# Lao People's Democratic Republic

## Law on Investment Promotion (Amended) (2024)

the law.



## Contents



# Law on Investment Promotion (Amended)

No. 62/NA Vientiane Capital, 28 June 2024

## Part I General Provisions

**Article 1. Objectives**

This Law defines principles, regulations and measures regarding the promotion and management of domestic and foreign investments in order to ensure that investments are carried out in a convenient, expeditious, transparent and proper manner, fully protected, and enjoy the State's supportive policies. These aim to attract quality investments; to entrench protections to rights and interests of the State, public, people, and investors; to connect with the regional and global economy; and to contribute to the continuous growth of the country's socio-economic development in line with the green and sustainably growth directions.

**Article 2. Investment Promotion**

Investment promotion refers to the formulation of incentives, and the creation of an enabling environment and favorable conditions that facilitate various investment aspects in order to enable investors to carry out their business operations in a convenient, expeditious, transparent, fair and lawful manner.

**Article 3. Definitions**

The terms used in this Law shall have the following meanings:

**Article 4. State's Policies on Investment Promotion**

The State promotes both domestic and foreign investments in all economic sectors by formulating policies to create a conducive environment and enabling conditions such as, building infrastructures, providing necessary information, customs duty, tax and labor incentives, land and water source usage rights, access to finance, and equal treatment including recognition and protection of ownership relating to users' rights, rights to interests, inheritance, transfer and other rights as provided for in the law

The State promotes investments in all sectors, businesses and zones nation-wide with exception of zones and businesses that compromise the national and public security, or pose significant immediate and long-term adverse impacts on the environment, human health and the nation's fine cultural heritage.

**Article 5. Principles on Investment Promotion**

Investment promotion shall observe the following principles:

**Article 6. Scope of Application**

This Law applies to domestic and foreign natural persons, legal entities, and organizations investing or being involved with investment activities in Lao PDR, as well as to investors based in Lao PDR who intend to invest abroad.

**Article 7. International Cooperation**

The State promotes foreign, regional, and international cooperation on investment promotion activities by sharing lessons, information, technologies and experiences relating to investment promotion and management, marketing, commerce, and source of funds in compliance with treaties that Lao PDR is a state party to, and other relevant international agreements

# Part II Investment Incentives, Supporting Policies and Protection

## Section 1 Investment Incentives

**Article 8. Investment Incentives**

Investment incentives refer to customs duty, tax, State land lease or concession incentives, and other sectoral or zonal based incentives as prescribed in Article 9 and 10 of this Law. Eligible investments for such incentives include investments in general businesses as well as those in the controlled list and those not in the controlled list, concession businesses, special and specific economic zones.

**Article 9. Sectoral-based investments**

Sectoral-based investments eligible for incentives are as follows:

The Government shall introduce a separate regulation to detail a list of sectoral-based investments eligible for incentives.

**Article 10. Zonal-based Investments**

Zonal-based Investments eligible for incentives are as follows:

- Zone 1: A zone where socio-economic infrastructures do not facilitate investments;
- Zone 2: A zone where socio-economic infrastructures facilitate investments.

The Government shall determine and reassess such a zone quinquennially.

**Article 11. Profit Tax Incentives for sectoral and zonal based investments**

An investor who undertakes a sectoral and zonal based investment defined in Article 9 and 10 of this Law shall enjoy a profit tax exemption as follows:

A profit tax exemption period shall commence from the year that the granted enterprise generates its business revenues or incomes

Upon an expiration of a profit tax exemption period as defined in this article, the Law on Income Tax shall be enforced.

The Government shall issue detailed regulations and procedures for the implementation of the tax exemption incentives as prescribed in this Law

**Article 12. Customs Duty, Income Tax, and Value-Added Tax Incentives**

An investor who undertakes a sectoral and zonal based investment shall enjoy customs duty incentives as follows:

Specialists working in promoted sectors shall enjoy a personal income tax incentive at a rate of five percent (5%). Such specialists and their eligibilities shall be defined in a specific regulation. Value-added tax incentives shall observe the Law on Value-Added Tax.

