

Unofficial Translation



Lao People's Democratic Republic Peace Independence Democracy Unity Prosperity

Ministry of Industry and Commerce

No.1006/MOIC.ITD
Vientiane Capital, Date 22 May 2015

Decision on the Establishment of Foreign Chamber of Commerce in Lao PDR

- Pursuant to the Decree on Organization and Operation of Ministry of Industry and Commerce No. 522/PM, dated 23 December 2011;
- Pursuant to the Prime Minister's Decision on the Establishment of Foreign Chamber of Commerce in Lao PDR, No. 132/PM, dated 18 December 2014.

The Minister of Industry and Commerce hereby issued a Decision:

Part 1 General Provision

Article 1 Objective

This Decision sets out the principles, regulations and measures related to the establishment, operation and supervision of foreign chambers of commerce and business representative organizations in order to coordinate to the business operations of foreign business organizations, to promote and protect the rights and interests of foreign business units operating business in Lao PDR, aiming for systematic and effective supervision of business units in accordance with laws and regulations and treaties to which Lao PDR is a Party.

Article 2 Foreign Chamber of Commerce in Lao PDR

Foreign Chamber of Commerce in Lao PDR is one of organizations with an abbreviation of "FCC" established in accordance with laws and regulations of Lao PDR in order to be a representative body of foreign business groups from other countries, which may take the form of an association, chamber of commerce, branch of chamber of commerce or representative of business units operating in Lao PDR.

Article 3 Basic Principles of the Establishment and Operation of Foreign Chamber of Commerce in Lao PDR

Basic Principles of the establishment and operation of Foreign Chamber of Commerce in Lao PDR are as follows:

1. To voluntarily apply for establishment of an FCC according to the relevant laws and regulations of the Lao PDR and adopt such laws and regulations voluntarily;
2. To operate in accordance with the relevant laws and regulations;
3. All activities of FCC's are under the supervision of Foreign Chamber of Commerce Supervisory Authority in Lao PDR and governed by the relevant laws and regulations;
4. To become a member of Lao National Chamber of Commerce and Industry ("LNCCI") after the establishment;
5. To be financially independent;
6. To operate as non-profit organisations;
7. To act with transparency, openness and equity before the law.

Article 4 Scope of Application

This Decision applies to established Foreign Chamber of Commerce with operational approval in Lao PDR.

Part 2

The Establishment of Foreign Chamber of Commerce in Lao PDR

Article 5 Conditions of establishment of Foreign Chamber of Commerce in Lao PDR

Conditions for the establishment of Foreign Chamber of Commerce are as follows:

1. To be certified by the embassy or consulate of countries that apply for the establishment of "FCC" in Lao PDR (in case of new establishment);
2. To have objectives with clear scope of operation in accordance with the constitution, laws and regulations, culture, Lao traditions that do not interfere with local customs and beliefs and beliefs of various ethnic groups in Lao PDR, not result in any disruption to the national security and the order of society and not impede on the basic rights of Lao people and freedom of others;
3. To have a founder, establishment committee, a management committee, an inspection committee and secretary or head of office of "FCC";
4. To have a management committee of at least 3-5 members that conduct business according to laws and regulations of Lao PDR;
5. To have an office, working space of "FCC" based in Vientiane Capital, provinces, large cities or in special economic zones in Lao PDR with the approval of the local authority where the offices are located, with documents certifying ownership rights or lease contract according to the relevant laws and regulations of the Lao PDR.
6. The Foreign Chamber of Commerce must have regulations in accordance with Article 8 of this Decision;
7. Obtain certification from LNCCI.

