



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Ministry of Industry and Commerce

No. /MOIC.DIMEX

Vientiane Capital, Date: September 2018

“Draft”

Decision on Trading Rights

- Pursuant to the Decree on the Organization and Activities of the Ministry of Industry and Commerce, No.230/PM, dated 24 July 2017.
- Pursuant to the Decree on Import and Export of Goods, No.114/GOV, dated 6 April 2011.
- Pursuant to the ratification of the World Trade Organization Accession of Lao PDR, dated 21 December 2012.

The Minister of Industry and Commerce issues a Decision:

Chapter I

General Provisions

Article 1 Objectives

This Decision defines principles, regulations and measures on trading rights in order to open up trade [opportunities] by creating favorable conditions in import and export of goods while aiming at promoting strong growth in trade and domestic production, contributing to the national socio-economic development of the nation and in consistent with regional and international economic integration.

Article 2 Trading Rights of Foreign Trader

Trading rights of foreign trader is entitlement of the import or export of goods of foreign trader whose business is not registered in Lao PDR according to requirements as defined under this Decision.

Article 3 Definition

The terms used in this Decision shall have the following meaning:

1. **Foreign trader** refers to a trader whose business is registered and operating its business by complying with laws and regulations of foreign trader.
2. **Domestic trader** refers to a registered enterprise and operating its business and has retail distribution rights in Lao PDR.
3. **Trading Right Certificate** refers to an official document issued by Department of Import and Export, Ministry of Industry and Commerce certifying the rights of a foreign trader.

Article 4 Scope of Application

This Decision applies to foreign traders who are entitled the Trading Rights Certificates in Lao PDR.

Chapter II

Import and Export of Goods of a Foreign Trader

Article 5 Import and Export of Goods of a Foreign Trader

The import and export of goods by a foreign trader shall comply with the following requirements:

1. Possess a Trading Right Certificate;
2. Import and export of goods through international customs;
3. Deposit a bond with Bank of the Lao PDR;
4. Possess a sale and purchase contract with a domestic trader

Article 6 Procedures for Import and Export of Goods

The import and export of goods of a foreign trader shall be complied with the procedures as defined in the relevant laws and regulations of Lao PDR. Goods that are required a permission from the management sector shall comply with specific regulations defined.

A foreign trader imports goods to temporarily store in customs territory, customs clearance, tax and other obligations according to customs regulations and contribute to a domestic trader.

Chapter III

Issuance of Trading Right Certificate

Article 7 Eligibility of an Applicant Requesting for the Issuance of a Trading Right Certificate

A request for the issuance of a Trading Right Certificate of a foreign trader shall fulfill the following eligibility requirements:

1. register and operate a business by complying with laws and regulations of a foreign trader;
2. has never committed an offense, or is not in the process of any prosecution in relation to trade or financial matters;
3. Be a foreign trader of a country that is a member of the World Trade Organization.

Article 8 Documentation of Request for the Issuance of Trading Right Certificate

Any request for the issuance of a Trading Right Certificate shall include the following documents:

1. A letter of request as per the template provided in Annex 1;
2. A copy of a passport of a foreign trader;
3. A copy of an enterprise registration certificate;
4. A document certifying its enterprise address issued by any relevant government authority of the foreign trader country ;
5. A document certifying that there has been no offense committed as defined under Article 7 of this Decision.
6. A Power of Attorney (in the event of the application submitted by the representative).

In the event of validity extension of the Trading Rights Certificate, the requestor shall include additional documents as follows:

1. The original of Trading Rights Certificate; and
2. Certificates certifying execution of customs obligation, tax and other obligations from Department of Customs.

The documents as defined under this Article shall be made in Lao and English languages, of which has been certified by the embassy, representative office of Lao PDR, or an embassy or a representative office of the country of the foreign trader located in Lao PDR.

Article 9 Procedures on Request and Consideration of the Issuance of a Trading Right Certificate

9.1. Submission of the documents as specified under Article 8 of this Decision to the Department of Import and Export;

9.2. The Department of Import and Export shall check correctness and completeness of the documents as defined under Article 8 of this Decision;

9.3. In case a foreign trader fulfills the requirements as defined under Article 7 of this Decision, the Department of Import and Export shall issue a Trading Rights Certificate to the

foreign trader according to the template as stipulated in Annex 3 within thirty (30) working days from the date of receipt of the documents;

9.4. In case a foreign trader fails to fulfill the requirements as defined under Article 7 of this Decision, the Department of Import and Export shall notify the applicant in writing explaining the reasons within thirty (30) working days from the date of receipt of the application.

Article 10 Amendment of Contents and Reissuance of Trading Right Certificate

Upon receipt of a Trading Right Certificate, if the trading right entitlement receiver wishes to change or reissue the contents therein (in case the Trading Right Certificate damaged or lost), the receiver shall submit a request according to the template as defined under Annex 2 to the Department of Import and Export for consideration, , given that the validity of the new certificate shall be the same as the original certificate.

Procedures on amendment and reissuance of the Trading Right Certificate shall be processed in accordance with the procedures as specified in Article 9 of this Decision.