**Article 13. Access-to-Finance Incentive**

An investor obtains incentives in terms of gaining access to finance by borrowing from commercial banks and other financial institutions in Lao PDR and abroad in accordance with the relevant law.

**Article 14. Investment Expansion Incentive**

Investors who reinvest their net profits in order to add new businesses or expand existing business operations are entitled to a profit tax exemption for a period of one year in the following accounting year. Such an exemption is based on an actual proportion of the reinvested profit in a legal business operation as certified by a concerned sector.

Investors registering losses from their business operations may carry such losses forward and for them to be deducted against the profits of the following accounting year as provided for in the Law on Income Tax and other relevant laws.

An investment and/or business expansion by means of an additional capital injection shall also receive the investment promotion incentives as stipulated in paragraph one of this Article.

**Article 15. Rental or Concession Fee relaing to State Land Exemption**

An investor that undertakes a sectoral-based investment as prescribed in Article 9 of this Law shall be entitled to rental or concession fee relating to state land exemption as follows:

The details relating to a state land lease or concession fee exemption period are stipulated in a separate regulation.

**Article 16. State Land Use Incentives**

An investor that invests in a concession business in Lao PDR shall receive the state land use incentives as follows:

The Government shall issue an implementing regulation on state land use incentives.

## Section 2 Investment Supporting Incentives

**Article 17 Investment Supporting Incentives**

Investment Supporting Policies include:

**Article 18 Incentives on Information**

To ensure that investors receive complete, uniform, timely, and up-to-date information about investments in order to make informed investment decisions, an Investment Information Center shall be established at the relevant One-stop Investment Service Office.

The Investment Information Center is responsible for collecting and compiling investment-related information in order to create an information network, provide, and exchange relevant information such as through websites, guidebooks, journals, brochures, and other means for the benefits of interested parties, or for embassies, Lao consulates, or Lao trade representative offices situated abroad to further share with potential investors.

**Article 19 Other Supporting Incentives**

Investors shall receive other supporting incentives as follows:

Foreign investors along with their family members, foreign specialists, or experts involved with their investments shall be given special considerations for Lao PDR entry and exit including being granted a multiple-entry visa. Such a multiple-entry visa’s validity per time shall not exceed five (5) years.

Qualified investors based on the relevant regulation may apply for an honorary citizenship.

In the event it is deemed necessary to grant additional special incentives for certain sectoral or zonal based investments, the Government will propose to the National Assembly or its Standing Committee for consideration and approval.

The Government shall define a separate regulation to implement other supporting incentives for investors.

**Article 20 Implementation of Investment Incentives**

An Individual or legal entity eligible for investment incentives and supporting incentives as provided for in this Law may submit an application requesting an Investment Promotion Certificate with the relevant One-stop Investment Service Office.

The Government shall define criteria, procedure and timeframe for granting investment incentives in a separate regulation.

## Section 3 Investment Protection

**Article 21 Investment Protection**

The State protects the legitimate rights and interests, and equal rights of both domestic and foreign investors under the laws of Lao PDR, treaties that Lao PDR is a state party to, and relevant international agreements.

**Article 22 Forms of Investment Protection**

The State fully recognizes and protects an investor’s lawful investment against any expropriation, seizure or nationalization by means of administration actions.

In the event the Government needs to utilize an investor’s assets located within a project area for the public interests, the investor shall be compensated based on the actual investment value at the prevailing market price at the time of asset handing-over, and through a mutually agreed payment method.

**Article 23 Intellectual Property Protection**

The State recognizes and protects an investor’s intellectual property lawfully registered in accordance with the Law on Intellectual Property of Lao PDR, treaties that Lao PDR is a state party to, and relevant international agreements.

# Part III Investment Operation

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**Article 24 Investment Operation**

An investment operation refers a conduct of investment activities based on a form of investment, a type of investment business, requirements, procedure, registered capital, and a capital importation

## Section 1 Forms and Types of Investments

**Article 25 Forms of Investments**

Forms of investments are as follows:

The Government may hold shares in a concession business on a case-by-case basis as prescribed in the relevant laws.

**Article 26 Wholly Domestic or Foreign-owned Investment**

A wholly domestic or foreign-owned investment is an investment in a business or project in Lao PDR, that is entirely owned by single or multiple domestic or foreign investors.

