



**LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY**

Ministry of Industry and Commerce

No. 0045/MOIC.DERM

Vientiane Capital, date: 18 January 2019

**Instruction
On
Business Operating License
For Industrial and Commerce Activities**

- Pursuant to the Decree on the Organization and Activities of the Ministry of Industry and Commerce, issue no. 230/PM, dated 24 July 2017;
- Pursuant to the Prime Minister's Order on the Improvement of the Regulations and Coordination Mechanism Related to "Doing Business" in Lao PDR, issue no. 02/PM, dated 01 February 2018;
- Pursuant to the Decision on Enterprise Registration, issue no. 0023/NA, dated 09 January 2019.

To implement the Clause 1.2 of the Prime Minister's Order No. 02/PM, dated 01 February 2018, on the Improvement of Regulations and Coordination Mechanism Related to "Doing Business" in Lao PDR and the Minister of Ministry of Industry and Commerce's Decision No. 0023/ MOIC.DERM, dated 09 January 2019 on Enterprise Registration on effective and uniform basis throughout the country with respect to business license for the activities of industry and commerce sector in accordance with the new provisions for business operations in Lao PDR.

The Minister of Ministry of Industry and Commerce issued this Instruction:

1. Business Operating License Principles

The activities of industry and commerce that requires the Business Operating License means the activities of industry and handicraft, domestic commerce, import and export, where the relevant departments shall doing a research and listed of activities then propose to the Minister of Ministry of Industry and Commerce to consider certified.

The Minister of Ministry of Industry and Commerce has authorized the relevant Departments, the Provincial and Capital Division of Industry and Commerce, The District and

City of Industry and Commerce Office, to consider issuing the Business Operating License according to the allocation of responsibilities for processing and issuance as defined in Clause 3 of this Instruction.

2. Contents and Changing of Contents on Business Operating License

Contents and forms of business operating license shall be applied as specified by relevant Department which is consistent with Article 17 of the Decision on Enterprise Registration, issue no. 0023/NA, dated 09 January 2019.

Any changes to the contents of Business Operating License, the Enterprise shall directly propose to the relevant sector where such license was issued, for any changes in each time, a relevant department shall enclose one original copied of business license (new amended version) send to the enterprise registrar where such license was issued, within 05 working days from the date of issuance of such license (new amended version) for the purpose of collecting information and enter into the business registration database.

3. Allocation of Responsibilities for Processing and Issuance of Business Operating License

Consideration of the issuance of business operating license consists of 3 processes as follows:

- 3.1 Central level shall means Department of Industry and Handicraft, Department of Domestic Trade, Department of Import-Export;
- 3.2 Provincial level shall means the Provincial and Capital Division of Industry and Commerce;
- 3.3 District level shall means the District and City of Industry and Commerce Offices.

The details on the allocation of responsibilities for issuing the business operating license as defined in the Decision on the Adoption of Business Activities in Industry and Commerce Sector that required the Issuance of Business Operation License that Ministry of Industry and Commerce has issued in each period.

4. Officers who authorized to sign the Business Operating License

The officers who are authorized to sign the Business Operating License at each level shall being appointed in writing as follows:

- 4.1 Central level shall have at least two (2) Deputy Director General under relevant Departments who are appointed by the Director General pursuant to the Decision to sign the Business Operating License;
- 4.2 Provincial level shall have at least two (2) Deputy Chief of the Provincial and Capital Division of Industry and Commerce who are appointed by the Chief of Division of Industry and Commerce pursuant to the Decision to sign the Business Operating License;

- 4.3 District level shall have at least two (2) Deputy of the District and City of Industry and Commerce Offices who are appointed by the Head of Industry and Commerce Office pursuant to the Decision to sign the Business Operating License;

5. Procedures and Time Period for Processing Applications and Issuance of Business Operating License

Procedures and time period for processing applications and issuance of Business Operating License shall be as follows:

