

[National Emblem]  
Lao People's Democratic Republic  
Peace Independence Democracy Unity Prosperity

Ministry of Industry and Commerce  
Permanent Secretary Office

No. 0115/PSO.DERM  
Vientiane Capital, dated 29 January 2020

**Notice**

To: Domestic and foreign investors who wish to start a business in Lao PDR  
Subject: Procedures to Start a Business

- Referring to Order No. 02/PM, dated 01 February 2018 on Improvement of Regulations and Coordination Mechanism for Doing Business in Lao PDR.

Ministry of Industry and Commerce, as coordinating body, has worked closely with the relevant ministries related to the procedures to start a business, namely: Ministry of Finance, Ministry of Public Security, Ministry of Information, Culture and Tourism and Ministry of Labor and Social Welfare on improving and removing unnecessary procedures in order to create an environment that fasten the process and reduce cost for starting a business.

Based on the achievement of the reforms, the Permanent Secretary Office, Ministry of Industry and Commerce notifies to domestic and foreign investors who wish to start a business in Lao PDR on the procedures that have been reformed and remain to be in effect for starting a business as follows:

1. Procedures to Start a Business are the procedures related to only registration of sole trader enterprise or legal entity and not including the procedures to applying for investment or business operating license from relevant sectors;
2. The reformed procedures for starting a business include:
  - **Obtaining the Business Location Confirmation from the Village Chief Authority** has been cancelled according to Notification No. 1596/DERM.MOIC, dated 15 November 2018 regarding Cancellation of Use of Form for Certificate of Office or Branch Location of Enterprise and Notification of Enterprise Registration for Service Activity of Banking Sector;

- **Registering Articles of Association of Company** has been moved to be a procedure after the procedures to start a business under Notification No. 1618/MOF, dated 30 May 2019 regarding Improvement of Mechanism, Procedures of Working between Registration of Documents of the Assets Sector and Issuance of Tax Registration;
- **Applying for Tax Registration Certificate** has been combined in the same procedure with the procedure for enterprise registration (an enterprise will receive an enterprise registration certificate together with taxpayer identification number) according to Notification No. 5489/TD, dated 17 October 2018 regarding Opening to Use TaxRis System;
- **Attending to a Tax Orientation meeting and Obtaining Taxpayer Identification Number** have been moved to be the procedure after the procedures to start a business according to Notification No. 5489/TD, dated 17 October 2018 regarding Opening to Use TaxRis System and Notification No. 0489/PSO, dated 05 March 2019 regarding Issuance of Taxpayer Identification Number Certificate (TIN);
- **Registering for Value Added Tax** has been cancelled pursuant to Notification of the Ministry of Finance No. 2720/PSO, dated 12 November 2019 regarding Registration in the Value Added Tax System;
- **Registering for a Company Seal** has been combined in the same procedure with the procedure for carving seal (an enterprise will receive the Approval for the Use of Seal together with the company seal) pursuant to Decision No. 1784/MOPS, dated 02 October 2018 regarding Management and Production of Enterprise Seal and Notification No. 2140/PSO.DERM, dated 03 October 2019;
- **Obtaining Approval of Content on the Company Signage** has been cancelled according to Delivery Note No. 49/PSO, dated 10 June 2019 regarding Improvement of Enterprise's Signage pursuant to Notification of the Permanent Secretary Office, Ministry of Industry and Commerce No. 2823/PSO.DERM, dated 26 November 2018.

3. Currently, there are three (03) procedures that are required for starting a business:

**Procedure 1:** Obtain the Enterprise Registration Certificate within 10 working days (referring to Decision No. 0023/MOIC.DERM, dated 09 January 2019 regarding Enterprise Registration);

**Procedure 2:** Carve and register a company seal within 5 working days (referring to Decision No. 1784/MOPS, dated 02 October 2018 regarding Management and Production of Seal);

**Procedure 3:** Register the workers for social security within 2 working days (referring to Instruction No. 1206/MLSW, dated 23 April 2019 regarding Implementation of the Law on Social Security-Amended).

4. Procedures to Start a Business in Lao PDR must comply with the relevant regulations for 03 procedures aforementioned in Section 3 above. In the event that any person or authority requires investors to conduct any further procedures as provided in Section 2 of this Notice, it is to notify to the relevant Enterprise Registration and Management Sector in order to coordinate with the relevant sectors or compile and report to the higher authority for consideration of problem-solving measures.

Therefore, it is notified for your awareness and implementation.

**Director-General of Permanent Secretary Office**

[seal and signature]

Mme. Bansati Thepphavong