**Article 27 Joint Investment between Domestic and Foreign Investors**

A joint investment between domestic and foreign investors is a shared investment between domestic and foreign investors to conduct a business, with a joint ownership, and establishment of a new legal entity under the laws of Lao PDR.

An establishment, business operation, management, and the rights and obligations of joint investors are defined in a joint venture agreement and the newly established legal entity's articles of association

**Article 28 Contract-Based Business Cooperation Investment**

A contract-based business cooperation investment is a joint business arrangement between a foreign legal entity and a domestic legal entity, including both state and private parties, through a business cooperation contract under the laws and regulations of Lao PDR for a defined period of time. Such an arrangement does not require an establishment of a new legal entity or a branch office in Lao PDR. Such a contract must clearly define the rights, obligations, and benefits of each party towards one another and the Government. After such a business cooperation contract is signed, the One-stop Investment Service Office shall be notified for its management and monitoring purposes; in addition, the signed contract shall be notarized in accordance with the relevant law of Lao PDR.

**Article 29 Joint Investment between State-Owned Enterprise and Private Enterprise**

A joint investment between a state-owned enterprise and a private enterprise is a joint investment between a state-owned enterprise and a private enterprise to conduct a business, with a joint ownership, and establishment of a new legal entity under the laws of Lao PDR.

An establishment, business operation, management, and the rights and obligations of the concerned state-owned enterprise and private enterprise are defined in a joint venture agreement and the newly established legal entity's articles of association.

**Article 30 Public-Private Partnership Investment**

A Public-Private Partnership (PPP) investment is a joint investment between the public sector and the private sector under a PPP agreement to implement a new infrastructure development project, renovate existing infrastructures, or deliver public services. Sectors, criteria, and procedures for PPP investments are prescribed in separate regulation.

**Article 31 Types of Investment Businesses**

Investment businesses are classified into two types as follows:

Sectors and local administrations shall be in charge of developing their respective investment inducement lists for each type of investment business based on the alignment with the national socio-economic development strategy, sectoral development plans, the national and local socio-economic development plans, and their comparative advantages, whereupon they will be used as information bases for the department of planning and investment to induce targeted investments.

## Section 2 General Business

**Article 32 Types of General Businesses**

Types of general businesses are as follows:

**Article 33 Business Listed in the Controlled List**

A business listed in the controlled list is a type of business activity that has impacts on the national security, public order, and the natural and social environments. To ensure a balanced socio-economic development, such a business shall undergo a review and consideration by relevant sectors before being granted an investment license by the Ministry of Planning and Investment or a Provincial Administration Committee in accordance with the delegated management authority. The Government shall determine the controlled list periodically.

**Article 34 Business Not Listed in the Controlled List**

A business not listed in the controlled list is a business activity that is open for an investment, in which a business registration and business operating license can be pursued in accordance with the Law on Enterprise and other relevant laws.

# Section 3 Investment Procedures for General Businesses

**Article 35 Application for Investing in Business Listed in the Controlled List**

An individual or a legal entity intending to invest in a business listed in the controlled list shall first apply for an enterprise registration with the Industry and Commerce Sector in accordance with the Law on Enterprise, then submit an application for an investment license with the Central or Provincial One-stop Investment Service Office. The One-stop Investment Service Office shall coordinate with relevant sectors to review such an application, and then propose to the Ministry of Planning and Investment or the concerned Provincial Administration Committee for consideration in accordance with the delegated management authority as prescribed in the relevant regulation. Once the investment license is granted, the applicant shall apply for a business operating license with the relevant sector authority in accordance with the relevant law

**Article 36 Timeframe to Consider Investment Application Relating to Business listed in the Controlled List**

The timeframe to consider an investment application relating to a business listed in the controlled list is as follows:

In the event that the investment lisense is not approved, the concerned One-stop Investment Service Office shall notify the investor applicant in writing within three (3) working days starting from the date of the decision being made.

**Article 37 Investment Change in relation to Business Listed in the Controlled List**

An investment in a business listed in the controlled list may be changed owing to various reasons, such as a change to business operation purposes or registered capital. Such a change needs an approval by an authority that grants an investor a business operating license in the first place. Changes to shareholders and other changes shall observe the relevant laws, then the concerned investor shall seek an update to its investment license and enterprise registration certificate with the Planning and Investment sector and the Industry and Commerce sector accordingly.

