



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Ministry of Industry and Commerce

No. 0479/MOIC
Vientiane Capital, 05 April 2023

Instruction

On notification of recognition and request for permission to conduct electronic commerce business

- According to the decree on electronic commerce no. 296/GOL, dated 12 April 2021.
- According to the decree on the organization and activities of the Ministry of Industry and Commerce No. 604/PM, dated 15 October 2021.
- According to the proposal letter from the Department of Internal Trade no. 1060/DIT, dated 01 November 2022.

Minister of Industry and Commerce issues an instruction:

I. Objectives

1. To expand the content of article 6 to 17, 35 to 40, 42, 51 and article 59 of decree on the electronic commerce no. 296/GOL, dated 12 April 2021 to be more detailed, clear, precise and uniform in the implementation nationwide.
2. To instruct, further explain on the certification, recognition and licensing management on the doing of electronic commerce business.
3. To promote the doing of electronic commerce business growth, ensure fair competition, protect rights and benefits of entrepreneurs and consumers and contribute to the socio-economic development of the country.

II. Additional instruction to some contents

1. Chapter III, category 1 on the notification of electronic commerce business

1.1 article 10 on the notification of electronic commerce business

The notification of electronic commerce is the provision of individual information or individuals doing electronic commerce through the electronic channels or business through the electronic commerce marketplace.

Individuals or legal entities doing electronic commerce on their own or in electronic commerce marketplace and the provision of service for electronic commerce must notify the Department of Internal Trade to consider providing the recognition certification and license on electronic commerce within ninety days from the date this instruction becomes effective. Failing to submit for the business license within the specified time, measures will be enforced as set in the article 59 of the decree on the electronic commerce, laws and relevant regulations.

1.2. Article 11 required documents for the notification of electronic commerce

Required documents for the notification on the recognition of electronic commerce based on following conditions:

A. For business units

1. Request letter issued by the Department of Internal Trade;
2. A copy of business certificate except those business units that are not subject for business registration
3. A copy of business license as per requirement
4. A copy of certificate on the use of payment service in Lao PDR
5. Two of the 3x4 photos in white background that are taken within three months.
6. Letter of attorney in the event of not being able to submit documents.

B. For individuals

1. Request letter issued by the Department of Internal Trade;
2. A copy of identity card or family registration book
3. Certificate of residence
4. A copy of certificate on the use of payment service in Lao PDR
5. Two of 3x4 sized photos in white background that are taken within three months.
6. Letter of attorney in the event of not being able to submit documents.

1.3 Article 12 the recognition certification of the electronic commerce

After receiving complete and accurate required documents as specified in article 11 of the decree on the electronic commerce, the Department of Internal Trade must consider

issuing the recognition certification on the electronic commerce within three official working days. In the event of incomplete, inaccurate or rejected documents, the Department of Internal Trade must provide a written response explaining reasons for business to resubmit additional documents to the Department of Internal Trade to consider such certification.

In the event of the traders informing their e-commerce business through their electronic platforms or electronic commerce market or multiple products or service notification, this can be done within a single certification without the need to issue it according to different types, products or services. Recognition certification is not a business license, but the recognition certification on electronic traders to build confidence in buying-selling and as reference of dispute settlement.

1.4. Article 13 application, expiration and adjustment making on the recognition certification of electronic traders.

The application of the recognition certification on electronic traders is two years and can be renewed. The renewal of the certificate must be submitted to the Department of Internal Trade at least thirty days prior to the expiration certificate.

Amendment on the content of the electronic trader certificate is the amendment made on electronic trader certificate such as the increase or decrease of the product or services items, types of electronic commerce, personal information of the notifier and other information to be submitted to the Department of Internal Trade to consider re-certifying the acknowledgment.

The re-issuance of the recognition certification is the re-issuance of the acknowledgment certification in case of lost or damaged certificate on electronic commerce.

The renewal, amendment or issuance of the electronic commerce certificate must submit request letters to the Department of Internal Trade as following:

- 1). A request letter as issued by the Department of Internal Trade.
- 2). The original copy or a copy of the certificate on the electronic commerce.
- 3). A copy of business license if the business requires license.
- 4). A certification letter on annual duty payment.
- 5). Annual report of business according to the format set by the Department of Internal Trade.

- 6). Supporting evidence in case of lost certificate.

1.5 The cancellation or termination of the electronic commerce recognition certificate

The electronic commerce recognition certificate will be canceled or terminated in the following conditions:

- 1). Business owners fail to pay duties as specified in article 36, article 38 and violate prohibitions as specified in the article 42 of the decree on electronic commerce.
- 2). Business owners voluntarily propose for the termination of business.
- 3). There is a decision made by the people's court for bankruptcy or for termination according to law on doing business.

2. Section III, chapter II the request for doing electronic commerce business license

2.1. Article 14 the request for doing electronic commerce business license

Individuals or legal entities who have objectives to run electronic commerce in the form of providing services for electronic marketplace must submit required documents to the Department of Internal Trade for consideration to issue a business license on providing services for electronic marketplace.

2.2. Article 15 required documents for the electronic commerce business licenses

required documents for the electronic commerce business licenses include:

- 1). A request letter as provided by the Department of Internal Trade;
- 2). A copy of business registration;
- 3). Business plan which includes main objectives as 1: objectives and goals, 2. traders acceptance in the electronic marketplace, 3). The payment of revenue and 4 dispute settlement mechanism;
- 4). Technical certification on the electronic commerce platforms issued by the ministry of technology and communication;
- 5). Service using license on electronic payment as regulated by the central bank of Lao PDR
- 6). Two of the 3x4 sized photos with white background within three months time;
- 7). Letter of attorney in case of not being able to submit by themselves.

