



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Prime Minister's Office

No. 47/PMO
Vientiane Capital, date 14 Jan 2020

Notification

- To:
- Respected Deputy Prime Minister, Minister of Planning and Investment
 - Respected Deputy Prime Minister, Minister of Finance
 - Minister of Information, Culture and Tourism
 - Minister of Public Security
 - Minister of Energy and Mines
 - Minister of Science and Technology
 - Government of Lao PDR
 - President of Lao National Chamber of Commerce and Industry

Ref: Remedial direction regarding issue raised at 12th Lao Business Forum

- Pursuant to the Prime Minister's direction in relation to the 12th Lao Business Forum, 12 November 2019

Prime Minister's Office hereby notify the issuance of Prime Minister's remedial directions as follows: (1) in concurrence in principle with the recommendation of President of Lao National Chamber of Commerce and Industry to establish ten Task Forces, comprising of members from both the public and private sector, in order to improve the effectiveness of Lao Business Forum – tasked the Ministry of Planning and Investment, Ministry of Industry and Commerce, Prime Minister's Office and Lao National Chamber of Commerce and Industry shall take lead to liaise with the relevant sector to research in detail the mechanism and implementation aspects from international best practices, then report the findings for the Government's consideration.

2. Tasked the Ministry of Finance to take lead, by liaising with the relevant sector to address the issues raised by the private sector at the Lao Business Forum, to: (1) complete the drafting of Guidance on Implementation of Law on Value-Added Tax (Revised); (2) consider processing VAT refund applications in a timely manner as prescribed in the Law on Value-Added Tax; (3) consider the recommendation of eliminating the need to request for advance approval of transport list of transit goods; (4) liaise with the Ministry of Industry and Commerce to determine

the direction and measures to redress the issues on imported and exported goods which have yet paid its taxes and customs duty in accordance with the relevant laws and regulations; and (5) expedite the amendment of Presidential Ordinance on Fees and Charges, No. 003/PPO by March 2020.

3. Tasked the Ministry of Planning and Investment to: (1) consider amending investment license issuance procedure to make it more transparent and less time-consuming, as well as removing procedural steps that duplicate those required in business license issuance procedure; (2) expedite the consideration to amend controlled business list, as the current list is deemed too restricted and does not promote investment; (3) consider amending the annual import plan (Master List) procedure to improve transparency and make it less time-consuming; and (4) liaise with the Ministry of Finance to consider granting VAT exemption on local products that can be provided to project companies eligible for such exemption on imports under investment promotion policy.

4. Tasked the Ministry of Industry and Planning to: (1) take lead to resume liaise with relevant sector to improve transparency and streamline starting business procedure (business registration and business license issuance procedure) while ensuring consistency throughout the country, as well as disseminate and ensure easy access to transparent information relating to conditions of requesting business license; and (2) liaise with the Ministry of Finance and relevant sector to increase strictness of inspection and enforcement measures on importers, retailers, dealers, and service providers that do not adhere to laws and regulations in order to address issues on unfair competition from informal sector.

5. Tasked the Bank of Lao PDR to: (1) improve Credit Information Center by providing more comprehensive and trustworthy content; and (2) take lead to liaise with Supreme People's Court and the relevant sector to consider simplifying unnecessary procedural steps and abolishing fees relating to the registration of loan and security agreement in order to facilitate business operations' access to finance and to reduce their investment expenses.

6. Tasked the Ministry of Information, Culture and Tourism to: (1) take lead to liaise with the relevant sector to study the feasibility of establishing an independent secretariat committee to promote tourism in Lao PDR to take charge on marketing and promoting tourism in Lao PDR, comprising of private stakeholders in tourism industry and officials of the relevant public sector as executive directors of such committee as well as administrative team comprising of professionals to implement such tasks; (2) reevaluate the effectiveness of the implementation of Prime Minister's Decree on Tourism Promotion Fund, No. 119/PO, dated 10 April 2017, as so to push for the migration from traditional revenue collection system to a modern system and to ensure the effectiveness and efficiency of utilization of the Tourism Promotion Fund by streamlining, making it less time-consuming, improving its transparency and traceability; (3) take lead to liaise with the Ministry of Public Security to address the issues relating to the approval for tourist groups entering Lao PDR by streamlining it and incorporating a modern system element to it; (4) liaise with the relevant sector to develop legislations that specifically promote nature-based tourism, notably on streamlining concession approval procedure and reducing concession fees relating to nature-based tourism projects that utilize protected forest and reducing socio-environmental impact assessment fees; (5) liaise with the Ministry of Natural Resources and Environment, Ministry of Public Works and Transportation, district development and administrative agencies as well as other relevant agencies to set specific standards and establish systems to tackle air and water pollution as well as littering that adversely affect tourism in Lao PDR; and (6) take lead to liaise with

the relevant sector to facilitate the approval process of sports events in order to promote tourism, whether by streamlining the approval process or stipulating clear timeline required to process such approval.

7. Tasked the Ministry of Science and Technology, in collaboration with the Ministry of Industry and Commerce, to: liaise with the relevant sector to develop policies to promote the establishment and operation of startup businesses that utilize innovation and modern technology.

8. Tasked the Ministry of Energy and Mines to: liaise with the relevant sector to thoroughly discuss and consider the recommendation on reducing electricity rates for the service sector to the same favorable rate that it grants to industrial sector in order to increase service sector's competitiveness, then report the findings for the Government's consideration.

9. Tasked the Ministry of Industry and Commerce, Lao National Chamber of Commerce and Industry to: liaise with the relevant sector to follow-up with their remedial actions to issues raised at the Lao Business Forum, and report them to the Government bi-annually.

Therefore, notifies you for acknowledgement and implementation as per this Notification accordingly.

Minister,
Prime Minister's Office

Phet Phompapuk

Recipient:

1. Prime Minister and Deputy Prime Ministers	04 copies
2. Central Committee of the Lao People's Revolutionary Party Office	01 copy
3. Supreme People's Court	01 copy
4. Ministers to Prime Minister's Office	04 copies
5. Department of Research-Administrative, PMO	01 copy
6. Department of Inspection, PMO	01 copy
7. Copy	01 copy