**Article 38 Application for Investing in Business not listed in the Controlled List**

An investor intending to invest in a business not listed in the controlled list shall submit an application to the Industry and Commerce sector to register its enterprise in accordance with the Law on Enterprise, and then obtain a business operating license from the relevant sector in accordance with the relevant law. For a business not listed in the controlled list and identified as a promoted sector, after obtaining a business operating license, the concerned investor may apply for an investment promotion certificate with the One-stop Investment Service Office.

**Article 39 Enterprise Registration Consideration for Business not listed in the Controlled List**

A consideration procedure and timeframe relating to an enterprise registration and business operating licensing for a business not listed in the controlled list shall observe the Law on Enterprise and other relevant laws.

**Article 40 General Business Investment Term**

An investment term in a general business has no limit unless being defined in other relevant laws.

# Section 4 Concession Business

**Article 41 Concession Business**

**Article 41 Concession Business**

A concession business is a business, in which the investor is granted a concession by the State in accordance with the relevant law in order to develop or operate a certain business such as land concession, special or specific economic zone development, mining, airport or road service, power development, or technology or com□munication operation

Under the concession business type, there is a special concession business. Such a concession business may be strategic by nature, involve the nation's exclusive rights which relate to the national security as well as concession of high value natural resources, or a project's area covering a number of provinces.

The Government shall determine the list of concession businesses and special concession businesses.

**Article 42 Investment Term for Concession Business**

An investment term for a concession business shall be subject to a business type, size, investment value, conditions, feasibility study in accordance with relevant laws but shall not exceed fifty (50) years.

An investment term for a concession business may be extended subject to its performance evaluation and a decision by the Government or the National Assembly or Provincial People's Assembly, within delegated authority as prescribed in the relevant laws.

# Section 5 Requirements and Procedure for Concession Business

**Article 43 Concession Business Investor Requirements**

A concession business investor shall satisfy the following requirements:

**Article 44 Investment Application and Supporting Documents**

An investment application and its supporting documents are as follows:

**Article 45 Application for Signing Memorandum of Understanding or Agreement to Conduct Concession Business Feasibility Study**

An investor intending to sign a Memorandum of Understanding (MOU) or Agreement to conduct a feasibility study relating a to special concession business shall submit an investment application together with supporting documents to the central One-stop Investment Service Office. For any other concession business that is not a special concession business, an investment application together with supporting documents are to be submitted to the provincial One-stop Investment Service Office

For a concession business governed by a specific law, an investment application is to be submitted to the relevant sector or local administration in accordance with delegated authority stipulated in the relevant law

For any project that the State already has complete information, a tender shall be announced to select a winning bidder in accordance with the relevant law

For any concession business that within a thirty (30) day timeframe attracts multiple investment proposals purporting to conduct the same business or within the same area, a competitive selection or tender shall be held in accordance with the relevant law.

The Government shall define specific regulations relating to tender

**Article 46 Procedure and Timeframe for Considering and Approving Investment Application Relating to Concession Business**

The procedure and timeframe for considering and approving an investment application Relating to a concession business are as follows;

1. Procedure for considering and approving a signing of an MOU or Agreement to conduct a project's feasibility study: An investor shall receive an approval to sign an MOU or Agreement to conduct a

concession business project's feasibility study within sixty-five (65) working days starting from the date the 21 relevant One-stop Investment Service Office receives a complete investment application. Such a procedure is as follows:

2. Procedure for Considering and Approving a Concession Agreement Signing: After signing the MOU or Agreement, the concerned investor shall satisfy the obligations and requirements set forth in the MOU or Agreement. The investor's performance shall be validated by the relevant sectors to obtain the feasibility study approval certificate, the environmental and social impact assessment report approval certificate and the environment and social management plan approval certificate, and the concession land area certificate. After that, the investor shall submit a request to the central or provincial One-stop Investment Service Office in accordance with the delegated management authority over concession businesses to consider signing a concession agreement. At the central level, the central One-stop Investment Service Office shall review such a request and report to the Ministry of Planning and Investment for consideration and approval in principle; similarly, at the provincial level, the provincial One-stop Investment Service Office shall review such a request and report to the Provincial Administration Committee for consideration and approval in principle. Upon an approval in principle, the respective One-stop Investment Service Office shall convene a meeting to discuss the concession agreement with the investor, in the presence of the relevant sectors and local administrations. After that, it shall report to the Government or the Provincial Administration Committee for consideration and approval a signing of a concession agreement. The Planning and Investment Sector representing the Government or The Provincial Administration Committee shall sign such a concession agreement. The investor shall deposit a monetary security at the National Treasury Department and satisfy all contractual obligations before the date of the concession agreement signing.

3. The Planning and Investment Sector is to issue a business license for a concession business in accordance with the delegated management authority.

**Article 47 Investment Change in relation to Concession Business**

An investment in a concession business may be changed owing to various reasons, such as more businesses being added, a change to shareholders or registered capital, or other changes as proposed by the investor. Such proposed changes shall be subject to an approval by a licensing authority that granted the original investment license in accordance with the delegated management authority as provided for by the law.

**Article 48 Transfer of Rights or Concession Business under Concession Agreement**

An Investor in a concession business may transfer its rights or concession business in part or in whole to another investor under the following requirements:

For a concession business in mining, energy, land, and agriculture and forestry sectors, such a transfer shall comply with the relevant laws and regulations.

In the event of being granted an approval for such a transfer, the concerned One-stop Investment Service Office shall inform the investor applicant to complete a payment of all taxes, fees, and service charges as stipulated by the relevant laws and regulations before referring to the Planning and Investment Sector for an amendment of investment documents. After that, the amended documents shall be notarized by the notary office of Lao PDR in accordance with the law.

**Article 49 Approval Right of the National Assembly**

The National Assembly has the approval right in relation to a concession business as follows:

For projects not listed in this Article, the relevant laws entering into force at the time shall be observed.

**Article 50 Approval Right of the Provincial People’s Assembly**

The Provincial People’s Assembly has the approval right in relation to a concession business as follows;

For a concession business in relation to land, electricity, and mining sectors, the relevant laws entering into force at the time shall be observed.

## Section 6 Registered Capital and Capital Importation

**Article 51 Registered Capital required for General Business**

A registered capital required for a general business shall comply with the Law on Enterprise and other relevant laws

**Article 52 Registered Capital required for Concession Business**

An investment project in a concession business shall have a minimum registered capital as follows;

The registered capital required for a concession business shall be clearly represented as assets. Throughout such a business operation period, the value of the assets shall not fall below the registered capital

### Article 53 Capital Importation for General Business

A foreign investor investing in a general business shall import at least 30% of the registered capital within ninety (90) days staring from the date of receiving a business operating license or an investment license. The remaining capital shall be imported within one (1) year, unless the relevant laws provide for otherwise. A capital may be imported in a monetary and/or in assets form in accordance with the relevant laws. Each capital importation shall be certified by the Bank of Lao PDR.

### Article 54 Capital Importation required for Concession Business

An investor investing in a concession business shall import the registered capital within ninety (90) days starting from the date the concession agreement coming into force, at the following minimum ratios:

The remaining registered capital shall be imported within two (2) years from the date of the concession agreement coming into force. A capital may be imported in a monetary and/or in assets form in accordance with the relevant laws. Each capital importation shall be certified by the Bank of Lao PDR

## Section 7 Representative Office

### Article 55 Representative Office of Foreign Legal Entity

A representative office of a foreign legal entity is an office that coordinates on behalf of its parent company to study investment potentials, follow up on a project that its parent company has a signed agreement with the State, or its parent company's operations relating to a business, investment, trade and services, and liaise with various public and private actors in Lao PDR.

### Article 56 Representative Office Establishment Application

A foreign legal entity intending to establish a representative office in Lao PDR shall submit an application to the relevant One-stop Investment Service Office for consideration and issuance of a representative office establishment license within fifteen (15) working days starting from the date of receiving such an application.