- 5.1 Prepare documentation and submit them to the Department or Division of Industry and Commerce at Provincial, Vientiane Capital or the Industry and Commerce Office at District, Capital, based on the allocation of responsibilities for processing and issuance of license as defined in Article 3 of this Instruction;
- 5.2 After receiving documentation, the enterprise registrar shall complete checking an accuracy of the documents and shall immediately notify the applicant according to each of the following cases:
- 5.2.1 In case the application is complete and correct, the officer shall provide an acknowledgement of receipt. An acknowledgement of receipt shall include the date, time of receipt and date of receipt of Business Operating License not later than ten (10) working days from the date of issuing an acknowledgement of receipt;
- 5.2.2 In case the application is incomplete or incorrect, the officer shall immediately notify the applicant and advise them to correct and improve it by indicating the points that are needed to be corrected or improved and shall sign such instruction form. After the application is completed and corrected, procedures and time period as defined in Clause 5.2.1 of this Instruction shall be applied.
- 5.3 After the Business Operating License was issued, a relevant department shall enclose one original copied of business license and send to the relevant sector where such enterprise registration was issued, within 05 working days from the date of issuance of such license for the purpose of collecting information and enter into the business registration database;
- 5.4 In case of disagree, the officer shall immediately notify the applicant in writing within ten (10) working days from the date of receiving the documents and shall give a reason for such disagreed and notify the department where such license was issued to acknowledge and follow up.

6. Documents Required for Business Operating License

Documents required for Business Operating License in the Industry and Commerce activities are includes:

- 6.1 Application form for Business Operating License in the Prescribed Form that defined by the Department of Industry and Handicraft, Department of Domestic Trade, Department of Import and Export, and according to the internal activities under such Department responsibilities;
- 6.2 One (1) original copied or one (1) hard copied of the Enterprise Registration Certificate;
- 6.3 One (1) original copied or one (1) hard copied of Instruction Letter for requesting the business operating license that issued by the department where such enterprise registration was issued.

7. Expiration and Extension of Business Operating License

Business Operating License with activities which is not required for technical follow-up and activities evaluation in each period shall be one time issued during the business operating period for such enterprise. For the activities which is required for technical follow-up and activities evaluation in each period shall have a valid date according to the significant reasons of each businesses.

For the Business Operating License with a valid date before the expired date of 30 days, the applicant shall submit the application form to the department where such license was issued for the extension.

Documents required for Business Operating License extension are includes:

1. Application form for Business Operating License in the Prescribed Form that defined by the Department of Industry and Handicraft, Department of Domestic Trade, Department of Import and Export, and according to the internal activities under such Department responsibilities;
2. Original copied of Business Operating License;
3. Instruction Letter for requesting the business operating license that issued by the department where such enterprise registration was issued.

8. Duties and Obligations of Enterprise that Operating Business of Industrial and Commerce

The Enterprise who have received the Business Operating License on industry and commerce activities shall implement the following duties and obligation:

- 8.1 Business operating activities shall strictly follow the principles as defined in the Business operating License;
- 8.2 Summarizes and reports on business operating activities to relevant sectors where such license was issued;
- 8.3 Implementing according to the law and relevant regulations.

9. Management and Monitoring of Business Operating

After issuing the business operating license, the sector where such license was issued shall be a leads to coordinate with relevant sectors for managing and monitoring the business operating in activities where they have issued such license.

10. Implementation

Assigns the Department of Industry and Handicraft, the Provincial and Capital Department of Domestic Trade, Department of Import-Export, Division of Industry and Commerce, the District and City of Industry and Commerce Offices, to implement this Instruction to get good results, to summarize and report on the insurance of Business Operating License to higher level on bi- annual and annual basis. If the implementation is difficult, shall report the higher level to consider for the adjustment and amendment.

11. Effective

This Instruction shall be effective from the date of signature and after 15 days after it is published in the National Gazette, by starting to implement from 01 February 2019 onwards. For the Enterprise that registered before the implement of this instruction shall continuously implementing, any changes to the contents of the Enterprise Registration Certificate shall implementing according to new conditions as defined in this Instruction.

Minister

Signed and stamped

Ms. Khemmani PHOLSENA