

Datasheet for business formalities.

Technical Assistance for Business Regulation Review and Rationalization in Lao PDR

REGISTRATION DATA		
Name of formality	License to Invest in Concession Business	
Type of formality	Other	
Formality Code	Date of last modification	Responsible Authority
MoPI-IPD-2	27.12.2017	Investment Promotion Department

BACKGROUND DATA	
Means of presentation	At the Authority Offices
Specific sector linked to the formality	A - Agriculture, forestry and fishing, B - Mining and quarrying, D - Electricity, gas, steam and air conditioning supply, K - Financial and insurance activities, All sectors
Purpose for enforcing the business formality	Since the concession business includes the business sector that are important to the Lao economy, for instance, power, mining, agriculture and others, it is necessary to apply for a license to invest in those business in order to ensure the maximum benefit and minimum risk from the investment in those businesses.
Who should complete this business formality?	Any legal entity that intends to invest in the concession business that means a business that the Government gives concession of the Government's rights to private sector to develop or operate certain types of businesses (i.e. land concession, aviation business, mining business and electricity generation business).
The formality has online information?	YES
Link to online information	www.investlao.gov.la
The formality has an application form?	YES
Any additional comment concerning the formality	

REQUIREMENTS AND SUPPORTING EVIDENCE		
Time it takes to the authorities to process the formality	65	1. One-Stop Office shall submit the application forms to get technical comments from the lined agencies within 2 working days and the lined agencies shall response within 30 working days; 2. After getting technical comments from the lined agencies, the application form shall be submitted to the Investment Committee for their general approval within 30 working days; 3. After getting the general approval from the Committee, the team will negotiate the Memorandum of Understanding or other form of agreement

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REQUIREMENTS AND SUPPORTING EVIDENCE	
	with the investor for the feasibility study and environmental and social impact assessment process; 4. After the execution of the concession agreement with the investor, this Formality shall be issued within 3 working days.
Qualifications needed by the business to get the formality	1. The applicant shall have the experience and business operation that has been proven as successful by the relevant lined agencies; and shall have sufficient capital and source of fund as endorsed by the domestic or foreign financial institutions; 2. The applicant shall meet the required qualifications and conditions for the business operation of each type as defined in each relevant laws (i.e. Electricity Law or Mining Law). 3. The enterprise shall have the registered capital (equity) not less than 30 percent of the total investment cost.
Is there any reason for the authority to deny the issuing of the formality?	Deny in case that the investor cannot meet the qualifications as defined for such specific concession burins or the lined agencies have the technical comments that such investment shall be denied.

RENEWAL INFORMATION	
Does the formality have a validity or an expiration date?	How long will the formality be valid for? (in months)
YES	600
What is the process and conditions to renew the formality?	The total Concession investment term would depend on type, size, investment cost, conditions, business feasibility as defined for each specific sector; provided that the maximum period is 50 years and can only be extended with the approval from the Government, the National Assembly or the Provincial Assembly pursuant to their mandates under the relevant laws.

ISSUING FEES				
Has application fees?	Service fees businesses need to disburse	Certificate fees businesses need to disburse	Application fees businesses need to disburse	Total fees businesses need to disburse
YES	0.00	320000.00	50000.00	370000.00
Comments	Relevant laws and regulations (including Presidential Edict) do not define the applicable fee but the authority informed that the total fee is 370,000 LAK.			

RENEWAL FEES				
Has renewal fees?	Service fees businesses need to	Certificate fees businesses need to	Renewal fees	Total renewal fees businesses

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RENEWAL FEES				
	disburse	disburse	businesses need to disburse	need to disburse
NO	70000.00	30000.00	0.00	100000.00
Comments	Relevant laws and regulations (including Presidential Edict) do not define the applicable fee but the authority informed that the renewal fee is 100,000 LAK per time.			

LEGAL FRAMEWORK			
Name	Number	Date	Comment
Law on Promotion of Investment (Revised)	14/ສພຊ	17.11.2016	Chapter 4 Concession Investment (Article 41 to Article 46) Article 52

REQUIRED DOCUMENTS	
Document Name	Comment
Environmental and Social Impact Assessment	
Copy of Enterprise Registration Certificate	ທະບຽນວິສາຫະກິດ ກໍລະນີເປັນນິຕິບຸກຄົນ
Copy of Passport of the Managing Director	ສໍານຳເນົາໜັງສືເດີນທາງຂອງຜູ້ລົງທຶນ
Criminal Certificate	ໃບແຈ້ງໂທດຂອງຜູ້ລົງທຶນ
Copy of ID card or Family book of Managing Director	ບັດປະຈຳຕົວຂອງຜູ້ລົງທຶນ
Article of Association	ກົດລະບຽບບໍລິສັດຕາມຮູບແບບທີ່ກຳນົດ
Financial Certification and active bank balance statement of at least 90 days backwards	ບົດລາຍງານຖານະການທີ່ຜ່ານການຢັ້ງຢືນ ສອງປີຫຼ້າສຸດ
Feasibility Study	
Power of Attorney (in case the applicant appoints the attorney to proceed with the application)	
Joint Venture Agreement	
Curriculum vate	ປະຫວັດຂອງຜູ້ລົງທຶນ ຫຼື ບໍລິສັດ

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STATISTICS (Issue or/and renewed number)		
Year	Issued	Renewed
2016	7	0

LIST OF ATTACHED DOCUMENTS		
Name of document	Type of document	File of document
General_project_concession_from_for_agriculture	Application form	general-project-concession-fro... 59ea0fe2b1973.doc
Energy_application_from	Application form	energy-application-from-final 59ea0f9d75a83.doc
Mining Application Form	Application form	mining-application-from-final 59ea103443d84.doc