The representative office establishment license is a document recognizing the legal rights to operate as a representative office in accordance with its functions, rights and duties as prescribed in Article 55 of this Law, but not the right to engage in any business operation. Establishment guiding principles, rights and duties, the term and required capital of a representative office shall be defined in a separate regulation.

# Part IV Special and Specific Economic Zones

### Article 57 Special Economic Zone

A Special Economic Zone (SEZ) is an investment area within the sovereignty and territory of Lao PDR that has a specific investment governance mechanism and incentives introduced by the State's decision.

SEZ may consist of industrial parks, technological and information development areas, logistics areas, service areas, commercial areas, tourism areas, and others based on the State's decision.

SEZ creates conditions to attract investments that use high technologies and innovations in commercialization of agricultural production or clean manufacturing, which is resource and energy efficient for the purpose of sustainable and environmentally friendly development.

"Special Economic Zone" abbreviated in Lao as "□□□" and in English: "Special Economic Zone" and abbreviated in English as "SEZ."

### Article 58 Establishment of Special Economic Zone

The Government shall decide to establish SEZ based on a study and proposal by the Ministry of Planning and Investment in collaboration with relevant ministries and local administrations, and an approval by the National Assembly as stipulated in Article 49 (4) of this Law.

### Article 59 Requirements on Special Economic Zone Establishment

An establishment of a Special Economic Zone is subject to the following requirements:

**Article 60 Investment Management Arrangement for Special Economic Zone**

The Government centrally and uniformly manages SEZs nationwide by delegating management authorities to ministries, agencies, and local administrations in accordance with the relevant laws. Investment management arrangement for a SEZ is as follows:

SEZ management arrangement is defined in the relevant law and regulations

**Article 61 Specific Economic Zone**

A Specific Economic Zone (SpEZ) is an investment area established by the Government and located outside a Special Economic Zone for a specific business operation, such as an industrial park or a high technological zone.

Regarding an establishment and management of SpEZs, the relevant law and regulations shall be observed.

**Article 62 Land Concession Term for Special or Specific Economic Zone Development**

A land concession term for a SEZ or SpEZ development shall be determined based on the type, size, investment value, requirements, and economical-technical feasibility study of a business in accordance with the relevant laws, and shall not exceed fifty (50) years.

A land concession term for a SEZ or SpEZ development may be extended based on a performance evaluation and the National Assembly’s approval upon the Government’s proposal, provided that a developer has fully complied with a concession agreement in a lawful and effective manner, and generated benefits for the State and society

Twelve (12) months before an expiration of a concession agreement’s term, both parties shall complete a settlement of all assets belonging to a development project, and a transfer of land use rights and ownership of buildings and built infrastructure pertaining to the project and for them to be officially owned, assumed, liquidated and managed by the Government.

**Article 63 Investment Applications in Special and Specific Economic Zones**

A domestic or foreign individual or legal entity intending to invest in the Special Economic Zone or the Specific Economic Zone shall submit an investment application together with supporting documents to the Zone Management Committee through the One-stop Investment Service Unit located in the SEZ or SpEZ for consideration in accordance with the One-stop Investment Service mechanism.

A developer wishing to invest in any business within an SEZ or SpEZ other than those stipulated in the development contract is required to establish a new legal entity

**Article 64 Additional Incentives for Special and Specific Economic Zones**

In addition to the incentives stipulated in Part II of this Law, the Special Economic Zone and the Specific Economic Zone shall receive additional incentives as follows:

For industrial parks and high technological zones that the Government wishes to give special promotions by offering better incentives than the ones stipulated in this Law and other relevant laws, such as incentives relating to taxes, customs duties, a development of infrastructure, self generating-energy supply, and self-water supply, research and development, environmental protection, waste treatment and recycling, the Government may propose specific legal instruments to the Standing Committee of the National Assembly for consideration.

# Part V Overseas Investments

# Part V Overseas Investments

### Article 65 Application for Overseas Investment

An investor in Lao PDR intending to engage in overseas investment shall submit an application to the One-stop Investment Service Office for consideration and issuance of a license. An investor in Lao PDR intending to invest in securities abroad shall comply with the Law on Securities and related regulations.

