

LAO PDR

Schedule of Specific Commitments

LAO PDR - SCHEDULE OF SPECIFIC COMMITMENTS
For the 2nd Package of Commitments under ASEAN - China FTA Trade in Services

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or Subsector	Limitation on Market Access	Limitation on National Treatment	Additional Commitments
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE	<p>(1) Borrowing from abroad by banks and enterprises shall be approved by the Bank of the Lao PDR.</p> <p>(2) A resident of Lao PDR who intends to invest directly or indirectly in a foreign country shall be approved by the concerned authorized organizations. The transfer of fund to be invested abroad shall be approved by the Bank of the Lao PDR.</p> <p>Bringing out of the Lao PDR the foreign currency more than 2,000 US\$ shall be approved by the Bank of the Lao PDR.</p> <p>(3) Commercial presence of foreign service suppliers can be in the following form: - A joint venture with one or more domestic Lao investors, - A wholly foreign-owned enterprise¹ - A branch or representative office</p>	<p>(1) As indicated in the market access column.</p> <p>(2) As indicated in the market access column.</p> <p>(3) Foreign service suppliers in the Lao PDR may lease land within the Lao PDR and transfer their leasehold interest; and they may own improvements on land and other moveable property and transfer those ownership interest.</p>	

¹ 100% foreign invested Companies

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	<p>The commercial presence of foreign service supplier shall be subject to approval of the concerned competent authority and of licensing by the Foreign Investment Management committee of the Lao PDR.</p> <p>The joint venture is established and registered under the laws and regulations of the Lao PDR. It is jointly owned and operated by one or more legal foreign investors/service suppliers and by one or more legal domestic Lao investors.</p> <p>The activities and relationship of its parties shall be governed by the contract between its parties and the Joint Venture's Articles of Association, in accordance with the laws and regulations of the Lao PDR.</p> <p>Foreign investors/service suppliers in a joint venture must contribute a minimum portion 30% of the total equity investment in that venture.</p> <p>The wholly foreign-owned enterprise is a foreign</p>	<p>Foreign enterprises subject to the Law on Promotion and Management of Foreign Investment in the Lao PDR shall pay an annual profit tax, calculated in accordance with the provisions of the applicable laws and regulations of the Lao PDR.</p> <p>Other Lao taxes, duties and fees shall also be payable in accordance with the applicable laws and regulations of the Lao PDR.</p>	

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	<p>investment/service supplier registered under the laws and regulations of the Lao PDR. By one or more legal foreign investors without the participation of legal domestic Lao investors. The enterprise established in the Lao PDR may be either a new company or a branch or representative office of a foreign company. The incorporation and registration of a foreign investment shall be in conformity with the Enterprise/Business Law of the Lao PDR. The terms of operations of an enterprise with foreign owned capital and of a business cooperation contract shall be specified in the investment license of each project in accordance with the laws and regulations of the Lao PDR.</p> <p>The branch or representative office of a foreign company shall have articles of Association which shall be consistent with the laws and regulations and the Business Law of the Lao PDR and subject to the approval of the Foreign Investment Management Committee of the Lao PDR.</p>		

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	<p>(4) Foreigners who work in Lao PDR shall be subject to the law on Promotion and Management of Foreign Investment in the Lao PDR and the regulations on immigration.</p> <p>However, foreign enterprises have the right to employ skilled and expert foreign personnel when necessary and with the approval of the competent authority of the Government of the Lao PDR.</p> <p>Facilitation for the entry into, travel within, stay within, and exit from the Lao territory of foreign investors/service suppliers, their foreign personnel, and the immediate family members of those investors, service suppliers and those personnel will be granted by the Government of the Lao PDR. All such persons are subject to and must obey the above mentioned laws and related regulations while they are on the Lao territory. Foreign investors/service suppliers have an obligation to upgrade the skills of their Lao employees, through such techniques as training in the Lao PDR or abroad</p>	<p>(4) Foreign service suppliers and their foreign personnel working within the Lao PDR shall pay to the Lao Government personal income tax, at a flat rate of ten percent (10%) of their income earned in the Lao PDR.</p>	

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II. SECTOR-SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES			
A. Professional Services	(1) None	(1) None	
(b) Architectural Services (CPC 8671)	(2) None	(2) None	
	(3) As specified in the horizontal section	(3) As specified in the horizontal section	
	(4) As specified in the horizontal section	(4) As specified in the horizontal section	
(c) Engineering services (CPC 8672)	(1) None	(1) None	
(d) Integrated engineering services	(2) None	(2) None	
- Integrated engineering services for transportation infrastructure turnkey projects (CPC 86731)	(3) a) As specified in the horizontal Section b) Not applied for public funded and foreign granted project	(3) Unbound	
- Integration engineering and project management services (CPC 86732)	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	

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- Integrated engineering services for construction of manufacturing turnkey projects (CPC 86733)	(1) None (2) None (3) Joint venture with Lao services Suppliers is required and foreign equity Participation limited 2/3. (4) As indicated in the horizontal section	(1) None (2) None (3) As indicated in the horizontal section (4) As indicated in the horizontal section	
(e) Urban Planning and landscape Architectural services - Urban planning services (CPC 86741) - Landscape architectural Services (CPC 86742)	(1) None (2) None (3) a) As per specified in the horizontal section b) Not applied for public funded and foreign granted project (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) Unbound, except as indicated in the horizontal section (4) Unbound, except as indicated in the horizontal section	

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(f) Computer and related services - Consultancy services related to the installation of computer hardware (CPC 841) - Software implementation services (CPC 842) - Database services (CPC 844)	(1) None (2) None (3) As per specified in the horizontal commitments (4) this has to be inconsistency with the Labour Law and Law on the Promotion And Management of the Foreign Investment	(1) None (2) None (3) Same as mention in market access (4) Same as mention in market access and in Law on taxation	
- Data processing services, Excluded sensitive data and for non-commercial purpose (CPC 843) - Other: Maintenance and repair services of Computer (Part of CPC 84500)	(1) None (2) None (3) As per specified in the horizontal commitments (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) Same as mention in market access (4) Unbound, except as indicated in the horizontal section	

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(h) Research and development services - R&D services on natural and engineering - (CPC 851) - Research and experimental department services - (CPC 852) - Interdisciplinary R&D services - (CPC 853)	(1) None	(1) None	
	(2) None	(2) None	
	(3) Joint venture with Lao services supplier is required	(3) Unbound	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
