

**Datasheet for business formalities.**

**Technical Assistance for Business Regulation Review and Rationalization in Lao PDR**

REGISTRATION DATA		
<b>Name of formality</b>	<b>License to Operate the General Insurance Company</b>	
<b>Type of formality</b>	License	
<b>Formality Code</b>	<b>Date of last modification</b>	<b>Responsible Authority</b>
MoF-MDSEID-4	09.01.2018	State-Owned Enterprise Investment Management and Insurance Department

BACKGROUND DATA	
<b>Means of presentation</b>	At the Authority Offices
<b>Specific sector linked to the formality</b>	K - Financial and insurance activities
<b>Purpose for enforcing the business formality</b>	Insurance is characterized as a business vested or affected with the public interest – the insurance consumers and policyholders. The enterprise will raise funds from the public and has a mandatory obligation to compensate the beneficiary upon all the losses; therefore, the qualification, the technical and financial competence and the solvency of the enterprise is very important and the regulators shall ensure that those enterprises shall pass all the qualifications in order to monitor and supervise and ultimately avoid the risk to the general public from entering into the agreement and trusting those entities. To prevent the financial risk an individual may encounter when buying insurance products
<b>Who should complete this business formality?</b>	Individual or entities that intends to establish or operate General Insurance, including assets insurance, third-party liability and other non-life insurance (i.e. health insurance, accident insurance, transportation insurance, vehicle insurance, fire insurance, financial insurance or business insurance, etc.).
<b>The formality has online information?</b>	NO
<b>Link to online information</b>	
<b>The formality has an application form?</b>	YES
<b>Any additional comment concerning the formality</b>	1. Firstly, the Temporary License will be issued for the period of 1 year for the purpose of monitoring and supervision and after it is proven to be in full compliance with all the requirements and conditions, the Permanent

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<b>BACKGROUND DATA</b>	
	License will be issued. 2. Currently, the Government issued a notice to suspend the issuance of this Formality to a newly-established entity.

<b>REQUIREMENTS AND SUPPORTING EVIDENCE</b>	
<b>Time it takes to the authorities to process the formality</b>	15
<b>Qualifications needed by the business to get the formality</b>	1. The enterprise shall get the Investment License from the Ministry of Planning and Investment; 2. The founder shall have a good business history, never been convicted of a deliberate offense in a deliberate offensive economy, not on the list of terrorists and transnational crimes; 3. Having a minimum registered capital of 16 billion LAK throughout the business period 4. Depositing cash of 1/3 of the registered capital in the blocked bank account opened with the commercial bank operating in Lao PDR and notify the Ministry of Finance of such deposit; provided that the investor shall follow the following conditions: (a) for the open, withdrawal or closure of the deposit account, it shall be jointly signed between the insurance company and the Department; (b) that commercial bank shall be informed that the authority from the Department shall be authorized to monitor the total balance in the bank account; and (c) the withdrawal of the deposit proceeds shall be approved by the Ministry of Finance. 5. Having staff or personnel that have knowledge, competence, expertise and certificates in the insurance fields; 6. Having clear business operation plan for a short, medium and long term; 7. Never being revoked of the License to Operate Life Insurance Business in the past 5 years; and 8. In the case of the foreign investor, the investors shall: (a) having the insurance experience for at least 5 years; (b) having the License for the Establishment of the Representative Office of the foreign insurance company; and (c) having the permit to establish and operate insurance business from the origin country of such investor.
<b>Is there any reason for the authority to deny the issuing of the formality?</b>	Deny in the case that the applicant cannot meet the required qualifications or conditions defined under the Law.

<b>RENEWAL INFORMATION</b>	
<b>Does the formality have a validity or an expiration date?</b>	<b>How long will the formality be valid for? (in months)</b>
YES	12
<b>What is the process and conditions to renew the formality?</b>	The Formality shall be valid for one year, starting from 1 January to 31 December and the Enterprise shall renew and pay the renewal fee within the first 3 months of the following year (within 30 March of every year).

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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	10000000.00	0.00	50000.00	10050000.00
<b>Comments</b>	Reference: MOF Instruction No. 770/MOF Application Form Fee is collected upon purchase of the form but the fee is not included in any legal act.			

RENEWAL FEES				
Has renewal fees?	Service fees businesses need to disburse	Certificate fees businesses need to disburse	Renewal fees businesses need to disburse	Total renewal fees businesses need to disburse
YES	2000000.00	0.00	50000.00	2050000.00
<b>Comments</b>	Reference: MOF Instruction No. 770/MOF Application Form Fee is collected upon purchase of the form but the fee is not included in any legal act.			

LEGAL FRAMEWORK			
Name	Number	Date	Comment
Law on Insurance (Revised)	06/ສພຊ	21.12.2011	Part II Insurance (Article 11 – 14) Part IV Insurance Business Operation Chapter 1 Establishment and Operation of Insurance Business (Article 17 to Article 25) Chapter 2 Foreign-invested Insurance Company and Insurance Brokerage (Article 28 to Article 35)
Instruction on the Issuance of the Insurance Operating Licenses	770/ກງ	21.03.2016	Article 3, 7, 8, 9, 10.
Notice on the Suspension of the Approval of Newly-established Insurance Investment	1199/ຫສນຍ.ກລຂ	17.08.2016	
Instruction Implementing Law on Insurance	539/ກງ	19.02.2014	Article 5, 6 and 15

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REQUIRED DOCUMENTS	
Document Name	Comment
Certificate for Enterprise Registration of Company Limited	
Evidence for the placement of required guarantee	
Power of Attorney (in case the applicant appoints the attorney to proceed with the application)	ໃບມອບຜົນທະ ຫຼື ໃບມອບສິດຂອງຜູ້ຖືກມອບໝາຍໃຫ້ແຈ້ງຂຶ້ນທະບຽນວິສາຫະກິດ
Photograph of the Managing Director	ຮູບຂະໜາດ 3x4 ຈຳນວນ 6 ໃບ (ຮູບຂອງຜູ້ອຳນວຍການທີ່ຕົກລົງໃຫ້ແຈ້ງຂຶ້ນໃບອະນຸຍາດດຳເນີນທຸລະກິດໄຟ, ຮູບບໍ່ເກີນ 3 ເດືອນ)
Joint Venture Agreement / Partnership Agreement / Incorporation Agreement	ສັນຍາສ້າງຕັ້ງບໍລິສັດປະກັນໄພ
Location Confirmation of Enterprise	
Business Plan	ແຜນການດຳເນີນທຸລະກິດ 5 ປີທຳອິດ
Resolution of Shareholders	
Curriculum vitae of Managing Director	
Copy of ID card or Family book of Managing Director	
Copy of Passport of the Managing Director	
Article of Association	

STATISTICS (Issue or/and renewed number)		
Year	Issued	Renewed
2017	11	2
2016	3	0

LIST OF ATTACHED DOCUMENTS		
Name of document	Type of document	File of document

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LIST OF ATTACHED DOCUMENTS		
ຄໍາຮ້ອງ ຂໍໃບອະນຸຍາດດໍາເນີນທຸລະກິດການປະກັນໄພທີ່ວ່າ	Application form	01 5993ba7468efc.pdf