### Article 66 Requirements for Overseas Investment

An investor in Lao PDR intending to engage in overseas investment shall satisfy the following requirements:

### Article 67 Rights and Obligations of Investors in Lao PDR Engaging in Overseas Investments

Investors in Lao PDR engaging in overseas investments have the following rights to;

Investors in Lao PDR engaging in overseas investments have the following obligations:

Upon a termination of overseas investments, investors may repatriate funds and assets in accordance with the relevant laws.

# Part VI Rights and Obligations of Investors

## Section 1 Rights of Investors

### Article 68 Overall Rights of Investors

Investors have the following overall rights:

### Article 69 Rights of Investors to Their Business Operation Management

Rights of investors to their business operation management are as follow:

**Article 70 Rights of Investors to Employment**

Rights of investors to employment are as follows:

**Article 71 Right of Foreign Investors to Residence**

Foreign investors together with their family members have the right to residence in the territory of Lao PDR in accordance with their investment terms. Foreign professionals and experts have the right to residence in the territory of Lao PDR in accordance with the terms of their employment contracts.

**Article 72 Rights of Foreign Investors to Repatriation of Capitals, Assets, or Revenues**

Foreign investors have the rights to repatriation of their capitals, assets or revenues, such as profits, funds, or other assets under personal or enterprises' ownership to overseas through banks located in Lao PDR and other relevant organizations, upon complete payments of customs duty, tax and charge to the Government, as provided for by the relevant laws and regulations of Lao PDR.

A repatriation of capitals and/or funds includes:

# Section 2 Obligations of Investors

**Article 73 Economic Obligations**

An investor has the following economic obligations

**Article 74 Social Obligations**

An investor has the following social obligations:

**Article 75 Environmental Obligations**

An investor has the following environmental obligations:

# Part VII One-stop Investment Service

**Article 76 One-stop Investment Service Office**

The One-stop Investment Service Office is a State agency established for the purpose of investment facilitation and service in Lao PDR. The One-stop Investment Service Office is abbreviated as "OISO". There are two levels of OISO namely:

An establishment and operations of the Central and Provincial OISOs are to be provided for by a separate regulation.

**Article 77 The Central One-stop Investment Service Office**

The Central OISO is the Investment Promotion Department that acts as the central coordinating body in collaborating with the one-stop investment service coordinating committees of relevant ministries and State agencies, such as the Ministry of Industry and Commerce, the Ministry of Finance, the Ministry of Natural Resources and Environment, the Ministry of Energy and Mines, the Ministry of Agriculture and Forestry, the Ministry of Labor and Social Welfare, the Ministry of Public Works and Transport, the Ministry of Information, Culture and Tourism, the Ministry of Public Security, and other ministries and ministerial-level equivalent agencies

Ministries and ministerial-level equivalent agencies shall establish their own one-stop investment service coordinating committees.

**Article 78 The Provincial OISO**

The Provincial OISO is the Provincial Planning and Investment Department that acts as the central coordinating body in collaborating with the one-stop investment service coordinating committees of relevant provincial departments, such as the provincial department of Industry and Commerce, the provincial department of Finance, the provincial department of Energy and Mines, the provincial department of Natural Resources and Environment, the provincial department of Agriculture and Forestry, the provincial department of Labor and Social Welfare, the provincial department of Public Works and Transport, the provincial department of Information, Culture and Tourism, the provincial department of Public Security.

Provincial departments shall establish their own one-stop investment service coordinating committees.

**Article 79 Principles of One-stop Investment Service**

The principles of One-stop Investment Service are as follows:

**Article 80 Rights and Duties of One-stop Investment Service Office**

The One-stop Investment Service Office has the following rights and duties:

# Part VIII Suspension, Cancellation, Termination of Investment, and Dispute Resolution

**Article 81 Suspension of Investment Project Implementation**

An implementation of any investment project shall be suspended in the following events:

1. The investment or business operating licensing authority may suspend an investment project implementation based on the following events:

1.1A recommendation by the relevant sector or local administration due to a failure to meet investment objectives or a breach of agreement or a violation of relevant laws, in which the licensing authority has issued a warning in writing with a clear timeframe for the concerned investor to take corrective actions. In the event that the investor fails to deliver within the established timeframe, the investment project in question shall be suspended.

