



The 14th Lao Business Forum

Matrix of proposals reported that cannot be solved (updated on the 22nd of March, 2023)

2023

Matrix of proposals reported that cannot be solved (updated on the 22nd of March, 2023)

No.	Relevant Government Agencies	Proposed Recommendations	Reference
1	Ministry of Labour and Social Welfare (MoLS)	<p>The Ministry of Labor and Social Welfare should coordinate with the Ministry of Health to review the mandatory list for workers' health examinations, focusing on only certain items that are most mandatory for each sector.</p> <p>Propose that the Ministry of Labor discusses further with the Ministry of Health, the private sector, and all relevant parties to resolve the issue.</p>	<p>The Ministry of Labor and Social Welfare responded that its relevant sector must monitor and take care of the health of all workers from their first day of work until the day they pass away, which must record their work information and activities, and enforce employers to check the health of their workers every year. The labor health examination is based on the requirement of the International Labor Organization of which the Lao PDR is a member, which has defined the list of diseases that can be caused by work. The Ministry of Labor and Social Welfare has determined this list to be an agreement between the Ministers on the List of Occupational Diseases of the Lao PDR that the Ministry must monitor and prevent from occurring in the workplace.</p>
2	Ministry of Labour and Social Welfare (MoLS)	<p>The Ministry of Labour and Social Welfare should consider eliminating its role as the issuer of the business licence of labour health examination service centre (in which currently only two hospitals are allowed to provide services on labour health check-up). The licence issuing process should be under the management of Ministry of Health. This is to allow competition in the healthcare services business, and it would give more options for customers to choose from, thereby reducing the cost due to competition among these healthcare service providers. Consequently, the Ministry of Labour and Social Welfare can collaborate with the Ministry of Health to share or manage workers' health information and database.</p>	<p>The Ministry of Labor and Social Welfare responded that the business license for annual labor health checkup should be kept under their responsibility, and it is their duty and for the benefit of the workers. The Ministry of Labor is happy to discuss further with the Ministry of Health to further expand list of hospitals and clinics authorized for labor health check-up.</p>

No.	Relevant Government Agencies	Proposed Recommendations	Reference
3	Ministry of Information, Culture, and Tourism (MoICT)	Propose that the MICT coordinate with the Ministry of Public Security to consider eliminating the process of formally approving the list of tourists (Telex) before entering Lao PDR.	<ul style="list-style-type: none"> • Letter of response from the Department of Tourism Management (1167/DTM, November 17, 2022) regarding the progress report on solving issues that are related to tourism raised by the private sector in the previous Lao Business Forum. • Minutes of the 10th, 11th, 12th Lao Business Forum. • Notification of the Department of Tourism Police, Ministry of Security, No. 249/DTP, dated April 29, 2020. • Discussion results from the public-private consultative meeting (issues related to tourism) on September 17, 2019 and October 23, 2019. <p>In all consultations and respond letters above, the Ministry of Public Security stated that it could not eliminate this process due to security reasons.</p>
4	Bank of Lao PDR (BOL)	In order to promote more use of the credit information database, all service fees should be included in the annual membership fee to reduce costs.	Letter of response from the Credit Information Company of the Lao PDR No. 193/CIC dated April 29, 2020, BOL stated that for the credit information service fee, there is no further plan for improvement.
5	Ministry of Finance (MoF)	It is proposed that the Government appoints an independent agency to monitor the implementation of Decree No. 002/PPD throughout the country, in order to ensure its uniform implementation at both central and local level, as well as an agency to receive petitions in case of improper collection of fees according to the Presidential Decree.	MoF encourages private sector to use existing feedback and inspection mechanism to enhance enforcement of the Presidential Decree No. 02.

No.	Relevant Government Agencies	Proposed Recommendations	Reference
6	Ministry of Finance (MoF)	Propose that the Accounting Department explains how to recognize income for CMT manufacturers that export products, and propose urgent VAT refunds as stated in the VAT regulation; or ask for reasons and for refund to those CMT exporters that are waiting.	<ul style="list-style-type: none"> The results of the meeting on dissemination of guidelines for the implementation of VAT law organized by the Department of Tax: <p>The Department of Tax has informed that in the case of business activities with only income from labour costs, it is considered as an activity related to the provision of services; of which the services cannot be exported. Therefore, VAT must be paid as stipulated in the Law on Value Added Tax.</p>
7	Ministry of Finance (MoF)	Propose that the Customs Department waives the requirement to apply for a transit cargo permit for general goods that are not prohibited goods that the private sector must apply for in advance.	<ul style="list-style-type: none"> According to the Minutes of the 13th Lao Business Forum and the result of the public-private consultative (issues related to trade facilitation and customs-tax) on September 16, 2020, the customs department stated that the process of applying for a transit cargo permit in advance cannot be removed.
8	Ministry of Finance (MoF)	In order to promote the competitiveness of the transport services in the Lao PDR, as well as follow the Government's direction to transform a landlocked country into a land-linked country, it is proposed that the Department of Tax considers exempting the VAT from the transportation services of international cargo and transit cargo as it goes against the international agreement and various conventions that the Lao PDR is a part of.	<ul style="list-style-type: none"> According to the Notice No. 4015/DT, dated November 18, 2020, to the Lao National Chamber of Commerce and Industry: <p>The Department of Tax informs that the practice of exempting international transportation from VAT according to Article 12 Clause 2.10 of the VAT Law, is to provide transportation as defined in Article 3 Clause 13 of the VAT Law only. Therefore, it means that the service of transporting goods from one country through Lao PDR to a third country only, is considered to be an exempted international transit as defined in the Law on Transport. For cross-border transport services, VAT must be paid for these services as defined in Article 11 Clause 2, 3 and 4 of the VAT Law.</p>