer tours that last for different lengths and for different activities.

Other hotels and hostels in the area can charge as little as \$3.50 USD and well over \$70.50 USD. It depends mostly on the services offered and quality of the hotel. As we do not intend to be a very luxurious hotel, we will offer something in the middle and there is sufficient room for us in the hospitality market.

4 Calculation of investments

4.1 Investment and depreciation costs

Table 3. Investment and depreciation costs.

Assets	Investment expenditure	Depreciation rate in years	Depreciation costs p.a.
Renewable energy supply	\$50.000,00	20	\$2.500,00
Water supply system (rainwater harvesting)	\$30.000,00	15	\$2.000,00
Outdoor kitchen/restaurant/bar	\$60.000,00	15	\$4.000,00
Reception/Corporate Function Room	\$50.000,00	50	\$1.000,00
Wood pier	\$20.000,00	10	\$2.000,00
Bungalows	\$210.000,00	50	\$4.200,00
Landscape (Roads)	\$25.000,00	20	\$1.250,00
Landscape (lighting)	\$5.000,00	10	\$500,00
Landscape (Garden)	\$20.000,00	8	\$2.500,00
Pool/spa	\$60.000,00	30	\$2.000,00
Generator	\$50.000,00	15	\$3.333,33
16 seat van	\$35.200,00	10	\$3.520,00
Tools	\$1.000,00	15	\$66,67
Motorboat	\$30.000,00	15	\$2.000,00
Traditional Boat	\$2.500,00	7	\$357,14
Bicycles	\$1.500,00	6	\$250,00
Outdoor furniture	\$20.000,00	10	\$2.000,00
Indoor furniture	\$25.000,00	10	\$2.500,00
Uniforms, linens	\$5.000,00	5	\$1.000,00
Office Equipment	\$5.000,00	10	\$500,00
Electronics	\$5.000,00	3	\$1.666,67
Total	\$710.200,00		\$39.143,81

4.2 Financing costs

Each of the four owner contributes 100.000,00 USD. Therefore 481.200,00 USD have to be provided by a bank loan.

Table 4. Financing costs

Financing costs	USD
Own capital	\$400.000,00
Outside financing (For 10 years at 7%)	\$481.200,00
Total	\$881.200,00

4.3 Labor costs

At the beginning phase of this business, the number of employees will be kept at minimum level to save operational costs. During the phase of starting up the business and construction, the company only include 2 main employees: a CEO and a manager assistant. It is assumed that the construction and designing of the resort will be contracted to a professional firm in Vietnam.

Currently, there are four regional minimum salary levels existing in Vietnam. In general, employers are obliged to pay a salary that is not lower than the minimum salary level applicable in the respective region for untrained workers; for trained workers, an additional minimum 7% will have to be added on top of the regional minimum salary. The Trà Vinh province is located in region 3, i.e. the minimum salary is 2,900,00 VND/year. Additionally, Vietnamese law defines that both employers and employees are required to contribute to the social, health and unemployment insurance funds. The employers' and employees' contributions are calculated as a percentage of the employee's base salary, as follows:

- Social insurance: employers: 18%; employees: 8%.
- Health insurance: employers: 3%; employees: 1.5%.
- Unemployment insurance: employers and employees: 1%.

Table 5. Labor costs

Labor costs	inc. Social securities	Number	
Administration (CEO/manager and assistant general manager)	\$10.000,00	2	\$20.000,00
Housekeepers	\$3.000,00	2	\$6.000,00
Reception/Concierge	\$6.000,00	2	\$12.000,00
Security	\$3.000,00	1	\$3.000,00
Cook	\$3.500,00	2	\$7.000,00
Waiter	\$3.500,00	1	\$3.500,00
Driver	\$3.500,00	1	\$3.500,00
Tour guide/rower	\$6.000,00	5	\$30.000,00
Total			\$85.000,00

