

Datasheet for business formalities.

Technical Assistance for Business Regulation Review and Rationalization in Lao PDR

REGISTRATION DATA		
Name of formality	License to Operate Direct Sales Business	
Type of formality	License	
Formality Code	Date of last modification	Responsible Authority
MolC-DTD-16	28.12.2017	Domestic Trade Department

BACKGROUND DATA	
Means of presentation	At the Authority Offices
Specific sector linked to the formality	G - Wholesale and retail trade; repair of motor vehicles and motorcycles
Purpose for enforcing the business formality	Since the direct sale businessperson will be selling the products to the consumer in a direct and close way, it is necessary to ensure that the quality and standard of the business operation to prevent all the risk to the consumer.
Who should complete this business formality?	Any person or legal entity that intends to operate direct sale business that means the sale of products directly to the consumer either at their residence or other places.
The formality has online information?	NO
Link to online information	
The formality has an application form?	NO
Any additional comment concerning the formality	Currently, the Department of Domestic Trade has issued a notice of suspended of the request for permission to conduct the direct sales business No 0788 dated on April 11, 2017

REQUIREMENTS AND SUPPORTING EVIDENCE	
Time it takes to the authorities to process the formality	10
Qualifications needed by the business to get the formality	1. The applicant shall have the minimum registered capital of 40 Billion LAK; 2. The applicant shall deposit 5% of the registered capital in the fixed account opened with the commercial bank and such deposit shall be maintained as the guarantee throughout the investment and business operation period of such enterprise.
Is there any reason for the authority to deny	Deny in case that the applicant cannot meet the required qualifications or it is determined that the payment scheme is exaggerated or too excessive.

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REQUIREMENTS AND SUPPORTING EVIDENCE	
the issuing of the formality?	

RENEWAL INFORMATION	
Does the formality have a validity or an expiration date?	How long will the formality be valid for? (in months)
YES	12
What is the process and conditions to renew the formality?	Relevant laws do not define the validity period of this Formality but the authority informed that this Formality will be valid and shall be renewed on annual basis.

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	0.00	0.00	0.00
Comments	Currently, the Formality is not issued so all the fees are not collected and the relevant laws do not define the applicable fees.			

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	0.00	0.00	0.00	0.00
Comments	Currently, the Formality is not issued so all the fees are not collected and the relevant laws do not define the applicable fees.			

LEGAL FRAMEWORK			
Name	Number	Date	Comment
Order on the Direct Sale Business	0060/ອຄ.ກ ຄພງ	12.01.2017	Chapter 2 The Direct Sales Business Activities Articles 6 to 10

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REQUIRED DOCUMENTS	
Document Name	Comment
Evidence for the placement of required guarantee	
Certificate for Enterprise Registration of Company Limited	
Copies of a bank guarantee certificate from a bank where the business unit has opened an account	
Payment Scheme for Direct Sale Business	
Examples of a Direct Sale Representative Card	
Direct Sale Contract	ສັນຍາລະຫວ່າງ ຜູ້ດຳເນີນທຸລະກິດຂາຍກິ່ງ ກັບ ຕົວແທນຂາຍກິ່ງ ຫລື ຜູ້ຂາຍອິດສະຫລະ

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

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