



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

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**Prime Minister's Office**

**No..237../ PM**

**Vientiane, 18<sup>th</sup> May 2020**

**DECREE**

**ON THE ORGAZATION AND OPERATION OF LAO NATIONAL CHAMBER OF COMMERCE  
AND INDUSTRY**

- Referring to the law on Government of Lao PDR No. 04 / NA, dated 08 November 2016;
- Referring to the law on Enterprise No. 46 / NA, dated 26 December 2013;
- Referring to the proposal letter from the Minister of Industry and Commerce No. 0239 / MIC, dated 18 March 2020;
- Referring to the proposal letter from the Minister of Home Affair No. 80 / HA, dated 24 April 2020

**The Prime Minister of the Lao PDR issued the Decree as follow:**

**CHAPTER I**

**GENERAL PROVISION**

**Article 1: The objectives**

This Decree defines the positions, roles, functions, rights, structures, principles and working regime concerning to organization and operation of Lao National Chamber of Commerce and Industry (LNCCI), aimed at enhancing people's democracy, ownership of organization, unity and mutual assistance as well as promoting

business units to run their business activities in an effective and lawful manner. It also aims to protect legitimate right and benefits of member business units and ensure their contributions to the socio-economic development of Lao PDR.

## **Article 2: Position and Role**

Lao National Chamber of Commerce and Industry is a civil society organization of business people which established by government of Lao PDR serving as a bridge between state organizations and business units. It operates on its own and having its own budget.

The LNCCI has the role to represent employers, business associations, business group, cooperatives, independent entrepreneurs and various enterprises which are established and operated under the governance of the laws in Lao PDR to mobilize, persuade, educate, guide, organize and unite business people in order to promote the economy, trade, industry, agriculture, finance and service as well as to protect legitimate rights and benefits of the enterprises while ensuring that their business operations are in compliance with the laws and regulations.

## **Article3: Operating Principles of LNCCI**

The LNCCI operates base on its own principles, which are:

1. To operate in compliance with laws of Lao PDR;
2. To operate under the roles, functions and the rights stipulated in this Decree and its regulation adopted by its General Assembly and agreed by Ministry of Industry and Commerce;
3. To perform their function based on meeting regime, report, and solving problems based on the majority votes, delegates the tasks and responsibilities to individuals to implement efficiently, with transparency, openness and equality.

**CHAPTER II**  
**FUNCTIONS AND MADATES of LNCCI**

**Article 4: Functions**

The Lao National Chamber of Commerce and Industry has the following functions:

1. To operate in accordance with Central Party's policies, state laws, regulations and its own Charter;
2. To mobilize, persuade, organize, and unite business units in order to help each other;
3. To promote member business unit's operation in compliance with laws and regulations;
4. To guide and provide information to business units and coordinate with related government agencies to facilitate the establishment of new businesses;
5. To provide comments, consultation, and recommendations to government organization on development or revision of laws and policies in order to create better business environment;
6. To coordinate with Department of Industry and Commerce in provinces, cities, districts to discuss about establishment of Chamber of Commerce and Industry in their provinces, cities or districts and to propose to related local government for their approval;
7. To build capacity of existing Chamber of Commerce and Industry in provinces, cities and districts for the better development;
8. To consider the admission of new members or termination of members of LNCCI; develop and upgrade business knowledge and experience of its members by appropriate means and forms both in the country and abroad;
9. To persuade and guide the organization and operation of provincial CCI, city CCI and district CCI to ensure the effective and unified implementation of its regulation and Charter;
10. To encourage and promote the good labor relation between employers and employees in all member business units;

11. To attend dialogue and negotiation on trade, investment, labor issues, salary and other issues held in country or abroad, in order to protect the legitimate rights and benefits of member business units;
12. To be secretariat of Lao Business Forum (LBF) and coordinate with ministries, agencies, and government focal points to organize Lao Business Forum;
13. To regularly collect and report business activities of its member to Ministry of Industry and Commerce, other line ministries and agencies concerned;
14. To collect, compile, analyze and provide information on markets and product price to its members and the society;
15. To collect enterprise data in provinces, cities, districts in order to develop Enterprise and Business Data Centre;
16. To encourage member business units to participate in business matching, exhibitions, fairs, roadshows in country and abroad; and
17. To implement other functions as stipulated in its Charter, laws and regulations

**Article 5: Mandates of the LNCCI**

The Lao National Chamber of Commerce and Industry has the following mandates:

1. To study and provide comments on proposals proposed by the domestic and foreign business associations to be set up in the Lao PDR and submit to the Ministry of Industry and Commerce for approval;
2. To approve, organize and participate in the exhibition and trade fair in country and abroad, which are not on the government budget, but under the supervision of Ministry of Industry and Commerce;
3. To take various measures to protect legitimate rights and benefits of its members based on laws and regulations;
4. To participate in a discussion with the concerned Government organizations in order to determine the minimum wage; develop or revise the Labor Law periodically; and participate in the settlement of labor and economic disputes among members or between its members and other individuals and legal entities;
5. To be the representative of the business sector to negotiate with concerned organizations on trade, industry, services, agriculture and other businesses;

6. To contact related agencies to seek permission for establishment of its representative office in a foreign country in order to establish economic and trade relations as designated by the Government;
7. To manage and issue a certificate of product's origins made in the Lao PDR, which designated by Ministry of Industry and Commerce;
8. To accompany, on behalf of the business sector, a high-ranking Government delegation visiting or working in a foreign country;
9. To receive grant aid or support from the Government, individuals and legal entities in the country and abroad and international organizations;
10. To establish and develop SME Service Center, Made in Lao PDR product's Marketing and Promotion Office as well as participatory training in the form of public private partnership on trainings with approval from the government;
11. To monitor, inspect, evaluate business operations and certify the status of all enterprises, which enter into bidding for the government projects that use government budgets as requested from government;
12. To propose or request the related agencies to review the in-transparent bidding projects, unfair business competition to protect the legitimate rights of business units
13. To award or propose to the government agencies and international organizations to award excellent business performance; and
14. To implement other mandates as stipulated in its Charter and designated by government.

### **CHAPTER III**

#### **ORGANIZATIONAL STRUCTURE**

**Article 6: Personnel Structure**

The personnel structure of the LNCCI consists of Executive Board of Directors, Standing Committee, President, Vice President, Honorary President, Advisory Committee, and Committee members, Inspection Committee and Secretary General, Deputies Secretary General, Administration office, Provincial Chamber of Commerce and Industry, City's Chamber of Commerce and Industry, District Chamber of Commerce and Industry and LNCCI's representative office in Foreign Countries.

The rights and functions of Honorary President, Advisory Committee, and Committee members will be stipulated in another document.

The president of LNCCI will approve the organization, roles, functions and tasks of provincial, city and district CCI

**Article 7: Executive Board of Directors**

The Executive Board of Directors of the LNCCI is a body elected by the General Assembly of the LNCCI with 3 year term of office. Its role is to supervise and lead all activities and make decisions on important issues of the LNCCI during two inter-sessional meetings of General Assembly.

The structure, criteria and conditions of the Executive Board of Directors are based on the Charter of the LNCCI.

**Article 8: Functions and Mandates of the Executive Board of Directors**

The board of Directors of LNCCI has following functions and mandates:

- 8.1 To set necessary measures to implement resolutions of the General Assembly, decisions of the Executive Board of Directors and other government instructions/orders related to LNCCI;
- 8.2 To consider and approve a work plan and annual budget plan of the LNCCI;
- 8.3 To decide on admission of new members or termination of members of the LNCCI;
- 8.4 To make a decision on the admission fee, the membership fee, revenue and expenditure of the LNCCI;
- 8.5 To consider the organizational structure, the appointment of the Head and Deputy Head of Technical Units and management of technical staff under the LNCCI;
- 8.6 To elect the Standing Committee members, the President, the Vice President, Inspection Committee members, the accountant; and
- 8.7 To implement other functions as stipulated in the Charter of the LNCCI and government laws and regulations.

**Article 9: Standing Committee**

Standing Committee is a body that consists of a President, a Vice President, a President of Inspection Committee, a Treasurer, selected by Board Meeting to

represents the Executive Board of Directors to supervise, facilitate and manage all activities of the LNCCI indicated in its Charters

The criteria and conditions of the Standing Committee are based on the Charter of the LNCCI.