Article 6 Registration Procedure for the Establishment of Foreign Chamber of Commerce in Lao PDR

Individuals or legal entities seeking to establish "FCC" adopt the following procedures:

1. An application for establishment and documentation specified in Article 5 of this Decision;

2. To submit documentation to LNCCI for consideration;
3. Documents will be forwarded by the Lao National Chamber of Commerce and Industry to Ministry of Industry and Commerce (Internal Trade Department);
4. The Internal Trade Department will consider and report to the Minister of Industry and Commerce for issuing the Decision on the establishment of the “FCC”;
5. After issuing the Decision on the establishment of the “FCC”, the Internal Trade Department will report to relevant departments of the Ministry of Public Security to engrave a seal.

The name of Foreign Chamber of Commerce in Lao PDR shall be written in Lao language first to be followed by foreign language translation.

Documentation processing time commences from the day of official submission and receipt at LNCCI for the period of 5 days and 10 working days for consideration of establishment by the Ministry of Industry and Commerce.

Article 7 Registration Procedure for the Establishment of Foreign Chamber of Commerce Branch in Lao PDR

Individuals or legal entities seeking to establish Foreign Chamber of Commerce Branch in Lao PDR in provinces, Vientiane Capital, cities and special economic zones shall follow following procedures:

1. An application requesting for the branch establishment with certification from the relevant Foreign Chamber of Commerce and documentation specified in Article 5 of this Decision;
2. To submit documentation to LNCCI for consideration;
3. Documents will be forwarded by LNCCI to the Ministry of Industry and Commerce (Internal Trade Department);
4. The Internal Trade Department will consider and report to the Ministry of Industry and Commerce for issuing the Decision to establishment a branch of “FCC”;
5. After issuing the Decision to establishment a branch of “FCC”, the Internal Trade Department will report to relevant departments of the Ministry of Public Security to engrave a seal.

The name of Foreign Chamber of Commerce Branch in Lao PDR shall be written in Lao language first to be followed by foreign language translation;

Documentation processing time commences the day of official submission and receipt at LNCCI for the period of 5 days and 10 working days for consideration of establishment by the Ministry of Industry and Commerce.

Article 8 Rules of Foreign Chamber of Commerce in Lao PDR

Foreign Chamber of Commerce in Lao PDR shall formulate rules including the following:

1. Name of organization;
2. Objective;
3. Office location in Lao PDR;
4. Rules (organization structure and human resources) of “FCC”;
5. Member registration and conditions to resign from being a member;
6. Rules on operating meetings of “FCC”;

7. Rules of organization management committee including management committee structure, total number, the term, the end of term and meetings;
8. Rules on management, operation of accounting and assets management;
9. Finances of organization (member fee, capital and other revenue), financial status of the organization;
10. Rules of “FCC” branch shall be implemented according to rules of “FCC” in Lao PDR that the branch is part of.

Article 9 Terms of Foreign Chamber of Commerce in Lao PDR

1. The Foreign Chamber of Commerce in Lao PDR may operate for 5 years from the date of establishment/approval and may extend for an additional 5 years by summitting documentation to LNCCI for consideration which will be forwarded to the Internal Trade Department, Ministry of Industry and Commerce for consideration;

2. Term of Foreign Chamber of Commerce Branch is based on the term of Foreign Chamber of Commerce in Lao PDR.

Article 10 Dissolution of Foreign Chamber of Commerce in Lao PDR

Foreign Chamber of Commerce may be dissolved by the following two scenarios:
Foreign Chamber of Commerce Supervisory Authority in Lao PDR at central level notifies dissolution in the following scenarios:

1. Violation of Article 13 of this Decision;
2. Violation of the Party’ policies, laws and legislation of the government, and their organization rules;
3. No operation for at least 1 year or end of operation term and no application for an extension of time has been submitted or the FCC continues to operate after receiving a warning from the Foreign Chamber of Commerce Supervisory Authority;
4. No annual report for one year period to the “FCC” Supervisory Authority on the organization structure, operation, and financial information.

“FCC” voluntarily decides to dissolve because of following cases:

1. More than half of general members of “FCC” call for the dissolution;
2. There is no financial capital to continue the operation;
3. The end of operation term specified in the organization rules;
4. Achieved objective as specified in the organization rules.