2.3. Article 16 the consideration to issue electronic commerce business license

After receiving complete and accurate required documents as specified in article 15 of the decree on the electronic commerce, the Department of Internal Trade must consider

issuing an electronic commerce business license within five official working days. In case of incomplete and inaccurate documents or rejection, the Department of Internal Trade must provide written responses explaining reasons for rejection for business license requesters/applicants to re-submit complete and accurate documents to the department to consider issuing such license.

In case of electronic commerce service providers have the objectives to run their business in their own electronic platforms/marketplace and electronic commerce marketplace or inform product or service types, it must be issued within the same form of electronic commerce business license without the need to issue the recognition certification or a license separately according to types of electronic commerce, product or service type.

There are two types of electronic commerce business licenses such as: printing or electronic types through electronic platforms as specified by the Department of Internal Trade. Both types hold the same value and equal effectiveness.

2.4 article 17 application, application duration and amendment of the content of the electronic commerce certificate.

The application duration of the electronic commerce business licenses is three years and can be renewed. The renewal of the license must be submitted to the Department of Internal Trade at least thirty days prior to the expiration of the license.

The amendment of the license must amend the contents of the electronic commerce license such as the increase or decrease, type of electronic commerce, business plan, personal information of the notifier and other information for the Department of Internal Trade to consider issuing the renewal of the license.

The re-issuance of license is the re-issuance of the license in the event of lost or damaged license.

Renewal, the amendment or the issuance of the electronic commerce business license must request to the Department of Internal Trade following these required documents:

A. Renewal

- 1). A request letter as provided by the Department of Internal Trade;
- 2). The original copy or a copy of the electronic commerce business license;

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- 3). A copy of business license if the business is required license;
- 4). A certificate of the annual payment of duties;
- 5). A annual business report as set by the Department of Internal Trade;
- 6). A letter of attorney in case of not being able to submit by themselves.

B. Amendment of content

- 1). A request letter as provided by the Department of Internal Trade;
- 2). An original copy of electronic commerce business license;
- 3). Business plan;
- 4). A letter of attorney in case of not being able to submit by themselves.

C. Re-issuance of electronic commerce business license.

- 1). A request letter as provided by the Department of Internal Trade;
- 2). An copy of electronic commerce business license;
- 3). A copy of license if the business requires a license;
- 4). A certificate of annual payment of duty;
- 5). An evidence in case of damaged business license;
- 6). A letter of attorney in case of not being able to do the errand by themselves.

2.5. Cancellation or termination of electronic commerce business license

A electronic commerce business license will be canceled or terminated in the following cases:

- 1). Business owners do not comply with duty payment requirements as specified in article 40 and violate prohibitions as specified in article 42 of the decree on electronic commerce;
- 2). Business owners voluntarily propose to stop doing their business;
- 3). There is a verdict made by the people's court for bankruptcy or business termination according to laws.

3. Duty and service fees for the issuance of the recognition certificate and the electronic commerce business license

Duty and service fees for the issuance of the recognition certificate and the electronic commerce business license must follow specific regulations until the amendment of the presidential decree no. 002/president, dated 21 June 2021 comes to the completion.

4. Management of electronic commerce of industry and commerce sector

Management of electronic commerce include three levels as following:

- 1). Central level: The Department of Internal Trade.
- 2). Provincial level: the department of industry and commerce, Vientiane capital and province.
- 3). District level: the district of industry and commerce.

4.1. Rights and responsibilities of the Department of Internal Trade

The Department of Internal Trade has rights and responsibilities as following:

- 1). Research, create, disseminate, provide guidance on regulations on electronic commerce business for public recognition nationwide.
- 2). Promote to create environment that attract and facilitate on the electronic commerce business.
- 3). Research, issue, hold, terminate, cancel, amend, re-issue of the recognition certificate on electronic commerce and electronic commerce business license.
- 4). Collaborate with relevant agencies to consider settling electronic commerce disputes.
- 5). Develop, improve and maintain the electronic commerce information system including statistics of electronic commerce.
- 6). Collaborate with relevant agencies to promote the establishment of electronic commerce association of Lao PDR.
- 7). Periodically report on the implementation of the electronic commerce management to high level management for recognition.
- 8). Exercise rights and other duties as specified in laws and regulations.

4.2. Rights and responsibilities of the department of industry and commerce, capital and provincial

The capital and provincial department of industry and commerce hold rights and responsibilities as following:

- 1). Disseminate, provide guidance on regulations on the electronic commerce business for public recognition nationwide.
- 2). Collaborate with relevant agencies to consider settling electronic commerce disputes.

3). Collaborate with the district office of industry and commerce and other relevant agencies to manage and monitor business units for their electronic commerce activities within their provinces.

4). Exercise rights and other responsibilities as set by relevant laws and regulations.

4.3. Rights and responsibilities of the district of industry and commerce

The district of industry and commerce has rights and responsibilities as following:

1). Disseminate, provide guidance on regulations on electronic commerce business for public recognition within their own districts.

2). Collaborate with relevant agencies to consider settling electronic commerce disputes.

3). Collaborate with relevant agencies to manage and monitor business units for their electronic commerce activities within their districts.

4). Exercise rights and other duties as assigned by higher level management.

III. Implementation

1. The Department of Internal Trade is assigned to lead by collaborating with the provincial, capital, district office of the department of industry and commerce and other relevant agencies to disseminate and implement this instruction for the best results.
2. This instruction takes effect from the date of signing.

Minister
Malaythong Kommasith