#### **Article 10: Functions and Mandates of Standing Committee**

The Standing Committee of LNCCI has following functions and mandates:

1. To discuss LNCCI's development strategy, Plan of action, budget plan proposing to Board Meeting, Annual Meeting and General Assembly for approval
2. To discuss and select training topics on market and market competition for local business in districts, cities, provinces and country wide;
3. On behalf of LNCCI manages, evaluates and leads the implementation of LNCCI's strategy action plan and other activities both at local and international level;
4. To contact and discuss with the related government agencies about business activities, labor and others that related to the development of LNCCI;
5. To organize business matching with local and international enterprises to promote effectiveness of business performance and to ensure the LNCCI staffs have good knowledge and awareness about the laws and regulations of government and about the National Social Economic Development Plan in order to promote to business units to operate their business activities in compliance with laws and regulations and fair competition in market and be able to integrate to regional supply chain.
6. To coordinate and cooperate with foreign countries in the areas related to tasks, role and function of LNCCI;
7. To discuss on admission and termination of LNCCI member;
8. To attend monthly meeting and discuss about LNCCI's daily activities;
9. To implement other functions as stipulated in the Charter of the LNCCI and government laws and regulations.

#### **Article 11: President and Vice President**

LNCCI consists of one President and some Deputies Vice President who are elected by LNCCI General Assembly.

The President of Lao National Chamber of Commerce and Industry, who represents the Executive Board, supervises, facilitates and manages all activities of the LNCCI according to the tasks and mandates specified in the this decree.

The Vice Presidents have mandates to assist the President to facilitate and manage the overall work of the LNCCI; carry out other duties as assigned by the President and the work of the President when he/she is away or unable to perform his/her work.

**Article 12: Rights and Duties of the President**

The President has the following rights and duties:

- 12.1 To chair the General Assembly and the meeting of the Board of Directors of the LNCCI;
- 12.2 To supervise, facilitate and manage all activities of the LNCCI and handle the relations in the country and abroad on behalf of the LNCCI;
- 12.3 To discuss with the Minister of Industry and Commerce, other concerned line Ministers and Chairperson of ministry equivalent agencies on various issues relating to the business sector, labor and the improvement of the organization of the LNCCI;
- 12.4 To approve the admission and determination of member proposed by Secretary General;
- 12.5 To propose LNCCI's General Assembly to appoint Vice presidents, Advisory Committee, Honorary President, Inspection Committee;
- 12.6 To implement other rights and duties based on the Charter of the LNCCI and state laws and regulations.

**Article 13: Inspection Committee**

The Inspection Committee is elected by the Executive Board of Directors with the following role, rights and duties.

- 13.1 To conduct a regular inspection and when there is violation of the Charter or plan of activities of the LNCC takes place;
- 13.2 To inspect the implementation of resolutions of the General Assembly, annual meeting, decisions of the meeting of the Executive Board and the Standing Committee of the LNCCI;



- 13.3 To inspect the financial management of revenue and expenditure of the LNCCI;
- 13.4 To settle a case, complaint or other proposals made by the LNCCI's members based on its mandates;
- 13.5 To implement other roles, rights and duties based on the Charter of the LNCCI and state laws and regulations.

**Article 14: Secretary General and Deputy Secretary General**

LNCCI consists of one Secretary General and some Deputies Secretary General who are based in the office, elected by the Executive Board of Directors of the LNCCI. These persons are outsiders and are not business owners..

**A. Secretary General**

Secretary General has the following role, rights and duties:

1. To prepare documents, contents and other necessary arrangements for the meeting of the Standing Committee and Board of Directors;
2. To provide comments and recommendations on various issues relating to the work of the LNCCI to the President and the Vice President;
3. To prepare monthly, quarterly and annual reports to submit to the Executive Board of Directors and the Standing Committee or concerned government organizations;
4. To provide favorable conditions and facilitation needed for the President, the Vice President and Technical Units under the LNCCI to carry out their activities;
5. To contact and coordinate with member business units, Party and government organizations, the Lao Front For National Construction and mass organizations at various levels both centrally and locally; contact and cooperate with foreign countries and international organizations on issues relating to roles, rights and functions of the LNCCI as approved;
6. To implement other roles, rights and duties based on the Charter of the LNCCI and state regulations and laws; and

7. Criteria, conditions and qualifications of the Secretary General are stipulated in the Charter of the LNCCI.

**B. Deputy Secretary General**

Deputy Secretary has the roles to assist the Secretary General to facilitate and manage the daily work of the LNCCI; carries out other duties assigned by the Secretary General and the work of the Secretary General when he/she is away or unable to perform his/her work.

**Article 15: Administrative Office**

The Administrative Office serves as the Secretariat which is a supporting mechanism and a workplace of the LNCCI. It plays secretarial and supporting roles, assisting the Executive Board and the Standing Committee to manage, administer, conduct national and international relations and coordination, and provides facilitation, ensures security and order of the LNCCI.