Part 3

Functions, Rights, Duties and Prohibition of Foreign Chamber of Commerce in Lao PDR

Article 11 Functions of Foreign Chamber of Commerce in Lao PDR

Foreign Chamber of Commerce in Lao PDR acts a representative of business associations and business communities in Lao PDR in order to provide comments to “FCC” Supervisory Authority for facilitative business environment, transparency and fair competition, promotion of harmonized versatile operation of business unit and cooperation according to relevant laws and regulations of Lao PDR.

Article 12 Rights and Duties of Foreign Chamber of Commerce in Lao PDR

Foreign Chamber of Commerce in Lao PDR has following rights and duties:

1. To provide consultancy on policy information, legal advice and opportunity in doing business in Lao PDR for their members;
2. To encourage and gather business units operating legally to become members.
3. To facilitate the branch establishment of “FCC” in big cities, special economic zones under their management;
4. To manage branches and business units that are members;
5. To collect data about business units that are members, summarize information on relevant business operation and disseminate such information to general public in order to promote their business in Lao PDR and abroad;
6. To closely liaise with LNCCI and other “FCC” to exchange data-information, create activities on trade development, cooperate on marketing, product development and legitimate competition;
7. To summarize and report to LNCCI on the operation of “FCC” and their branches.

Article 13: Prohibition of Foreign Chamber of Commerce in Lao PDR

Foreign Chamber of Commerce in Lao PDR is prohibited to act as follows:

1. To include the word “National” on the name of Foreign Chamber of Commerce in Lao PDR;
2. Abuse the rights to establish “FCC” to operate against the constitution, laws and regulations of Lao PDR;
3. To operate resulting in disruption to national security and the order of society, peace and basic rights of Lao people and the freedom of others, culture and Lao traditions and must not interfere with local custom beliefs and beliefs of various ethnic groups in Lao PDR;
4. To be ignorant, destroy benefits of nation, individuals and organizations;
5. To operate leading to conflicts within nation, local areas and various ethnic groups;
6. To falsify, transfer or assign the Decision of the establishment of “FCC” in any form;
7. To support disruption to peace and other operation that violates laws and regulations of Lao PDR;
8. To obstruct or hinder any business units that meet criteria to become members or to force business units to become members without their willingness to apply or force members to resign without valid reasons.

Part 4

Foreign Chamber of Commerce Supervisory Authority in Lao PDR

Article 14 Foreign Chamber of Commerce Supervisory Authority in Lao PDR

Foreign Chamber of Commerce Supervisory Authority in Lao PDR is the Ministry of Industry and Commerce (Internal Trade Department), which is the lead in the implementation in collaboration with Division of Industry and Commerce in provinces, Vientiane Capital, Lao National Chamber of Commerce and Industry and relevant agencies.

“FCC” Supervisory Authority from central to provincial levels consists of:

- At central level is Internal Trade Department, Ministry of Industry and Commerce;
- At provincial level is Division of Industry and Commerce in provinces, Vientiane Capital;

- The Lao National Chamber of Commerce and Industry;
- Relevant agencies.

Article 15: Rights and Duties of Foreign Chamber of Commerce Supervisory Authority in Lao PDR at Central Level

“FCC” Supervisory Authority at Central Level has following rights and duties:

1. To provide comments on the establishment, dissolution or extension of term of “FCC”;
2. To provide comments on approval for the establishment, dissolution or extension of term for consideration by higher level authorities;
3. The Director General of the Internal Trade Department approves the establishment, dissolution or extension of term in case of “FCC” branch establishing in provinces, cities and Special Economic Zones;
4. To manage and monitor the operation of “FCC”;
5. To disseminate, advise on the implementation of policies, laws and regulations relevant to “FCC”;
6. To advise, facilitate, monitor the operation of “FCC” to be operated according to objectives and functions of “FCC”;
7. To award “FCC” with good performance in contributing to the development and assistance of society;
8. To support “FCC” members to create activities on trade development, sharing experience among Lao business, foreign business, cooperate on marketing and product development;