4.4 Consumption costs

Table 6. Consumption costs at full occupancy

Water supply (per m3)	\$1.642,50
Food	\$25.000,00
Employee Training sessions	\$2.000,00
General Consumables	\$12.500,00
Building Repair & Maintenance	\$10.000,00
Grounds Keeping Expense	\$7.000,00
Cleaning Supplies	\$5.000,00
Transportation, utilities & Fuel	\$15.000,00
Taxes & Licenses	\$10.000,00
Insurance	\$25.000,00
Office Expenses and IT	\$7.000,00
Tour operation	\$5.000,00
Marketing	\$2.000,00
Miscellaneous Expenses/Contingency	\$10.000,00
Total	\$137.142,50



5 Calculation of cost and price

5.2 Self costs

Table 7. Self costs

Costs	Costs per year 1	Costs per year 2	Costs per Year 3	Costs per Year 4	Costs per Year 5	Costs per Year 6	Costs per Year 7	Costs per Year 8	Costs per Year 9	Costs per Year 10
Depreciation costs	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81
Financing costs	-\$33.684,00	-\$30.315,60	-\$26.578,80	-\$23.578,80	-\$20.210,40	-\$16.842,00	-\$13.473,60	-\$10.105,20	-\$6.736,80	-\$3.368,40
Labor costs	- \$103.275,00	-\$103.275,00	- \$103.275,00	- \$103.275,00	- \$103.275,00	- \$103.275,00	- \$103.275,00	- \$103.275,00	- \$103.275,00	- \$103.275,00
Consumptions costs	-\$26.331,39	-\$65.828,40	- \$109.714,00	- \$109.714,00	- \$109.714,00	- \$137.142,50	- \$137.142,50	- \$137.142,50	- \$137.142,50	- \$137.142,50
Sum of costs	- \$202.434,20	-\$238.562,81	- \$278.711,61	- \$275.711,61	- \$272.343,21	- \$296.403,31	- \$293.034,91	- \$289.666,51	- \$286.298,11	- \$282.929,71
Cost per guest	-\$34,66	-\$27,23	-\$23,86	-\$23,61	-\$23,32	-\$20,30	-\$20,07	-\$19,84	-\$19,61	-\$19,38

5.3 Price definition

According to the previous numbers shown in table 7, we decided to take a minimum price of 40USD per guest and night.



6 Profitability and cash flow

Table 8. Profit, loss and cash flow account for 10 years

Cash flow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Sales profit	\$233.600,00	\$350.400,00	\$467.200,00	\$467.200,00	\$467.200,00	\$584.000,00	\$584.000,00	\$584.000,00	\$584.000,00	\$584.000,00
Depreciations costs	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81	-\$39.143,81
Financing costs	-\$33.684,00	-\$30.315,60	-\$26.578,80	-\$23.578,80	-\$20.210,40	-\$16.842,00	-\$13.473,60	-\$10.105,20	-\$6.736,80	-\$3.368,40
Labor costs	-	-	-	-	-	-	-	-	-	-
	\$103.275,00	\$103.275,00	\$103.275,00	\$103.275,00	\$103.275,00	\$103.275,00	\$103.275,00	\$103.275,00	\$103.275,00	\$103.275,00
Consumption costs	-\$26.331,39	-\$65.828,40	-	-	-	-	-	-	-	-
			\$109.714,00	\$109.714,00	\$109.714,00	\$137.142,50	\$137.142,50	\$137.142,50	\$137.142,50	\$137.142,50
Sum of costs	-	-	-	-	-	-	-	-	-	-
	\$202.434,20	\$238.562,81	\$278.711,61	\$275.711,61	\$272.343,21	\$296.403,31	\$293.034,91	\$289.666,51	\$286.298,11	\$282.929,71
Loss carried forward										
Profit before taxes	\$31.165,80	\$111.837,19	\$188.488,39	\$191.488,39	\$194.856,79	\$287.596,69	\$290.965,09	\$294.333,49	\$297.701,89	\$301.070,29
Taxes (17%)	\$5.298,19	\$19.012,32	\$32.043,03	\$32.553,03	\$33.125,65	\$48.891,44	\$49.464,07	\$50.036,69	\$50.609,32	\$51.181,95
Profit after taxes	\$25.867,61	\$92.824,87	\$156.445,36	\$158.935,36	\$161.731,14	\$238.705,25	\$241.501,02	\$244.296,80	\$247.092,57	\$249.888,34
Cash flow (net profit+ depreciation)	\$65.011,42	\$131.968,68	\$195.589,17	\$198.079,17	\$200.874,95	\$277.849,06	\$280.644,83	\$283.440,61	\$286.236,38	\$289.032,15
Repayment credit	\$48.120,00	\$48.120,00	\$48.120,00	\$48.120,00	\$48.120,00	\$48.120,00	\$48.120,00	\$48.120,00	\$48.120,00	\$48.120,00
Dividend	\$16.891,42	\$83.848,68	\$147.469,17	\$149.959,17	\$152.754,95	\$229.729,06	\$232.524,83	\$235.320,61	\$238.116,38	\$240.912,15