**Article 16: Provincial, Cities and District's Chamber of Commerce and Industry**

Provincial, Cities and District's Chamber of Commerce and Industry is a civil society organization of business people, which established by local government serving as a bridge between government organizations and business units, and to be the representative of employers, associations, business groups and various enterprises which are established and operated in the Lao PDR.

The Roles, position, functions and mandates of Provincial, Cities and District's CCI are the same as those of the LNCCI but within the jurisdiction of provinces, Vientiane Capital, cities and districts. President of LNCCI will approve the roles and functions of these CCI

**Article 17: Branch Offices in Abroad**

Branch offices in abroad are parts of the LNCCI structure playing a role to represent the LNCCI in abroad where there are activities and projects of the LNCCI;

The President of LNCCCI will approve the roles, position, functions and mandates of a Branch office in abroad.

#### **CHAPTER IV MEMBERSHIP**

**Article 18: Members**

There are three categories of members of the LNCCI as follows:

1. Ordinary Members;
2. Supporting Members; and
3. Honorary Members

**Article 19: Ordinary Members**

The Ordinary members of LNCCI are Business individuals and representatives of domestic and foreign legal entities that have business or investment license in accordance with the Law of Lao PDR. Such individuals and legal entities have the rights to apply for a membership with the Lao National Chamber of Commerce following the criteria stipulated and the regulations of Lao National Chamber of Commerce and Industry.

The Ordinary members of LNCCI are Business individuals and representatives of domestic and foreign legal entities whose have business or investment license in accordance with the Law of Lao PDR;

Business units that have registered capital from 800.000.000 Kip (eight million Kip) and more and meet with criteria stipulated in this Decree must apply for membership of the LNCCI. For business that has registered capital lower than 800.000.000 Kip (eight million Kip) has the rights to apply for a ordinary membership of Lao National Chamber of Commerce on a voluntary basis.

**Article 20: The rights and obligations of Ordinary members**

Ordinary members have the following rights and obligations:

**A. The right of Ordinary members**

1. To provide comments to the Executive Board of Directors and Standing Committee on issues relating to the LNCCI activities in order to protect benefit of their own business and other business;
2. To be entitled to attend the General Assembly, to elect or stand for election of the Executive Board of Directors and the Standing Committee of LNCCI;
3. To vote on important issues of the LNCCI in each session;
4. To be able to use LNCCI's facilities for meetings, trainings and others that related to LNCCI by authorizing of president of LNCCI;
5. To receive business information on trade, investment, market in local and international
6. To receive priority for attending meetings, trainings, seminars organized by LNCCI to upgrade knowledge and experience in business operation;
7. To receive priority for attending business matching in both domestic and abroad to exchange business experiences;
8. To be priority in selection for Business Excellent Award in local and international arena;
9. To be priority in receiving budget, raw material, attending events and others that the government allocates through LNCCI to businesses;
10. To attend trade fairs, exhibitions, shows and others organized or responsible by LNCCI in both domestic and foreign countries;
11. To receive consultations and advices from Board of Directors, Secretary General of LNCCI on business operation, business conflict, labor issues and others to protect legitimate rights and benefits;
12. To attend negotiation on product purchasing, joint investment, trading, and services for benefits of member;
13. To receive other rights stipulated in the law of Lao PDR.

**B. The duties of Ordinary members**

1. To support, cooperate and participate in the movement and activities organized by the LNCCI;

2. To promote, publicize the honor, reputation, roles and good deeds of the LNCCI to the entire society; and
3. To pay membership fee, obligations and the conditions of being members as stipulated in the Charter of the LNCCI and state laws and regulations.

**Article 21: Supporting Members**

Supporting Members are Lao citizens being representatives of business units, business associations or groups which are established in line with related laws and in agreement with the Charter of the LNCCI, making contributions in kinds and ideas, budget and others to the LNCCI;

Rights and obligations of Supporting Members are the same as those of ordinary members as stated in the Article 20, except to right to elect, stand for election of the Executive Board of Directors, the Standing Committee, the Inspection Committee and Secretary General as well as the right to vote on important issues of the LNCCI.

**Article 22: Honorary Members**

Honorary members are individuals or legal entities, regardless of nationality, who have the qualifications and skills, experience and expertise to manage their business and agree with the rules of the LNCCI, to contribute their knowledge, ability, financial and others to support the capacity building of the LNCCI;

Honorary members have no right to vote, cannot be a candidate to be elected to the Executive Board of Directors, Standing Committee, Inspection Committee, Treasurer, Secretary General and no vote on important issues of the LNCCI.