Article 16 Rights and Duties of Foreign Chamber of Commerce Supervisory Authority in Lao PDR at Provincial Level

“FCC” Supervisory Authority at Provincial Level has following rights and duties:

1. To advise, facilitate, monitor the operation of “FCC” branch in provinces and Vientiane Capital to be operated according to objectives and functions of “FCC”;
2. To award “FCC” branch in their provinces with good performance in contributing to the development and assistance of society;
3. To support “FCC” branch in their provinces to create activities on trade development, sharing experience among Lao business, foreign business, cooperate on marketing and product development;
4. To summarize and regularly report the operation of “FCC” branch located in their provinces and Vientiane Capital to the Ministry of Industry and Commerce (Internal Trade Department).

Article 17 Rights and Duties of Lao National Chamber of Commerce and Industry

Lao National Chamber of Commerce and Industry has following rights and duties:

1. To provide comments on the establishment, dissolution or extension of term of “FCC” for consideration by the Ministry of Industry and Commerce (Internal Trade Department);
2. For establishment of any “FCC” branch in provinces No. 1 of this Article is applied;
3. To manage and monitor the operation of “FCC”;

4. To provide direction to Chamber of Commerce and Industry in provinces, Vientiane Capital in management and monitor the operation of “FCC” in provinces, Vientiane Capital, cities and Special Economic Zones;
5. To disseminate, advise on the implementation of policies, laws and regulations relevant to “FCC”;
6. To advise, facilitate, monitor the operation of “FCC” to be operated according to objectives and functions of “FCC”;
7. To request an award from the Ministry of Industry and Commerce for “FCC” with good performance in contributing to the development and assistance of society;
8. To support “FCC” members to create activities on trade development, sharing experience among Lao business, foreign business, cooperate on marketing and product development;
9. To summarize and regularly report the operation of “FCC” to the Ministry of Industry and Commerce (Internal Trade Department).

Article 18 Rights and Duties of Relevant Agencies

Relevant agencies have rights and duties to assist, manage, monitor, and coordinate with Industry and Commerce Agencies, LNCCI including Chamber of Commerce in provinces, Vientiane Capital on the operation of “FCC” according to their functions.

Part 5

Awards for Good Performance and Violator Measure

Article 19 Awards for Good Performance

Individuals or organizations with outstanding performance in implementing this Decision will receive compliments or other appropriate policy according to laws and regulations.

Article 20 Measures against violators

Individual or organizations who violate this decision or Law and other regulations shall be subject to measures depending on the seriousness of the violation in the form of education and training, suspending, terminating or being sued in court of law.

Individuals and organizations that violate this Decision or other laws and regulations shall receive warning, dissolution or punishment depending on seriousness of the violation.

Part 6

Final Provision

Article 21 Seal

Foreign Chamber of Commerce in Lao PDR has the own official seal to operate according to their functions, rights and duties specified in this Decision, which Ministry of Industry and Commerce (Internal Trade Department) will request the Ministry of Public Security for approval and engraving such seal.

The design of the seal is to be compliant with the Decree on the Supervision and Usage of Seals.

Article 22 Implementation

The Internal Trade Department in collaboration with Division of Industry and Commerce in provinces and Vientiane Capital, Lao National Chamber of Commerce and Industry and relevant agencies are assigned to strictly implement this Decision.

Article 23 Effectiveness

This Decision is effective from the date of signature and 15 days from the date of publication on Official Gazette.

Any organizations that were established and operated prior this Decision shall have all documentation specified in Article 6 of this Decision to request for a re-establishment within 120 days from the date of the effectiveness of this Decision.

Minister
Ministry of Industry and Commerce
(Signature and Seal)

Khemmani PHOLSENA