1.2 A request by the investor, to which the licensing authority shall coordinate with relevant sectors to undertake an evaluation before granting a suspension

2. A local administration in coordination with relevant sectors at the central level may suspend an investment project implementation in whole or in part in the event that the project causes severe social or environmental impacts.

**Article 82 Reasons for Investment Cancellation**

An investment shall be canceled in the following events:

In any cancellation event of the investment, the concerned investor is not exempted from obligations and debts owed to individuals, legal entities, or the State

**Article 83 Cancellation of Investment**

An investment cancellation shall be as follows:

**Article 84 Termination of Investment**

### Article 84 Termination of Investment

An investment is terminated in the following events:

### Article 85 Dispute Resolution

An investment dispute resolution shall observe the Law on Economic Dispute Resolution, and other relevant laws their sub-legislations then in force.

# Part IX Prohibitions

### Article 86 General Prohibitions

Individuals, legal entities, or organizations are prohibited to perform the following acts:

### Article 87 Prohibitions relating to Investors

Investors are prohibited against:

### Article 88 Prohibitions relating to Officers, Government Officials, and Civil Servants

Officers, government officials or civil servants are prohibited against:

# Part X Investment Promotion Management and Inspection

## Section 1 Investment Promotion Management

### Article 89 Investment Promotion Management Authorities

The Government centrally and uniformly manages investment promotion activities nationwide by assigning the Planning and Investment Sector as the main regulatory authority in collaboration with the Industry and Commerce Sector, the Finance Sector , other sectors, and local administrations.
Investment promotion management authorities include:

### Article 90 Rights and Duties of The Planning and Investment Sector

Regarding investment promotion management, The Planning and Investment Sector has the following rights and duties within its jurisdiction as follows:

**Article 91 Rights and Duties of the Industry and Commerce Sector**

The Industry and Commerce Sector has the following rights and duties within its jurisdiction as follows:

**Article 92 Rights and Duties of the Finance Sector**

The Finance Sector has the following rights and duties within its jurisdiction as follows:

**Article 93 Rights and Duties of the Provincial Administration Committee**

The Provincial Administration Committee has the following rights and duties within its jurisdiction as follows:

**Article 94 Rights and Duties of Other Sectors and Parties**

Other relevant sectors and parties have the rights and duties to cooperate, facilitate, and coordinate with the Ministry of Planning and Investment in managing investment promotion activities within their respective roles and responsibilities

## Section 2 Investment Promotion Inspection

**Article 95 Investment Promotion Inspection Authorities**

The investment promotion inspection authorities include:

The investment promotion inspection authorities have the right to propose remedial measures to relevant sectors in the event violations of the laws relating to investment promotion and management are found.

**Article 96 Scope of Inspection**

The scope of inspection includes:

**Article 97 Forms of Inspection**

There are three forms of inspection:

An investment inspection must strictly comply with the Law.

# Part XI Awards for Good Performances and Sanctions Against Violations

**Article 98 Awards for Good Performances**

Individuals, legal entities, or organizations demonstrating outstanding compliance with this Law such as, showcasing effective investments, significantly contributing to the socio-economic development, further attracting and promoting investments shall receive recognitions and other awards in accordance with relevant regulations.

**Article 99 Sanctions Against Violations**

Individuals, legal entities, or organizations violating this Law shall be subject to education, warning, disciplinary action, fines, civil liability for caused damages, or criminal liability according to the relevant laws.

# Part XII Final Provisions

**Article 100 Implementation**

The Government of Lao People’s Democratic Republic is responsible for implementing this Law

**Article 101 Entry into Force**

This Law shall enter into force on 1 October 2024 after being promulgated by the President of Lao PDR and published in the Official Gazette

This Law shall replace the Law on Investment Promotion No. 14/NA, dated 17 November 2016, and the Law on Amending Article 12 of the Law on Investment Promotion (Amended 2016) No. 80/NA, dated 4 December 2019.

Developers or investors whom have already received incentives under agreements with the Government shall not be affected until such agreements come to an end. If they wish to receive investment incentives under this Law, they must request to the relevant sector within one hundred and eighty (180) days. The relevant sector shall then notify the applicant an entry into force.