## **CHAPTER V**

### **MEETINGS**

#### **Article 23: Meetings**

The LNCCI has 3 types of meetings as follows:

1. General Assembly;
2. Extraordinary session of the General Assembly; and
3. Annual Meeting of the Executive Board.

#### **Article 24: General Assembly**

The General Assembly of the LNCCI is the supreme management body held every 3 years in the form of the General Assembly of all members or representatives of members based in the decision of the Executive Board OF Directors or the Charter of the LNCCI.

The General Assembly has the main functions as follows:

1. To present and adopt the report of the LNCCI on its work performance in the past and the future work plan;
2. To present and adopt the report on the management of finance and budget of the LNCCI;
3. To hold an election and approve the new Executive Board of Directors;
4. To present and adopt the draft Charter of the LNCCI which is newly developed or revised;
5. To make a decision on important issues of the LNCCI.

Principles and modality of voting at the General Assembly are stipulated in the Charter of the LNCCI.

#### **Article 25: Extraordinary session of the General Assembly**

Extraordinary session of the General Assembly can be convened when requested by more than half of ordinary members or by 2/3 of members of the Executive Board of Directors.

Principles and modality of voting, agenda and substance of this session are stipulated in the Charter of the LNCCI.

#### **Article 26: Annual Meeting of the Executive Board of Directors**

Annual meeting of the Executive Board of Directors is convened once a year in order to consider the following issues:

1. To consider and adopt a report on the implementation of activities in the past year and a work plan for the next year;
2. To consider and adopt a report on expenditure in the past year and a budget plan of the next year;
3. To adopt the audit of budget, revenue and expenditure done by the Audit Authority; and
4. To present and adopt important projects and other important issues.

## **CHAPTER VI**

### **FINANCE**

#### **Article 27: Finance-Budget**

The LNCCI has its own budget to carry out its roles and functions.

The budget of the LNCCI is from the following sources.

1. Registration and membership fee;
2. Service charges from SME Service Center (SSC);
3. Service charges from Branding Lao Promotion and Development office;
4. Service charges from Business Database Center;
5. Service charge from consultation on establishment new business and arbitration;
6. Service charge from seminars, training and other capacity building for businesses;
7. Service charges from issuing a certificate of product origin and other services assigned by the Government;
8. Service charges from the organization of exhibitions in the country and abroad;
9. Service charges from providing consultations to enterprises according to its mandates and functions;

10. Grant aid and financial contributions from individuals or legal entities in the country and abroad, including from international organizations; and supports from the Government.

**Article 28: Management of Revenue and Expenditure**

The management of revenue and expenditure of the LNCCI is based on the provisions stipulated in the Charter of the LNCCI and relevant state laws and regulations.

**Article 29: Financial Audit**

The audit of finance is done by internal and external auditors. The regulations and procedure of the audit is based on the Law on Audit of the Lao PDR.

**CHAPTER VII  
BUSINESS ASSOCIATIONS, GROUPS AND  
FOREIGN CHAMBER OF COMMERCE IND INDUSTRY IN LAO PDR**

**Article 30: Roles, Position, Functions and Mandates of Business Associations and Groups**

Procedures for the establishment, roles, position, functions and mandates of business associations and groups are based on laws and regulations of the Government.

**Article 31: Roles and Functions of Business Associations and Groups**

After their establishment based on state laws and regulations of Lao PDR, business associations and groups operate under the management of the LNCCI.

**Article 32: Roles and Functions of Foreign Chambers of Commerce and Industry in Lao PDR**

After their establishment based on state laws and regulations of Lao PDR, Foreign Chambers of Commerce and Industry in Lao PDR are operated under the management of the LNCCI



**CHAPTER VIII**  
**FINAL PROVISIONS**

**Article 33: Stamp**

The Lao National Chamber of Commerce and Industry has its own stamp to be used in their operation based on the state regulation on stamp.

**Article 34: Implementation**

The Lao National Chamber of Commerce and Industry is responsible for the effective implementation of this Decree. Ministries, ministry equivalent organizations and local administration authorities at all levels are to acknowledge and implement this Decree strictly.

**Article 35: Entry into Force**

This Decree enters into force from the date of signing and replaces the Prime Minister's Decree on organization and operation of the Lao National Chamber of Commerce and Industry No.316/PM, dated 20 November.

**Prime Minister of the Lao PDR**

(Signed and stamped)

**Thongloun Sisoulith**