Article 11 Validity and Validity Extension of the Trading Right Certificate

A Trading Right Certificate shall be valid for two (2) years with possible extension, whereby each extension is for two (2) years only.

For the documents and procedures on request for validity extension shall comply with requirements as stipulated in Articles 8 and 9 of this Decision.

Article 12 Cancellation of Trading Right Certificate

A Trading Right Certificate shall be cancelled in following cases:

1. It has expired and the foreign trader did not request for extension;
2. It has expired and the Department of Import and Export did not grant extension due to any of the reasons as defined in Articles 8, 15 and 17 of this Decision;
3. The Department of Import and Export has ordered the cancellation before the expiry date due to the fact that the foreign trader violates Articles 15 and 16 of this Decision;
4. The foreign trader has requested for cancellation before the expiry date.

Before cancelling a Trading Right Certificate, the trading right entitlement receiver shall pay all debts and other obligations owed to the State, [other] businesses and the public.

Article 13 Fees and Service Charges of the Trading Rights Certificate

Fees and service charges of the Trading Rights Certificate are as follows:

Category	Fee	Service Charge
Issuance of a Trading Rights Certificate	100.000 Kip	2.000.000 Kip
Amendment of the Contents of a Trading Rights Certificate	100.000 Kip	1.000.000 Kip
Reissuance of a Trading Rights Certificate	100.000 Kip	1.000.000 Kip
Validity extension of a Trading Rights Certificate	100.000 Kip	1.000.000 Kip

Fees and service charges for issuance, amendment, reissuance and validity extension of a Trading Rights Certificate may be changed according to the Presidential Ordinance on Fees and Service Charges which is periodically introduced.

Chapter IV

Rights and Obligations of a Person Receiving a Trading Rights Certificate

Article 14 Rights of a Person Receiving a Trading Rights Certificate

A person receiving a Trading Rights Certificate has the following rights:

1. Import goods to contribute to domestic traders and to purchase goods from domestic traders to export;
2. Customs duties, tax declaration and other obligations by itself or use of customs broker's services;
3. Request for temporary suspension, validity extension, amendment of contents or cancel of the Trading Rights Certificate;
4. Receive other rights as defined in the laws and regulations of Lao PDR.

Article 15 Obligations of a Person Receiving a Trading Rights Certificate

A person receiving a Trading Rights Certificate has the following obligations:

1. Import and export of legal goods and comply with Trading Rights Certificate, laws and regulations of Lao PDR;
2. Pay customs duties, taxes and other obligations to the Government according to the laws and regulations of Lao PDR;
3. Provide accurate information and the correct documents in relation to the import and export of goods monthly, quarterly and yearly basis to the Department of Import and Export;

4. To notify the Department of Import and Export and relevant sectors fifteen (15) days in advance in case of suspension or cancellation of operation;
5. Perform other obligations as defined in laws and regulations of Lao PDR.

Chapter V

Prohibitions

Article 16 Prohibitions for a Person Receiving a Trading Rights Certificate

A person receiving Trading Rights Certificate is prohibited from:

1. Importing or exporting goods inconsistent with the procedures as defined in relevant laws and regulations; [and]
2. Performing other acts that violate the laws and regulations of Lao PDR.

Article 17 Prohibitions for Civil Servant

A civil servant is prohibited from:

1. Delaying the issuance of a Trading Rights Certificate;
2. Obstructing the import and export of goods by a trading right entitlement receiver; and
3. Performing other acts that violate this Decision, other laws and regulations.

Chapter VI

Trading Right Management Authority of a Foreign Trader

Article 18 Trading Right Management Authority of a Foreign Trader

The Trading Right Management Authority of a Foreign Trader is the Department of Import and Export, Ministry of Industry and Commerce, who shall implement this activity in cooperation with the relevant sectors.

Article 19 Rights and Duties of the Trading Right Management Authority of a Foreign Trader

1. Widely disseminate [and] instruct the implementation of this Decision and other relevant regulations;
2. Consider the issuance, suspension, withdrawal, cancellation, extension, reissuance and amendment of contents of Trading Right Certificates;
3. Within ten (10) working days after the issuance, suspension or cancellation of a Trading Right Certificate, publicize to the public for acknowledgement through various media of Lao PDR.

4. Manage and monitor activities of trading right entitlement receivers;
5. Summarize and report on import and export activities of the trading right entitlement receivers in order to report to the leaders of the Ministry on a quarterly and yearly basis;
6. Perform other duties as defined in laws and regulations.

Chapter VII

Policies towards Outstanding Performers and Measures against Violators

Article 20 Policies towards Outstanding Performers

Any trading right entitlement receiver, individual, legal entity and organization with outstanding performances in implementing this Decision shall be rewarded or receive other incentives according to laws and regulations.

Article 21 Measures against Violators

Any trading right entitlement receiver, individual, legal entity and organization violating this Decision shall be subject to measures based on case by case basis.