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8 Appendix

Appendix 1: Articles of Association

§ 1 Name, Registered Office and Financial Year

The company's name is Green Paradise - Thien Duong Xanh - EcoResort.

The company's registered office shall be in Room 10.7, Royal Center Tower, Nguyen Van Cu street, Nguyen Cu Trinh Ward, District 1, Ho Chi Minh city, Vietnam.

The financial year shall be 2018, starting 01.01.2018.

§2 Object of Business

The object of the company's business is the management of its own assets.

to run and operate an eco resort that provides ethical and sustainable eco-tourism in Vietnam.

§3 Share Capital

The share capital is \$400,000.00 USD split by the shareholders Thi Phuong Thao Do, Arantza Aguilar Ramírez, Désirée Woinowski, Laura Galinski in the following proportion:

Thi Phuong Thao Do:	\$60,000.00;
Arantza Aguilar Ramírez:	\$150,000.00;
Désirée Woinowski:	\$150,000.00;
Laura Galinski:	\$40,000.00.

The shares shall be paid immediately in full and in cash.

§4 Managing Directors and Representation

The company shall have two managing directors, Arantza Aguilar Ramírez and Désirée Woinowski and two representatives, Thi Phuong Thao Do and Laura Galinski. If only one managing director is appointed, such managing director shall represent the company alone. If more than one managing director is appointed, the company shall be represented jointly by two managing directors jointly with a holder of a special proxy.

The shareholders' meeting may grant to one or more managing directors the power to represent the company alone and exempt them from the restrictions of §181 German Civil Code. It is referred to the German Civil Code at this point because a similar paragraph could not be found in the Vietnamese Civil Code.



§5 Announcements

Announcements of the company shall be published exclusively in the Federal Gazette published in an online newspaper or a printed newspaper for three consecutive editions in Vietnam with the name, location, type of business and the capital of the company, the name of the business owner being the representative of the company.

§6 Formation costs

The Green Paradise - Thien Duong Xanh - EcoResort shall bear the costs of incorporation.

§7 Final provisions

These articles of association shall be governed by the laws of the Socialist Republic of Vietnam.



Appendix 2: Employment contract Employment Agreement

THIS AGREEMENT made as of the _____ day of _____, 20__ , between the Green Paradise - Thien Duong Xanh - EcoResort, a company incorporated under the laws of the Socialist Republic of Vietnam, and having its principal place of business at the City of Ho Chi Minh (the "Employer"); and [name of employee], of the City of _____ in the Socialist Republic of Vietnam (the "Employee").

WHEREAS the Employer desires to obtain the benefit of the services of the Employee, and the Employee desires to render such services on the terms and conditions set forth.

IN CONSIDERATION of the promises and other good and valuable consideration (the sufficiency and receipt of which are hereby acknowledged) the parties agree as follows:

1. Employment

The Employee agrees that he will at all times faithfully, industriously, and to the best of his skill, ability, experience and talents, perform all of the duties required of his position. In carrying out these duties and responsibilities, the Employee shall comply with all Employer policies, procedures, rules and regulations, both written and oral, as are announced by the Employer from time to time. It is also understood and agreed to by the Employee that his assignment, duties and responsibilities and reporting arrangements may be changed by the Employer in its sole discretion without causing termination of this agreement.

2. Position Title

As a _____, the Employee is required to perform the following duties and undertake the following responsibilities in a professional manner.

(a)-

(b) -

(c) -

(d) -

(e) Other duties as may arise from time to time and as may be assigned to the employee.

3. Compensation

(a) As full compensation for all services provided the employee shall be paid at the rate of _____. Such payments shall be subject to such normal statutory deductions by the Employer.

(b) (may wish to include bonus calculations or omit in order to exercise discretion).

(c) The salary mentioned in paragraph (l)(a) shall be review on an annual basis.

(d) All reasonable expenses arising out of employment shall be reimbursed assuming same have been authorized prior to being incurred and with the provision of appropriate receipts.

4. Vacation

The Employee shall be entitled to vacations in the amount of 12 days per annum.



5. Benefits

The Employer shall at its expense provide the Employee with the Health Plan that is currently in place or as may be in place from time to time.

6. Probation Period

It is understood and agreed that the first ninety days of employment shall constitute a probationary period during which period the Employer may, in its absolute discretion, terminate the Employee's employment, for any reason without notice or cause.

7. Performance Reviews

The Employee will be provided with a written performance appraisal at least once per year and said appraisal will be reviewed at which time all aspects of the assessment can be fully discussed.

8. Termination

(a) The Employee may at any time terminate this agreement and his employment by giving not less than two weeks written notice to the Employer.

(b) The Employer may terminate this Agreement and the Employee's employment at any time, without notice or payment in lieu of notice, for sufficient cause.

(c) The Employer may terminate the employment of the Employee at any time without the requirement to show sufficient cause pursuant to (b) above, provided the Employer pays to the Employee an amount as required by the 2012 Labour Code or other such legislation as may be in effect at the time of termination. This payment shall constitute the employee's entire entitlement arising from said termination.

(d) The employee agrees to return any property of the Green Paradise - Thien Duong Xanh - EcoResort at the time of termination.

9. Non-Competition

(1) It is further acknowledged and agreed that following termination of the employee's employment with the Green Paradise - Thien Duong Xanh - EcoResort for any reason the employee shall not hire or attempt to hire any current employees of _____.

(2) It is further acknowledged and agreed that following termination of the employee's employment with the Green Paradise - Thien Duong Xanh - EcoResort for any reason the employee shall not solicit business from current clients or clients who have retained _____ in the 6-month period immediately preceding the employee's termination.

10. Laws

This agreement shall be governed by the laws of the Socialist Republic of Vietnam.

11. Independent Legal Advice

The Employee acknowledges that the Employer has provided the Employee with a reasonable opportunity to obtain independent legal advice with respect to this agreement, and that either:



- (a) The Employee has had such independent legal advice prior to executing this agreement, or;
- (b) The Employee has willingly chosen not to obtain such advice and to execute this agreement without having obtained such advice.

12. Entire Agreement

This agreement contains the entire agreement between the parties, superseding in all respects any and all prior oral or written agreements or understandings pertaining to the employment of the Employee by the Employer and shall be amended or modified only by written instrument signed by both of the parties hereto.

13. Severability

The parties hereto agree that in the event any article or part thereof of this agreement is held to be unenforceable or invalid then said article or part shall be struck and all remaining provision shall remain in full force and effect.

IN WITNESS WHEREOF the Employer has caused this agreement to be executed by its duly authorized officers and the Employee has set his hand as of the date first above written.

SIGNED, SEALED AND DELIVERED in the presence of:

[Name of employee]

[Signature of Employee]

[Name of Employer Rep]

[Signature of Employer Rep]

[Title]



Appendix 3: Opening Balance

Balance at 01.01.2018			
Assets		Liabilities	
Bank account	881,200.00 USD	Share capital	400,000 USD
		External Financing	481,200 USD
TOTAL	881,200.00 USD	TOTAL	881,200.00 USD