1. Import of goods without authorization from the Management Authority (warning and fine up to 50% of goods value for the first time of infringement, temporary suspension of operation for three (3) months and fine up to 100% of goods value for the second time of infringement and cancellation and withdrawal of the Trading Rights Certificate for the third time of infringement);
2. Import and export of prohibited goods from import and export shall be immediately withdrawn and canceled a Trading Rights Certificate including fine in double of goods value. In case civil or criminal offence shall be subject to prosecution according relevant laws of Lao PDR.

Chapter VIII

Final Provisions

Article 22 Implementation

The Department of Import and Export, Ministry of Industry and Commerce shall be the lead party to coordinate with other relevant sectors in implementing this Decision as strictly and efficiently as possible.

Article 23 Effectiveness

This Decision enters into force from the date signing and fifteen (15) days after being posted on the Official Gazette.

Minister of Industry and Commerce

ເອກະສານຊ້ອນທ້າຍ 2: ແບບຟອມໃບສະເໜີຂໍດັດແກ້ ຫຼື ອອກໃບຢັ້ງຢືນສິດທາງການຄ້າ

ANNEX 2: APPLICATION FOR AMENDMENT OR ISSUANCE OF TRADING RIGHTS CERTIFICATE

1. Application lodged for		For official use only Supporting documents: <input type="checkbox"/> copy of passport <input type="checkbox"/> Copy of Business registration certificate <input type="checkbox"/> Office certificate <input type="checkbox"/> Criminal record <input type="checkbox"/> Power of attorney Additional documents in case of renew: <input type="checkbox"/> Original Trading rights certificate <input type="checkbox"/> Certificate of taxes and other fees payment from Customs Department Application decision: <input type="checkbox"/> Granted <input type="checkbox"/> Denied Reason(s) of denial:
<input type="checkbox"/> modification of certificate	<input type="checkbox"/> re-issue certificate	
2. Applicant personal details (Details given in this section must match with the passport, business registration certificate or other official documents).		
Name		
Address and contact details (telephone, fascimile and e-mail)		
Existing trading rights certificate		
Date of issue <input type="checkbox"/>/...../..... (dd/mm/yyyy)	Expiration date <input type="checkbox"/>/...../..... (dd/mm/yyyy)	
3. Reason for modification or re-issuance (Tick where applicable)		
<input type="checkbox"/> Lost/damage of Trading rights certificate		
<input type="checkbox"/> Change of business registration certificate/Passport		
<input type="checkbox"/> Change of business owner	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Dr <input type="checkbox"/> Other: (Please specify)	
	Name	
	Family name	
	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Other: (Indeterminate/intersex/unspecified)	
	Passport	
	Nationality	
	Issue by	
	Issue date	
	Valid until	
<input type="checkbox"/> Change of office address	New address and contact details (telephone, fascimile and e-mail)	
<i>I declared that to the best of my knowledge all particulars supplied by me are correct and complete. I am aware that any false statements will lead to my application being rejected or may render me liable to prosecution under the law and regulations of Lao PDR.</i>		
Place and date		
Signature of applicant		

ເອກະສານຊ້ອນທ້າຍ 3: ໃບຢັ້ງຢືນສິດທາງດ້ານການຄ້າຂອງຜູ້ຄ້າຕ່າງປະເທດ
Annex 3: Trading Rights Certificate of Foreign Traders



ສາທາລະນະລັດ ປະຊາທິປະໄຕ ປະຊາຊົນລາວ

LAO PEOPLE'S DEMOCRATIC REPUBLIC
 ສັນຕິພາບ ເອກະລາດ ປະຊາທິປະໄຕ ເອກະພາບ ວັດທະນະຖາວອນ
 PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

ກະຊວງອຸດສາຫະກຳ ແລະ ການຄ້າ
 Ministry of Industry and Commerce
 ກົມການນຳເຂົ້າ ແລະ ສົ່ງອອກ
 Department of Import and Export

Ref.no:...../ ກຂອ.
 ນະຄອນຫຼວງວຽງຈັນ, ວັນທີ DIMEX.
 Vientiane, date/...../.....

ໃບຢັ້ງຢືນສິດທາງການຄ້າ/Trading Rights Certificate

ກົມການນຳເຂົ້າ ແລະ ສົ່ງອອກ, ກະຊວງອຸດສາຫະກຳ ແລະ ການຄ້າ ອອກ ໃບຢັ້ງຢືນສິດທາງການຄ້າ ໃຫ້:
 Department of Import and Export, Ministry of Industry and Commerce grants this certificate to:

ຊື່ເຈົ້າຂອງວິສາຫະກິດ/Business owner		
ສັນຊາດ/Nationality		
ໜັງສືຜ່ານແດນ/Passport		
ຊື່ວິສາຫະກິດ/Name:		
ໃບທະບຽນວິສາຫະກິດ Business registration certificate		
ທີ່ຕັ້ງສໍານັກງານ/office address	ຖະໜົນ/Street	
	ບ້ານ/Village	
	ເມືອງ/City	
	ປະເທດ/Country	
ໂທ/Telephone		
ແຟັກ/Fax		
ອີເມລ/E-mail		
ອາຍຸນຳໃຊ້/validation/...../..... -/...../.....	

ຫົວໜ້າກົມ/Director General,